

Senate File 2088 - Reprinted

SENATE FILE 2088
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO SSB 3030)

(As Amended and Passed by the Senate February 2, 2010)

A BILL FOR

1 An Act concerning state government reorganization and
2 efficiency, making appropriations, establishing fees
3 and penalties, and providing effective and applicability
4 provisions.

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

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DIVISION I

GOVERNMENT INFORMATION TECHNOLOGY SERVICES

Section 1. Section 8A.104, subsection 12, Code 2009, is amended by striking the subsection.

Sec. 2. Section 8A.111, subsection 3, Code 2009, is amended by striking the subsection.

Sec. 3. Section 8A.111, subsection 5, Code 2009, is amended by striking the subsection.

Sec. 4. Section 8A.201, subsection 1, Code 2009, is amended to read as follows:

1. "*Information technology*" means computing and electronics applications used to process and distribute information in digital and other forms and includes information technology devices, information technology services, infrastructure services, and value-added services.

Sec. 5. Section 8A.201, Code 2009, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. "*Infrastructure services*" includes all of the following:

a. Data centers used to support mainframe and other computers and their associated components including servers, information networks, storage systems, redundant or backup power systems, redundant data communications connections, environmental controls, and security devices.

b. Servers, mainframes, or other centralized processing systems.

c. Storage systems, including but not limited to disk, tape, optical, and other structured repositories for storing digital information.

d. Computer networks commonly referred to as local area networks.

e. Groupware applications used to facilitate collaboration, communication, and workflow, including electronic mail, directory services, calendaring and scheduling, and imaging systems.

- 1 *f.* Information technology help desk services.
- 2 *g.* Cyber security functions and equipment.
- 3 *h.* Digital printing and printing procurement services.
- 4 *i.* Data warehouses, including services that assist in
- 5 managing and locating digital information.
- 6 *j.* Disaster recovery technology and services.
- 7 *k.* Other similar or related services as determined by the
- 8 chief information officer.

9 Sec. 6. Section 8A.201, subsection 4, Code 2009, is amended
10 by striking the subsection and inserting in lieu thereof the
11 following:

12 4. "*Participating agency*" means any state agency, except
13 the state board of regents and institutions operated under the
14 authority of the state board of regents.

15 Sec. 7. Section 8A.201, subsection 5, Code 2009, is amended
16 to read as follows:

17 5. "~~*Technology governance board*~~ *advisory council*" means the
18 ~~board~~ council established in section 8A.204.

19 Sec. 8. NEW SECTION. **8A.201A Chief information officer**
20 **appointed.**

21 1. A chief information officer shall be appointed by the
22 governor to serve at the pleasure of the governor and is
23 subject to confirmation by the senate. If the office becomes
24 vacant, the vacancy shall be filled in the same manner as
25 provided for the original appointment.

26 2. The person appointed as the chief information officer
27 for the state shall be professionally qualified by education
28 and have no less than five years' experience in the field of
29 information technology, and a working knowledge of financial
30 management. The chief information officer shall not be
31 a member of any local, state, or national committee of a
32 political party, an officer or member of a committee in
33 any partisan political club or organization, or hold or be
34 a candidate for a paid elective public office. The chief
35 information officer is subject to the restrictions on political

1 activity provided in section 8A.416.

2 Sec. 9. Section 8A.202, subsection 2, paragraph g, Code
3 2009, is amended to read as follows:

4 *g.* Coordinating and managing the acquisition of information
5 technology services by participating agencies in furtherance of
6 the purposes of this chapter. The department shall institute
7 procedures to ensure effective and efficient compliance
8 with the applicable standards established pursuant to this
9 subchapter. ~~This subchapter shall not be construed to prohibit~~
10 ~~or limit a participating agency from entering into an agreement~~
11 ~~or contract for information technology with a qualified private~~
12 ~~entity.~~

13 Sec. 10. Section 8A.202, Code 2009, is amended by adding the
14 following new subsection:

15 NEW SUBSECTION. 4A. *Waivers.*

16 *a.* The department shall adopt rules allowing for
17 participating agencies to seek a temporary or permanent waiver
18 from any of the requirements of this subchapter concerning
19 the acquisition of information technology. The rules shall
20 provide that a waiver may be granted upon a written request by
21 a participating agency and approval of the chief information
22 officer. A waiver shall only be approved if the participating
23 agency shows that a waiver would be in the best interests of
24 the state.

25 *b.* Prior to approving or denying a request for a waiver, the
26 chief information officer shall consider all of the following:

27 (1) Whether the waiver would violate any state or federal
28 law; or any published policy, standard, or requirement
29 established by a governing body other than the department.

30 (2) Whether the waiver would result in the duplication of
31 existing services, resources, or support.

32 (3) Whether the waiver would obstruct the state's
33 information technology strategic plan, enterprise architecture,
34 security plans, or any other information technology policy,
35 standard, or requirement.

1 (4) Whether the waiver would result in excessive
2 expenditures or expenditures above market rates.

3 (5) The life cycle of the system or application for which
4 the waiver is requested.

5 (6) Whether the participating agency can show that it can
6 obtain or provide the information technology more economically
7 than the information technology can be provided by the
8 department. For purposes of determining if the participating
9 agency can obtain or provide the information technology more
10 economically, the chief information officer shall consider
11 the impact on other participating agencies if the waiver is
12 approved or denied.

13 c. Rules adopted pursuant to this subsection relating to a
14 request for a waiver, at a minimum, shall provide for all of
15 the following:

16 (1) The request shall be in writing and signed by the head
17 of the participating agency seeking the waiver.

18 (2) The request shall include a reference to the specific
19 policy, standard, or requirement for which the waiver is
20 submitted.

21 (3) The request shall include a statement of facts including
22 a description of the problem or issue prompting the request;
23 the participating agency's preferred solution; an alternative
24 approach to be implemented by the participating agency intended
25 to satisfy the waived policy, standard, or requirement; the
26 business case for the alternative approach; the economic
27 justification for the waiver or a statement as to why the
28 waiver is in the best interests of the state; the time period
29 for which the waiver is requested; and any other information
30 deemed appropriate.

31 Sec. 11. Section 8A.203, unnumbered paragraph 1, Code 2009,
32 is amended to read as follows:

33 The chief information officer, in consultation with
34 the director, shall do all of the following as it relates to
35 information technology services:

1 Sec. 12. Section 8A.203, subsection 1, Code 2009, is
2 amended to read as follows:

3 1. ~~Prescribe and adopt~~ Advise the director concerning the
4 adoption of information technology standards and rules.

5 Sec. 13. Section 8A.203, Code 2009, is amended by adding the
6 following new subsections:

7 NEW SUBSECTION. 6. Coordinate the internal operations
8 of the department as they relate to information technology
9 and develop and implement policies and procedures designed to
10 ensure the efficient administration of the department as they
11 relate to information technology.

12 NEW SUBSECTION. 7. Recommend to the director for adoption
13 rules deemed necessary for the administration of this
14 subchapter in accordance with chapter 17A.

15 NEW SUBSECTION. 8. Advise the director concerning
16 contracts for the receipt and provision of information
17 technology services as deemed necessary.

18 NEW SUBSECTION. 9. Exercise and perform such other
19 powers and duties related to information technology as may be
20 delegated by the director or as may be prescribed by law.

21 Sec. 14. Section 8A.204, Code 2009, is amended by striking
22 the section and inserting in lieu thereof the following:

23 **8A.204 Technology advisory council.**

24 1. *Definitions.* For purposes of this section, unless the
25 context otherwise requires:

26 *a. "Large agency"* means a participating agency with more
27 than seven hundred full-time, year-round employees.

28 *b. "Medium-sized agency"* means a participating agency with
29 at least seventy or more full-time, year-round employees, but
30 not more than seven hundred permanent employees.

31 *c. "Small agency"* means a participating agency with less
32 than seventy full-time, year-round employees.

33 2. *Membership.*

34 *a.* The technology advisory council is composed of ten
35 members as follows:

- 1 (1) The chief information officer.
- 2 (2) The director of the department of management, or the
3 director's designee.
- 4 (3) Eight members appointed by the governor as follows:
- 5 (a) Three representatives from large agencies.
- 6 (b) Two representatives from medium-sized agencies.
- 7 (c) One representative from a small agency.
- 8 (d) Two public members who are knowledgeable and have
9 experience in information technology matters.
- 10 *b.* (1) Members appointed pursuant to paragraph "a",
11 subparagraph (3), shall serve two-year staggered terms. The
12 department shall provide, by rule, for the commencement of the
13 term of membership for the nonpublic members. The terms of
14 the public members shall be staggered at the discretion of the
15 governor.
- 16 (2) Sections 69.16, 69.16A, and 69.19 shall apply to the
17 public members of the council.
- 18 (3) Public members appointed by the governor are subject to
19 senate confirmation.
- 20 (4) Public members appointed by the governor may be eligible
21 to receive compensation as provided in section 7E.6.
- 22 (5) Members shall be reimbursed for actual and necessary
23 expenses incurred in performance of the members' duties.
- 24 (6) A director, deputy director, or employee with
25 information technology expertise of an agency is preferred as
26 an appointed representative for each of the agency categories
27 of membership pursuant to paragraph "a", subparagraph (3).
- 28 *c.* The technology advisory council annually shall elect a
29 chair and a vice chair from among the members of the council,
30 by majority vote, to serve one-year terms.
- 31 *d.* A majority of the members of the council shall constitute
32 a quorum.
- 33 *e.* Meetings of the council shall be held at the call of the
34 chairperson or at the request of three members.
- 35 3. *Powers and duties of the council.* The powers and

1 duties of the technology advisory council as they relate to
2 information technology services shall include but are not
3 limited to all of the following:

4 *a.* Advise the chief information officer in developing and
5 adopting information technology standards pursuant to sections
6 8A.203 and 8A.206 applicable to all agencies.

7 *b.* Make recommendations to the chief information officer
8 regarding all of the following:

9 (1) Technology utility services to be implemented by the
10 department or other agencies.

11 (2) Improvements to information technology service
12 levels and modifications to the business continuity plan for
13 information technology operations developed by the department
14 for agencies, and to maximize the value of information
15 technology investments by the state.

16 (3) Technology initiatives for the executive branch.

17 *c.* Advise the department regarding rates to be charged
18 for access to and for value-added services performed through
19 IowAccess.

20 Sec. 15. Section 8A.205, subsection 2, paragraph f, Code
21 2009, is amended by striking the paragraph and inserting in
22 lieu thereof the following:

23 *f.* Assist participating agencies in converting printed
24 government materials to electronic materials which can be
25 accessed through an internet searchable database.

26 Sec. 16. Section 8A.206, subsection 1, Code 2009, is amended
27 to read as follows:

28 1. The department, ~~in conjunction~~ after consultation with
29 the technology ~~governance board~~ advisory council, shall develop
30 and adopt information technology standards applicable to the
31 procurement of information technology by all participating
32 agencies. Such standards, unless waived by the department
33 pursuant to section 8A.202, subsection 4A, shall apply to all
34 information technology procurements for participating agencies.

35 Sec. 17. Section 8A.207, Code 2009, is amended by adding the

1 following new subsection:

2 NEW SUBSECTION. 2A. The department shall develop policies
3 and procedures that apply to all information technology goods
4 and services acquisitions, and shall ensure the compliance
5 of all participating agencies. The department shall also be
6 the sole provider of infrastructure services for participating
7 agencies.

8 Sec. 18. Section 8A.221, Code 2009, is amended by striking
9 the section and inserting in lieu thereof the following:

10 **8A.221 IowAccess — duties and responsibilities.**

11 1. *IowAccess.* The department shall establish IowAccess as
12 a service to the citizens of this state that is the gateway
13 for one-stop electronic access to government information and
14 transactions, whether federal, state, or local. Except as
15 provided in this section, IowAccess shall be a state-funded
16 service providing access to government information and
17 transactions. The department, in establishing the fees for
18 value-added services, shall consider the reasonable cost of
19 creating and organizing such government information through
20 IowAccess.

21 2. *Duties.* The department shall do all of the following:

22 a. Establish rates to be charged for access to and for
23 value-added services performed through IowAccess.

24 b. Approve and establish the priority of projects
25 associated with IowAccess. The determination may also include
26 requirements concerning funding for a project proposed by
27 a political subdivision of the state or an association,
28 the membership of which is comprised solely of political
29 subdivisions of the state. Prior to approving a project
30 proposed by a political subdivision, the department shall
31 verify that all of the following conditions are met:

32 (1) The proposed project provides a benefit to the state.

33 (2) The proposed project, once completed, can be shared
34 with and used by other political subdivisions of the state, as
35 appropriate.

1 (3) The state retains ownership of any final product or is
2 granted a permanent license to the use of the product.

3 c. Establish expected outcomes and effects of the use of
4 IowAccess and determine the manner in which such outcomes are
5 to be measured and evaluated.

6 d. Establish the IowAccess total budget request and
7 ensure that such request reflects the priorities and goals of
8 IowAccess as established by the department.

9 e. Advocate for access to government information and
10 services through IowAccess and for data privacy protection,
11 information ethics, accuracy, and security in IowAccess
12 programs and services.

13 f. Receive status and operations reports associated with
14 IowAccess.

15 3. *Data purchasing.* This section shall not be construed
16 to impair the right of a person to contract to purchase
17 information or data from the Iowa court information system
18 or any other governmental entity. This section shall not be
19 construed to affect a data purchase agreement or contract in
20 existence on April 25, 2000.

21 Sec. 19. Section 8A.224, subsection 1, Code Supplement
22 2009, is amended to read as follows:

23 1. An IowAccess revolving fund is created in the state
24 treasury. The revolving fund shall be administered by the
25 department and shall consist of moneys collected by the
26 department as fees, moneys appropriated by the general
27 assembly, and any other moneys obtained or accepted by the
28 department for deposit in the revolving fund. The proceeds
29 of the revolving fund are appropriated to and shall be used
30 by the department to maintain, develop, operate, and expand
31 IowAccess consistent with this subchapter, and for the support
32 of activities of the technology ~~governance board~~ advisory
33 council pursuant to section 8A.204.

34 Sec. 20. REPEAL. Section 8A.223, Code 2009, is repealed.

35 Sec. 21. DEPARTMENT OF ADMINISTRATIVE SERVICES INFORMATION

1 TECHNOLOGY — UTILIZATION BY LEGISLATIVE AND JUDICIAL
2 BRANCH. The department of administrative services shall
3 consult with and explore opportunities with the legislative
4 and judicial branches of government relative to the providing
5 of information technology services to those branches of
6 government.

7 Sec. 22. CHIEF INFORMATION OFFICER — CONVENIENCE FEE
8 STUDY. The chief information officer of the state shall
9 conduct a study concerning convenience or other handling fees
10 charged by state agencies by credit or debit card or other
11 electronic means of payment. The goal of the study would be to
12 encourage the elimination of such fees wherever possible. The
13 department shall determine the extent and amount of the fees
14 charged, revenues generated by those fees, and explore ways to
15 reduce or eliminate the fees. The chief information officer
16 shall submit a report to the general assembly by January 15,
17 2011, concerning the results of the study, including any
18 recommendations for legislative consideration.

19 Sec. 23. STATE AGENCY ELECTRONIC RENEWAL NOTICES. State
20 agencies, as defined in section 8A.101, should, to the greatest
21 extent possible, utilize electronic mail or similar electronic
22 means to notify holders of licenses or permits issued by that
23 state agency that the license or permit needs to be renewed.
24 The chief information officer of the state shall assist state
25 agencies in implementing the directive in this section.

26 DIVISION II

27 ELECTRONIC RECORDS

28 Sec. 24. Section 7A.11A, Code 2009, is amended to read as
29 follows:

30 **7A.11A Reports to the general assembly.**

31 All reports required to be filed with the general assembly by
32 a state department or agency shall be filed by delivering one
33 ~~printed copy~~ and one copy in electronic format as prescribed by
34 the secretary of the senate and the chief clerk of the house.

35 Sec. 25. STUDY — CREATION, STORAGE, AND RETENTION OF

1 ELECTRONIC RECORDS — STATE AGENCIES. The departments of
2 administrative services and cultural affairs, in consultation
3 with the state records commission, shall conduct a study on and
4 make recommendations for the creation, storage, and retention
5 of state agency records in an electronic format and shall
6 submit a report containing the recommendations to the general
7 assembly by December 15, 2010. In conducting the study, the
8 departments shall collect and assess information from each
9 state agency that includes an inventory of each agency's
10 records including the types of agency records as well as agency
11 records series retention and disposition schedules. The
12 assessment shall include agency records identified as having
13 permanent historical value by the state records commission.
14 The departments shall also describe in the report what
15 efficiencies and cost-saving efforts could be achieved through
16 the creation, storage, and maintenance of such records in an
17 electronic format.

18 DIVISION III

19 PUBLICATION MODERNIZATION

20 Sec. 26. Section 2.42, subsection 13, Code 2009, is amended
21 to read as follows:

22 13. To establish policies with regard to the publishing
23 of printed and electronic versions of legal publications
24 as provided in chapters 2A and 2B, including the Iowa
25 ~~administrative code, the Iowa administrative bulletin, the~~
26 ~~Iowa Code, the Iowa Code Supplement, and the Iowa Acts~~ Acts,
27 Iowa Code, Code Supplement, Iowa administrative bulletin,
28 Iowa administrative code, and Iowa court rules, or any part
29 of those publications. The publishing policies may include,
30 but are not limited to: the style and format to be used; the
31 frequency of publication; the contents of the publications;
32 the numbering ~~system~~ systems to be used ~~in the Iowa Code, the~~
33 ~~Iowa Code Supplement, and the Iowa Acts;~~ the preparation of
34 editorial comments or notations; the correction of errors;
35 the type of print or electronic media and data processing

1 software to be used; the number of ~~printed~~ volumes to be
2 published; recommended revisions ~~of the Iowa Code, the Iowa~~
3 ~~Code Supplement, and the Iowa Acts~~; the letting of contracts
4 for the publication ~~of the Iowa administrative code, the Iowa~~
5 ~~administrative bulletin, the Iowa court rules, the Iowa Code,~~
6 ~~the Iowa Code Supplement, and the Iowa Acts~~; the pricing of
7 the publications to which section 22.3 does not apply; access
8 to, and the use, reproduction, legal protection, sale or
9 distribution, and pricing of related data processing software
10 consistent with chapter 22; and any other matters deemed
11 necessary to the publication of uniform and understandable
12 publications.

13 Sec. 27. Section 2A.1, subsection 2, paragraph d, Code 2009,
14 is amended to read as follows:

15 *d.* Publication of the official legal publications of
16 the state, including but not limited to the Iowa Acts, Iowa
17 Code, ~~Iowa Code Supplement, Iowa Acts, Iowa court rules~~, Iowa
18 administrative bulletin, ~~and Iowa administrative code~~, and
19 Iowa court rules as provided in chapter 2B. The legislative
20 services agency shall do all of the following:

21 (1) Designate a legal publication described in chapter 2B as
22 an official legal publication. The legislative services agency
23 may also designate a legal publication as an unofficial legal
24 publication. The legislative services agency may use the great
25 seal of the state of Iowa as provided in section 1A.1 or other
26 symbol to identify an official or unofficial legal publication.

27 (2) Provide for citing official legal publications as
28 provided in chapter 2B.

29 Sec. 28. Section 2A.5, subsection 1, Code 2009, is amended
30 to read as follows:

31 1. The legislative services agency shall publish the
32 official legal publications of the state as provided in chapter
33 2B. The legislative services agency shall have legal custody of
34 the publications and shall provide for the warehousing, sale,
35 and distribution of the publications. The legislative services

1 agency shall retain or cause to be retained a number of old
2 editions of the publications but may otherwise distribute or
3 cause to be distributed old editions of the publications to any
4 person upon payment by the person of any distribution costs.
5 This section and chapter 2B do not require the legislative
6 services agency to publish a publication in both a printed and
7 electronic version.

8 Sec. 29. Section 2A.5, subsection 2, paragraph b, Code 2009,
9 is amended to read as follows:

10 b. The Iowa Code Supplement.

11 Sec. 30. Section 2A.5, subsection 3, Code 2009, is amended
12 to read as follows:

13 3. The legislative services agency shall in each
14 odd-numbered year compile for publication ~~and distribute in~~
15 ~~odd-numbered years~~ a printed or electronic version of the Iowa
16 official register for distribution as soon as practicable.
17 The register shall contain historical, political, and other
18 information and statistics of general value but shall not
19 contain information or statistics of a partisan character. The
20 ~~print~~ printed and electronic versions of the register need
21 not contain the same information and statistics but shall be
22 published to provide the greatest access to such information
23 and statistics at the most reasonable cost as determined by the
24 legislative services agency. The different versions of the
25 register may be distributed free of charge, may be distributed
26 free of charge except for postage and handling charges, or
27 may be sold at a price to be established by the legislative
28 services agency.

29 Sec. 31. Section 2A.6, Code 2009, is amended to read as
30 follows:

31 **2A.6 Special distribution of legal publications**
32 ~~—restrictions on free distributions.~~

33 1. The legislative services agency shall make ~~free~~
34 ~~distribution of the~~ available electronic or printed versions
35 of the official legal publications listed in section 2A.5,

~~1 subsection 2, subject to payment of any routine distribution
2 costs such as but not limited to mailing and handling costs, to
3 the three branches of state government, to elected county
4 officers, to county and city assessors, to Iowa's congressional
5 delegation, to federal courts in Iowa and federal judges and
6 magistrates for Iowa, and to state and university depository
7 libraries, the library of Congress, and the library of the
8 United States supreme court. Only such officers, offices, and
9 agencies entitled to or receiving free copies during the fiscal
10 year beginning July 1, 2002, and ending June 30, 2003,* shall
11 be entitled to continue to receive free copies in subsequent
12 years, except that successor and new officers, offices, and
13 agencies shall receive a reasonable number of free copies as
14 determined by the legislative services agency. Such officers,
15 offices, and agencies shall annually review the number of
16 copies received in the prior year to determine if the number of
17 copies received can be reduced and shall submit the information
18 in a report to the legislative services agency. The number of
19 copies received, once reduced, shall not be increased to the
20 previous level without the express consent of the legislative
21 services agency.~~

~~22 2. Each officer, office, or agency receiving one or more
23 free copies of a publication under this section shall only
24 receive up to the number of copies indicated free at the time
25 of initial distribution. If an officer, office, or agency
26 receiving one or more free copies of a publication under
27 this section desires additional copies beyond the number
28 initially received, the officer, office, or agency must request
29 the additional copies and pay the normal charge for such
30 publication.~~

~~31 3. If a version of a publication provided under this
32 section is available in an electronic format, the legislative
33 services agency may establish policies providing for the
34 substitution of an electronic version for the printed version
35 of the publication, and for the amount of payment, if any,~~

~~1 required for the electronic publication. The payment amount
2 shall not be more than established pursuant to section 2A.5 for
3 the same publication. For the Iowa administrative code and
4 its supplements, the legislative services agency may provide
5 that the distribution requirement of this section is met by
6 distributing relevant portions of the Iowa administrative code
7 or its supplements in either a printed or electronic format.~~

8 4. 2. ~~Notwithstanding any provision of this section to the~~
9 ~~contrary, the~~ The legislative services agency may review the
10 publication costs and offsetting sales revenues relating to
11 legal publications in electronic and printed formats, and may.
12 If a legal publication is available in an electronic version,
13 the legislative services agency may provide the version free
14 of charge or may charge a fee for any mailing or handling costs
15 in the distribution of the electronic version or may charge a
16 fee for an electronic version which includes programming not
17 originally part of the stored information, including but not
18 limited to search and retrieval functions. The legislative
19 services agency shall establish policies requiring payment for
20 any printed versions of the official legal publications from
21 persons otherwise entitled to receive them at no cost or at
22 a price covering distribution costs to whom the legislative
23 services agency is obligated to make the legal publications
24 available pursuant to subsection 1. The payment amount shall
25 not be more than established pursuant to section 2A.5 for the
26 same publication.

27 Sec. 32. Section 2B.5, subsections 1 and 2, Code 2009,
28 are amended by striking the subsections and inserting in lieu
29 thereof the following:

30 1. Publish the Iowa administrative bulletin and the Iowa
31 administrative code as provided in section 2B.5A.

32 2. Publish the Iowa court rules as provided in section
33 2B.5B.

34 Sec. 33. Section 2B.5, subsection 3, Code 2009, is amended
35 to read as follows:

1 3. ~~Cause to be published annually a~~ Publish annually an
2 electronic or printed edition of the roster of state officials.
3 The roster of state officials shall include a correct list of
4 state officers and deputies; members of boards and commissions;
5 justices of the supreme court, judges of the court of appeals,
6 and judges of the district courts including district associate
7 judges and judicial magistrates; and members of the general
8 assembly. The office of the governor shall cooperate in the
9 preparation of the list.

10 Sec. 34. NEW SECTION. **2B.5A Iowa administrative bulletin**
11 **and Iowa administrative code.**

12 1. The legislative services agency shall control and
13 maintain in a secure electronic repository custodial
14 information used to produce the Iowa administrative bulletin
15 and the Iowa administrative code.

16 2. In consultation with the administrative rules
17 coordinator, the administrative code editor shall prescribe
18 a uniform style and form required for a person filing a
19 document for publication in the Iowa administrative bulletin
20 or the Iowa administrative code, including but not limited
21 to a rulemaking document. A rulemaking document includes a
22 notice of intended action as provided in section 17A.4 or an
23 adopted rule for filing as provided in section 17A.5. The
24 rulemaking document shall correlate each rule to the uniform
25 numbering system established by the administrative code editor.
26 The administrative code editor shall provide for electronic
27 publication of the Iowa administrative bulletin and the Iowa
28 administrative code. The administrative code editor shall
29 review all submitted documents for style and form and notify
30 the administrative rules coordinator if a rulemaking document
31 is not in proper style or form, and may return or revise a
32 document which is not in proper style and form. The style
33 and form prescribed shall require that a rulemaking document
34 include a reference to the statute which the rules are intended
35 to implement.

1 3. *a.* The administrative code editor may omit from the Iowa
2 administrative bulletin or the Iowa administrative code any
3 document for publication in the Iowa administrative bulletin or
4 the Iowa administrative code, if the administrative code editor
5 determines that its publication would be unduly cumbersome,
6 expensive, or otherwise inexpedient. The person filing the
7 document for publication shall provide the administrative
8 code editor with an electronic version of the document. The
9 administrative code editor shall publish the document on the
10 general assembly's internet site, and publish a notice in the
11 Iowa administrative bulletin or the Iowa administrative code
12 stating the specific subject matter of the omitted document and
13 how the omitted document may be accessed.

14 *b.* The administrative code editor shall omit or cause to be
15 omitted from the Iowa administrative code any rule or portion
16 of a rule nullified by the general assembly pursuant to Article
17 III, section 40, of the Constitution of the State of Iowa.

18 4. The administrative code editor who receives a
19 publication from an agency because the publication is
20 referenced in the Iowa administrative bulletin or Iowa
21 administrative code shall make the publication available to the
22 public pursuant to section 17A.6.

23 5. The administrative code editor shall publish the Iowa
24 administrative bulletin in accordance with section 2.42 at
25 least every other week, unless the administrative code editor
26 and the administrative rules review committee determine
27 that an alternative publication schedule is preferable. The
28 administrative code editor shall provide for the arrangement of
29 the contents of the Iowa administrative bulletin.

30 *a.* The Iowa administrative bulletin shall contain all of the
31 following:

32 (1) Rulemaking documents, including notices of intended
33 action as provided in section 17A.4, and rules adopted and
34 effective immediately upon filing and rules adopted and filed
35 as provided in section 17A.5.

1 (2) Resolutions nullifying administrative rules passed by
2 the general assembly pursuant to Article III, section 40 of the
3 Constitution of the State of Iowa.

4 (3) All proclamations and executive orders of the governor
5 which are general and permanent in nature.

6 (4) Other materials deemed fitting and proper by the
7 administrative rules review committee.

8 (5) Items required to be published by statute.

9 (6) A comprehensive method to search and identify its
10 contents. An electronic version may include search and
11 retrieval programming and index.

12 *b.* The Iowa administrative bulletin may contain all of the
13 following:

14 (1) A preface.

15 (2) A rulemaking schedule.

16 (3) The agenda for the next meeting of the administrative
17 rules review committee as provided in section 17A.8, if
18 available.

19 (4) A schedule of known public hearings.

20 (5) A list of agencies referenced by agency identification
21 number.

22 6. The administrative code editor shall publish the Iowa
23 administrative code in accordance with section 2.42 at least
24 every other week, unless the administrative code editor and
25 the administrative rules review committee determine that an
26 alternative publication schedule is preferable. However, the
27 legislative services agency may publish supplements in lieu of
28 the Iowa administrative code. The administrative code editor
29 shall provide for the arrangement of the Iowa administrative
30 code.

31 *a.* The Iowa administrative code shall include all of the
32 following:

33 (1) Rules of general application adopted and filed with
34 the administrative code editor by state agencies. However,
35 the administrative code editor may delete a rule from the Iowa

1 administrative code if the agency that adopted the rule has
2 ceased to exist, no successor agency has jurisdiction over the
3 rule, and no statutory authority exists supporting the rule.

4 (2) A comprehensive method to search and identify its
5 contents, including rules.

6 (a) An electronic version may include search and retrieval
7 programming and index.

8 (b) A print edition may include an index.

9 b. The Iowa administrative code may include all of the
10 following:

11 (1) A preface.

12 (2) Uniform rules on agency procedure.

13 Sec. 35. NEW SECTION. **2B.5B Iowa court rules.**

14 1. The legislative services agency shall control and
15 maintain in a secure electronic repository custodial
16 information used to produce the Iowa court rules.

17 2. The administrative code editor, upon direction by
18 the Iowa supreme court and in accordance with the policies
19 of the legislative council pursuant to section 2.42 and the
20 legislative services agency pursuant to section 2A.1, shall
21 prescribe a uniform style and form required for filing a
22 document for publication in the Iowa court rules. The document
23 shall correlate each rule to the uniform numbering system.
24 The administrative code editor shall provide for electronic
25 publication of the Iowa court rules. The administrative code
26 editor shall review all submitted documents for style and form
27 and notify the Iowa supreme court if a rulemaking document
28 is not in proper style or form, and may return or revise a
29 document which is not in proper style and form.

30 3. a. The administrative code editor shall publish the
31 Iowa court rules in accordance with section 2.42. However, the
32 legislative services agency may publish supplements in lieu of
33 the Iowa court rules. The administrative code editor shall
34 provide for arrangement of the Iowa court rules in consultation
35 with the Iowa supreme court.

1 *b.* The Iowa court rules shall include all of the following:

2 (1) Rules prescribed by the supreme court, which may include
3 the Iowa rules of civil procedure, the Iowa rules of criminal
4 procedure, the Iowa rules of evidence, the Iowa rules of
5 appellate procedure, the Iowa rules of professional conduct,
6 and the Iowa code of judicial conduct.

7 (2) A comprehensive method to search and identify its
8 contents, including court rules.

9 (a) An electronic version may include search and retrieval
10 programming and index.

11 (b) A print version shall include an index.

12 *c.* The Iowa court rules may include all of the following:

13 (1) A preface.

14 (2) Tables, including tables of corresponding rule numbers.

15 Sec. 36. Section 2B.6, subsections 2 and 3, Code 2009,
16 are amended by striking the subsections and inserting in lieu
17 thereof the following:

18 2. Provide for the publication of all of the following:

19 *a.* The Iowa Acts as provided in section 2B.10.

20 *b.* The Iowa Code or Code Supplement, as provided in section
21 2B.12.

22 Sec. 37. Section 2B.10, Code 2009, is amended to read as
23 follows:

24 **2B.10 Iowa Acts.**

25 1. The legislative services agency shall control and
26 maintain in a secure electronic repository custodial
27 information used to produce the Iowa Acts.

28 2. The legislative services agency shall publish the annual
29 edition of the Iowa Acts as soon as possible after the final
30 adjournment of a regular session of the general assembly. The
31 legislative services agency may also publish an updated edition
32 of the Iowa Acts or a supplement to the Iowa Acts after a
33 special session of the general assembly.

34 ~~3. *a.* The arrangement of the Acts and resolutions,~~
35 ~~and the size, style, type, binding, general arrangement, and~~

1 ~~tables of the Iowa Acts~~, appearance, and contents of the Iowa
2 Acts shall be ~~printed and published in the manner~~ determined
3 by the Iowa Code editor in accordance with the policies ~~set~~
4 ~~by the~~ of the legislative council and legislative services
5 agency as provided in section 2.42.

6 ~~2. b. Chapters of~~ The bills and joint resolutions of the
7 Iowa Acts may be arranged by chapter, numbered from one for the
8 first regular session shall be numbered from one and chapters
9 of the second regular session shall be and numbered from one
10 thousand one for the second regular session.

11 4. The Iowa Acts shall include all of the following:

12 a. A preface.

13 b. A table of contents.

14 ~~3. c.~~ A list of elective state officers and deputies,
15 supreme court justices, judges of the court of appeals,
16 and members of the general assembly shall be published annually
17 with the Iowa Acts, and members of Iowa's congressional
18 delegation.

19 ~~4. d.~~ A statement of the condition of the state treasury
20 shall be included, as provided by Article III, section 18,
21 of the Constitution of the State of Iowa. The statement shall
22 be furnished to the legislative services agency by the director
23 of the department of administrative services.

24 e. An analysis of its chapters.

25 f. The text of bills that have been enacted and joint
26 resolutions that have been enacted or passed by the general
27 assembly, including text indicating items disapproved in
28 appropriation bills.

29 g. Messages transmitted by the governor disapproving items
30 in appropriation bills.

31 h. A notation of the filing of an estimate of a state
32 mandate prepared by the legislative services agency pursuant
33 to section 25B.5.

34 i. Tables including any analysis of tables.

35 j. A comprehensive method to search and identify its

1 contents, including the text of bills that have been enacted
2 and joint resolutions that have been enacted or passed by the
3 general assembly.

4 (1) An electronic version may include search and retrieval
5 programming and an index and a summary index.

6 (2) A print version may include an index and a summary
7 index.

8 k. Other reference material as determined by the Iowa Code
9 editor in accordance with any policies of the legislative
10 council.

11 5. The enrolling clerks of the house and senate shall
12 arrange for the Iowa Code editor to receive suitable copies of
13 all Acts and resolutions as soon as they are enrolled.

14 ~~6. A notation of the filing of an estimate of a state~~
15 ~~mandate prepared by the legislative services agency pursuant to~~
16 ~~section 25B.5 shall be included in the Iowa Acts with the text~~
17 ~~of an enacted bill or joint resolution containing the state~~
18 ~~mandate.~~

19 Sec. 38. Section 2B.12, subsections 1 and 2, Code 2009, are
20 amended to read as follows:

21 1. The legislative services agency shall control and
22 maintain in a secure electronic repository custodial
23 information used to publish the Iowa Code.

24 ~~1. 2. A new Iowa Code shall be issued~~ The legislative
25 services agency shall publish an annual edition of the Iowa
26 Code as soon as possible after the final adjournment of the
27 ~~second~~ a regular session of the a general assembly. A However,
28 the legislative services agency may publish a new Code
29 ~~Supplement shall be issued~~ in lieu of the Iowa Code as soon as
30 possible after the first final adjournment of a regular session
31 ~~of the a general assembly. A~~ The legislative services agency
32 may publish a new edition of the Iowa Code or Code Supplement
33 ~~may be issued~~ as soon as possible after the final adjournment
34 of a special session of the general assembly or as required by
35 ~~the legislative council.~~

1 ~~2. The entire Iowa Code shall be maintained on a computer~~
2 ~~database which shall be updated as soon as possible after~~
3 ~~each session of the general assembly. The Iowa Code and Code~~
4 ~~Supplement shall be prepared and printed on a good quality~~
5 ~~of paper in one or more volumes, in the manner determined by~~
6 ~~the Iowa Code editor in accordance with the policies of the~~
7 ~~legislative council, as provided in section 2.42.~~

8 Sec. 39. Section 2B.12, subsection 5, Code 2009, is amended
9 by striking the subsection.

10 Sec. 40. Section 2B.12, subsection 6, unnumbered paragraph
11 1, Code 2009, is amended to read as follows:

12 The Iowa Code ~~published after the second regular session of~~
13 ~~the general assembly~~ shall include all of the following:

14 Sec. 41. Section 2B.12, subsection 6, paragraph a, Code
15 2009, is amended by striking the paragraph.

16 Sec. 42. Section 2B.12, subsection 6, paragraph h, Code
17 2009, is amended by striking the paragraph and inserting in
18 lieu thereof the following:

19 *h.* The arrangement of the Code into distinct units, as
20 established by the legislative services agency, which may
21 include titles, subunits of titles, chapters, subunits of
22 chapters, and sections, and subunits of sections. The distinct
23 units shall be numbered and may include names.

24 Sec. 43. Section 2B.12, subsection 6, paragraph j, Code
25 2009, is amended to read as follows:

26 *j.* A comprehensive index and a summary index covering method
27 to search and identify its contents, including the text of the
28 Constitution and statutes of the State of Iowa.

29 (1) An electronic version may include search and retrieval
30 programming, analysis of titles and chapters, and an index and
31 a summary index.

32 (2) A print version shall include an analysis of titles and
33 chapters, and an index and a summary index.

34 Sec. 44. Section 2B.12, Code 2009, is amended by adding the
35 following new subsection:

1 NEW SUBSECTION. 6A. The Iowa Code may include all of the
2 following:

3 a. A preface.

4 b. A description of citations to statutes.

5 c. Abbreviations to other publications which may be referred
6 to in the Iowa Code.

7 d. Appropriate historical references or source notes.

8 e. An analysis of the Code by titles and chapters.

9 f. Other reference materials as determined by the Iowa
10 Code editor in accordance with any policies of the legislative
11 council.

12 Sec. 45. Section 2B.12, subsections 7 and 8, Code 2009, are
13 amended to read as follows:

14 7. ~~The A Code Supplement published after the first regular~~
15 ~~session of the general assembly shall include all of the~~
16 following:

17 a. ~~All of the~~ The text of statutes of Iowa of a general
18 and permanent nature ~~which that~~ were enacted ~~or amended~~ during
19 ~~that~~ the preceding regular or special session, except as
20 provided in subsection 3, and; an indication of all sections
21 repealed during that session; and any amendments to the
22 Constitution of the State of Iowa approved by the voters ~~at~~
23 ~~the preceding general election~~ since the adjournment of the
24 previous regular session of the general assembly.

25 b. A chapter title and number for each chapter or part of a
26 chapter included.

27 c. ~~An index covering the material included~~ A comprehensive
28 method to search and identify its contents, including the text
29 of statutes and the Constitution of the State of Iowa.

30 (1) An electronic version may include search and retrieval
31 programming and an index and a summary index.

32 (2) A print version may include an index and a summary
33 index.

34 8. The Iowa Code or Code Supplement may include
35 appropriate tables showing the disposition of Acts of the

1 general assembly, the corresponding sections from edition
2 to edition of a an Iowa Code or Code Supplement, and other
3 reference material as determined by the Iowa Code editor in
4 accordance with policies of the legislative council.

5 Sec. 46. Section 2B.13, subsection 1, unnumbered paragraph
6 1, Code 2009, is amended to read as follows:

7 The Iowa Code editor in preparing the copy for an edition
8 of the Iowa Code or ~~Iowa~~ Code Supplement shall not alter the
9 sense, meaning, or effect of any Act of the general assembly,
10 but may:

11 Sec. 47. Section 2B.13, subsection 2, paragraph f, Code
12 2009, is amended to read as follows:

13 *f.* Perform any other editorial tasks required or authorized
14 by section ~~17A.6~~ 2B.5A.

15 Sec. 48. Section 2B.13, subsections 3, 4, 5, and 7, Code
16 2009, are amended to read as follows:

17 3. *a.* The Iowa Code editor may, in preparing the copy for
18 an edition of the Iowa Code or ~~Iowa~~ Code Supplement, establish
19 standards for and change capitalization, spelling, and
20 punctuation in any ~~Code~~ provision for purposes of uniformity
21 and consistency in ~~Code~~ language.

22 *b.* The administrative code editor may establish standards
23 for capitalization, spelling, and punctuation for purposes of
24 uniformity and consistency in the Iowa administrative code.

25 4. *a.* The Iowa Code editor shall seek direction from
26 the senate committee on judiciary and the house committee
27 on judiciary when making Iowa Code or ~~Iowa~~ Code Supplement
28 changes, ~~and the~~.

29 *b.* The administrative code editor shall seek direction
30 from the administrative rules review committee and
31 the administrative rules coordinator when making Iowa
32 administrative code changes, which appear to require
33 substantial editing and which might otherwise be interpreted to
34 exceed the scope of the authority granted in this section.

35 5. The Iowa Code editor may prepare and publish comments

1 deemed necessary for a proper explanation of the manner
 2 of printing a section or chapter of the Iowa Code or Code
 3 Supplement. The Iowa Code editor shall maintain a record of
 4 all of the corrections made under subsection 1. The Iowa Code
 5 editor shall also maintain a separate record of the changes
 6 made under subsection 1, paragraphs "b" through "h". The
 7 records shall be available to the public.

8 7. a. ~~The effective date of all editorial changes in an~~
 9 ~~edition of the Iowa Code or Iowa Code Supplement is the date~~
 10 ~~of the Iowa Code editor's approval of the final press proofs~~
 11 ~~for the statutory text contained within that publication. The~~
 12 ~~effective date of all editorial changes for the~~ or an edition
 13 of the Iowa administrative code is the its publication date
 14 ~~those changes are published in the Iowa administrative code. A~~
 15 publication date is the date the publication is conclusively
 16 presumed to be complete, incorporating all revisions or
 17 editorial changes.

18 b. The publication date for the publications are as follows:

19 (1) For the Iowa Code or Code Supplement, the publication
 20 date is the first day of the next regular session of the
 21 general assembly convened pursuant to Article III, section
 22 2, of the Constitution of the State of Iowa. However, the
 23 legislative services agency may establish an alternative
 24 publication date, which may be the date that the publication is
 25 first available to the public accessing the general assembly's
 26 internet site. The legislative services agency shall provide
 27 notice of such an alternative publication date on the general
 28 assembly's internet site.

29 (2) The publication date for the Iowa administrative code
 30 is the date that it is first available to the public accessing
 31 the general assembly's internet site according to a publication
 32 schedule provided in section 2B.5A.

33 c. A publication designated by the legislative services
 34 agency as unofficial shall not be used to establish a
 35 publication date.

1 Sec. 49. Section 2B.17, Code 2009, is amended by striking
2 the section and inserting in lieu thereof the following:

3 **2B.17 Official legal publications — citations.**

4 1. An official legal publication designated as such by
5 the legislative services agency as provided in sections 2.42
6 and 2A.1, is the official and authoritative version of the
7 statutes, administrative rules, or court rules of the state of
8 Iowa.

9 2. *a.* The codified version of the state's constitution
10 shall be known as the Constitution of the State of Iowa.

11 *b.* For statutes, the official versions of publications
12 shall be known as the Iowa Acts, the Iowa Code, and the Code
13 Supplement.

14 *c.* For administrative rules, the official versions of the
15 publications shall be known as the Iowa Administrative Bulletin
16 and the Iowa Administrative Code.

17 *d.* For court rules, the official version of the publication
18 shall be known as the Iowa Court Rules.

19 3. The legislative services agency may adopt a style manual
20 providing a uniform system of citing the codified Constitution
21 of the State of Iowa and the official versions of publications
22 listed in subsection 2, including by reference to commonly
23 accepted legal sources. The legislative services agency
24 style manual may provide for a different form of citation
25 for electronic and printed versions of the same publication.
26 Nothing in this section affects rules for style and format
27 adopted pursuant to section 2.42.

28 4. The codified Constitution of the State of Iowa, and
29 statutes enacted and joint resolutions enacted or passed by the
30 general assembly shall be cited as follows:

31 *a.* The codified Constitution of the State of Iowa shall
32 be cited as the Constitution of the State of Iowa, with a
33 reference identifying the preamble or boundaries, or article,
34 section, and subunit of a section. Subject to the legislative
35 services agency style manual, the Constitution of the State of

1 Iowa may be cited as the Iowa Constitution.

2 *b.* The Iowa Acts shall be cited as the Iowa Acts with
3 a reference identifying the year of the publication in
4 conformance with section 2.2, and the chapter of a bill
5 enacted or joint resolution enacted or passed during a regular
6 session, or in the alternative the bill or joint resolution
7 chamber designation, and the section of the chapter or bill
8 or subunit of a section. A bill or joint resolution enacted
9 or passed during a special session shall be cited by the
10 extraordinary session designation in conformance with section
11 2.2. If the Iowa Acts have not been published, a bill or joint
12 resolution may be cited by its bill or joint resolution chamber
13 designation.

14 *c.* The Iowa Code shall be cited as the Iowa Code. The Code
15 Supplement shall be cited as the Code Supplement. Subject
16 to the legislative services agency style manual, the Iowa
17 Code may be cited as the Code of Iowa or Code and the Code
18 Supplement may be cited as the Iowa Code Supplement, with
19 references identifying parts of the publication, including
20 but not limited to title or chapter, section, or subunit of a
21 section. If the citation refers to a past edition of the Iowa
22 Code or Code Supplement, the citation shall identify the year
23 of publication.

24 5. Administrative rules shall be cited as follows:

25 *a.* The Iowa Administrative Bulletin shall be cited as
26 the IAB, with references identifying the volume number which
27 may be based on a fiscal year cycle, the issue number, and
28 the ARC number assigned to the rulemaking document by the
29 administrative rules coordinator pursuant to section 17A.4.
30 Subject to the legislative services agency style manual, the
31 citation may also include the publication's page number.

32 *b.* The Iowa Administrative Code shall be cited as the IAC,
33 with references to an agency's identification number placed at
34 the beginning of the citation and with references to parts of
35 the publication, including but not limited to chapter, rule, or

1 subunit of a rule.

2 6. The Iowa Court Rules shall be cited as the Iowa Court
3 Rules, with references to the rule number and to subunits
4 of the publication, which may include but are not limited
5 to the Iowa Rules of Civil Procedure, the Iowa Rules of
6 Criminal Procedure, the Iowa Rules of Evidence, the Iowa
7 Rules of Appellate Procedure, the Iowa Rules of Professional
8 Conduct, and the Iowa Code of Judicial Conduct. Subject to
9 the legislative services agency style manual, the names of the
10 rules may be abbreviated.

11 Sec. 50. NEW SECTION. **2B.18 Iowa Code editor and**
12 **administrative code editor — custody and authentication.**

13 1. The Iowa Code editor is the custodian of the official
14 legal publications known as the Iowa Acts, Iowa Code, and
15 Code Supplement. The Iowa Code editor may attest to and
16 authenticate any portion of such official legal publication
17 for purposes of admitting a portion of the official legal
18 publication in any court or office of any state, territory, or
19 possession of the United States or in a foreign jurisdiction.

20 2. The administrative code editor is the custodian of the
21 official legal publications known as the Iowa administrative
22 bulletin, the Iowa administrative code, and the Iowa court
23 rules. The administrative code editor may attest to and
24 authenticate any portion of such official legal publication
25 for purposes of admitting a portion of the official legal
26 publication in any court or office of any state, territory, or
27 possession of the United States or in a foreign jurisdiction.

28 Sec. 51. Section 7.17, subsection 2, Code 2009, is amended
29 by striking the subsection.

30 Sec. 52. Section 17A.4, subsection 1, paragraph a, Code
31 2009, is amended to read as follows:

32 a. Give notice of its intended action by submitting
33 the notice to the administrative rules coordinator and
34 the administrative code editor. The administrative rules
35 coordinator shall assign an ARC number to each rulemaking

1 document. The administrative code editor shall publish
2 each notice meeting the requirements of this chapter in the
3 Iowa administrative bulletin created pursuant to section
4 ~~17A.6~~ 2B.5A. Any notice of intended action shall be published
5 at least thirty-five days in advance of the action. The notice
6 shall include a statement of either the terms or substance of
7 the intended action or a description of the subjects and issues
8 involved, and the time when, the place where, and the manner in
9 which interested persons may present their views.

10 Sec. 53. Section 17A.6, Code 2009, is amended by striking
11 the section and inserting in lieu thereof the following:

12 **17A.6 Publications.**

13 1. The administrative code editor shall publish the Iowa
14 administrative bulletin and the Iowa administrative code as
15 provided in section 2B.5A.

16 2. An agency which adopts standards by reference to
17 another publication shall deliver an electronic copy of
18 the publication, or the relevant part of the publication,
19 containing the standards to the administrative code editor
20 who shall publish it on the general assembly's internet site.
21 If an electronic copy of the publication is not available,
22 the agency shall deliver a printed copy of the publication to
23 the administrative code editor who shall deposit the copy in
24 the state law library where it shall be made available for
25 inspection and reference.

26 Sec. 54. Section 89.5, subsection 3, unnumbered paragraph
27 1, Code 2009, is amended to read as follows:

28 A rule adopted pursuant to this chapter which adopts
29 standards by reference to another publication shall be exempt
30 from the requirements of section ~~17A.6~~ 2B.5A, subsection 4, if
31 the following conditions exist:

32 Sec. 55. Section 89A.3, subsection 5, unnumbered paragraph
33 1, Code Supplement 2009, is amended to read as follows:

34 A rule adopted pursuant to this section which adopts
35 standards by reference to another publication shall be exempt

1 from the requirements of section ~~17A.6~~ 2B.5A, subsection 4, if
2 the following conditions exist:

3 Sec. 56. Section 256.53, Code 2009, is amended to read as
4 follows:

5 **256.53 State publications.**

6 Upon issuance of a state publication in any format, a
7 state agency shall ~~deposit with~~ provide the division with
8 an electronic version of the publication at no cost to the
9 division, ~~seventy-five copies of the publication or a lesser~~
10 ~~number if specified by the division, except as provided in~~
11 ~~section 2A.6.~~

12 Sec. 57. Section 267.6, Code 2009, is amended to read as
13 follows:

14 **267.6 Iowa administrative procedure Act.**

15 The provisions of chapter 17A shall not apply to the council
16 or any actions taken by it, except that any recommendations
17 adopted by the council pursuant to section 267.5, subsection
18 3, and any rules adopted by the council shall be adopted,
19 amended, or repealed only after compliance with the provisions
20 of sections 17A.4, and 17A.5, and ~~17A.6~~ the publication
21 requirements in section 2B.5A.

22 DIVISION IV

23 STATE BUDGETING AND PERSONNEL

24 Sec. 58. Section 8.36A, subsection 2, Code 2009, is amended
25 to read as follows:

26 2. a. If a department or establishment has reached or
27 anticipates reaching the full-time equivalent position level
28 authorized for the department but determines that conversion
29 of a contract position to a full-time equivalent position
30 would result in cost savings while providing comparable or
31 better services, the department or establishment may request
32 the director of the department of management to approve the
33 conversion and addition of the full-time equivalent position.
34 The request shall be accompanied by evidence demonstrating how
35 the cost savings and service quality will be achieved through

1 the conversion. If approved by the director of the department
2 of management, the department's or establishment's authorized
3 full-time equivalent position level shall be increased
4 accordingly and the revised level shall be reported to the
5 fiscal committee of the legislative council and the legislative
6 services agency.

7 b. A department or establishment shall not convert a
8 full-time equivalent position authorized for the department
9 or establishment to a contract position and shall not use
10 appropriated moneys for such a contract position unless the
11 department or establishment receives approval from the director
12 of the department of management to convert the full-time
13 equivalent position to a contract position. The director of
14 the department of management shall not approve the conversion
15 unless the department or establishment submits sufficient
16 evidence that the conversion would result in cost savings while
17 providing comparable or better services.

18 Sec. 59. Section 8.62, subsection 2, Code Supplement 2009,
19 is amended to read as follows:

20 2. Notwithstanding the provisions of section 8.33 or any
21 other provision of law to the contrary, if on June 30 of a
22 fiscal year, a balance of an operational appropriation remains
23 unexpended or unencumbered, not more than fifty percent of
24 the balance may be encumbered by the agency to which the
25 appropriation was made and used as provided in this section and
26 the remaining balance shall be deposited in the cash reserve
27 fund created in section 8.56. Moneys encumbered under this
28 section shall only be used by the agency during the succeeding
29 fiscal year for internet-based employee training, technology
30 enhancement, or purchases of goods and services from Iowa
31 prison industries. Unused moneys encumbered under this section
32 shall be deposited in the cash reserve fund on June 30 of the
33 succeeding fiscal year.

34 Sec. 60. Section 8A.413, Code Supplement 2009, is amended by
35 adding the following new subsection:

1 NEW SUBSECTION. 24. For the development and operation of
2 programs to promote job sharing, telecommuting, and flex-time
3 opportunities for employment within the executive branch.

4 Sec. 61. COMMUNITY-BASED CORRECTIONS — STATE ACCOUNTING
5 SYSTEM. Each judicial district department of correctional
6 services shall utilize the state accounting system for purposes
7 of tracking both appropriations and expenditures. Each
8 judicial district department shall coordinate its accounting
9 activities with the department of management for purposes of
10 implementing the requirements of this section.

11 Sec. 62. STATE AGENCY EFFICIENCY EFFORTS.

12 1. LEAN EFFORTS. State agencies shall budget for and plan
13 to conduct lean events as described in section 8.70. Each
14 state agency shall coordinate its activities with the office
15 of lean enterprise created in section 8.70 in developing plans
16 to conduct lean events.

17 2. SHARED RESOURCES. State agencies are encouraged to
18 share resources and services, including staff, training, and
19 educational services, to the greatest extent possible in order
20 to best fulfill the duties of each agency at the least cost.

21 Sec. 63. CONTRACT SERVICES — TRAINING.

22 1. Each department, as defined in section 8.2, shall
23 separately track the budget and actual expenditures for
24 contract services and for employee training for each
25 appropriation line item.

26 2. The terms of the contracts for contracted services
27 entered into or revised during the fiscal year shall
28 incorporate quality assurance and cost control measures.

29 3. The employee training tracking information shall be
30 further divided into training categories. Each department's
31 report on training tracking shall specifically address the use
32 of electronically based training.

33 4. Each department shall report to the legislative services
34 agency on January 15 and July 15 of each year concerning
35 the budget, expenditure, quality assurance, and cost control

1 information addressed by this section for the previous six
2 calendar months.

3 Sec. 64. FULL-TIME EQUIVALENT POSITIONS — VACANCIES —
4 FUNDING. For the fiscal year beginning July 1, 2010, and
5 ending June 30, 2011, the following shall apply:

6 1. If a full-time equivalent position authorized for a
7 department or establishment remains vacant for a period of
8 at least six months, the department's or establishment's
9 authorized full-time equivalent position level shall
10 be decreased accordingly. However, the department or
11 establishment may request the director of the department of
12 management to reauthorize the full-time equivalent position if
13 the department or establishment can establish that the position
14 is difficult to fill and is critical for fulfilling the duties
15 of the department or establishment.

16 2. Moneys appropriated to a department or establishment
17 and designated by the department or establishment in the
18 department's or establishment's adopted budget in the state
19 accounting system for full-time equivalent positions shall only
20 be used for full-time equivalent positions and shall not be
21 used for other purposes.

22 Sec. 65. JOINT APPROPRIATIONS SUBCOMMITTEES — REVIEW OF
23 AGENCY FEES. Each joint appropriations subcommittee of the
24 general assembly shall examine and review on an annual basis
25 the fees charged by state agencies under the purview of that
26 joint appropriations subcommittee.

27 DIVISION V

28 SPAN OF CONTROL

29 Sec. 66. Section 8A.402, subsection 2, paragraph g, Code
30 Supplement 2009, is amended to read as follows:

31 g. (1) (a) Consult with the department of management
32 and discuss and collaborate with executive branch agencies to
33 implement and maintain a policy for incrementally increasing
34 the aggregate ratio in the number of employees per
35 supervisor supervisory employee in executive branch agencies

1 ~~to be fourteen employees for one supervisor.~~ For purposes of
2 determining the effects of the policy on the state employee
3 workforce, the base date of July 1, 2008, shall be used and the
4 target date for full implementation shall be July 1, ~~2011~~ 2016.
5 The target aggregate ratio of supervisory employees to other
6 employees shall be as follows:

7 (i) For the fiscal year beginning July 1, 2010, one to
8 fourteen.

9 (ii) For the fiscal year beginning July 1, 2011, one to
10 fifteen.

11 (iii) For the fiscal year beginning July 1, 2012, one to
12 sixteen.

13 (iv) For the fiscal year beginning July 1, 2013, one to
14 seventeen.

15 (v) For the fiscal year beginning July 1, 2014, one to
16 eighteen.

17 (vi) For the fiscal year beginning July 1, 2015, one to
18 nineteen.

19 (vii) For the fiscal year beginning July 1, 2016, one to
20 twenty.

21 (b) For the purposes of this paragraph "g", "supervisory
22 employee" means a public employee who is not a member of a
23 collective bargaining unit and who has authority, in the
24 interest of a public employer, to hire, transfer, suspend, lay
25 off, recall, promote, discharge, assign, reward, or discipline
26 other public employees, to direct such public employees, or
27 to adjust the grievances of such public employees, or to
28 effectively recommend any such action.

29 (c) In this paragraph "g", executive branch agencies shall
30 not grant a supervisory employee with the right to replace or
31 bump a junior employee not being laid off for a position for
32 which the supervisory employee is qualified.

33 ~~(b)~~ (d) The policy shall allow appropriation units
34 with twenty-eight or fewer full-time equivalent employee
35 positions to apply for an exception to the policy through the

1 executive council. The policy shall allow for exceptions
2 when the supervisory employee ratio is mandated by a federal
3 requirement.

4 (e) The policy shall provide that if layoffs are
5 implemented, the number of middle management position layoffs
6 shall correspond to the relative number of direct service
7 position layoffs.

8 (f) The policy shall improve on the system in effect as
9 of the base date by specifically defining and accounting for
10 supervisory employee span of control.

11 ~~(e)~~ (g) The department shall present an interim report
12 to the governor and general assembly on or before April 1,
13 2010, annual updates on or before April 1 subsequently, and a
14 final report on or before April 1, ~~2011~~ 2017, detailing the
15 effects of the policy on the composition of the workforce, cost
16 savings, government efficiency, and outcomes.

17 ~~(d)~~ (h) The policy developed pursuant to this paragraph "g"
18 shall not encompass employees under the state board of regents,
19 ~~the department of human services, or a judicial district~~
20 ~~department of correctional services.~~ However, the department
21 ~~of administrative services shall work with the state board of~~
22 ~~regents, the department of human services, and the judicial~~
23 ~~district departments of correctional services to advance the~~
24 ~~policy as a goal for the supervisory staff of these units of~~
25 ~~state government.~~

26 (2) Evaluate the state's systems for job classification of
27 executive branch employees in order to ensure the existence
28 of technical skill-based career paths for such employees
29 which do not depend upon an employee gaining supervisory
30 responsibility for advancement, and which provide incentives
31 for such employees to broaden their knowledge and skill base.
32 The evaluation shall include but is not limited to a review
33 of the classifications for all noncontract positions and
34 providing options for eliminating obsolete, duplicative, or
35 unnecessary job classifications. The department shall present

1 interim reports to the general assembly on or before January
2 15, 2010, and January 14, 2011, concerning the department's
3 progress in completing the evaluation and associated outcomes.

4 Sec. 67. NEW SECTION. **262.9C Span of control policy.**

5 1. The state board of regents shall develop and maintain a
6 policy regarding the aggregate ratio of the number of employees
7 per supervisory employee at each of the institutions under
8 the control of the board subject to the requirements of this
9 section.

10 2. The target span of control aggregate ratio of supervisory
11 employees to other employees shall be one to fifteen. The
12 target span of control ratio shall not apply to employees
13 involved with direct patient care, faculty, and employees in
14 other areas of the institutions that must maintain different
15 span of control ratios due to federal or state regulations.

16 3. For the purposes of this section, "*supervisory employee*"
17 means a public employee who is not a member of a collective
18 bargaining unit and who has authority, in the interest of a
19 public employer, to hire, transfer, suspend, lay off, recall,
20 promote, discharge, assign, reward, or discipline other public
21 employees, to direct such public employees, or to adjust
22 the grievances of such public employees, or to effectively
23 recommend any such action.

24 4. The policy shall allow departments within an institution
25 under the control of the state board of regents with
26 twenty-eight or fewer full-time equivalent employee positions
27 to be granted an exception to the policy by the board.
28 Departments applying for an exception shall file a statement of
29 need with the applicable institutional human resources office
30 and the office shall make a recommendation to the state board
31 of regents.

32 5. The state board of regents shall present an interim
33 report to the governor and general assembly on or before April
34 1, 2010, with annual updates detailing the effects of the
35 policy on the composition of the workforce, cost savings,

1 efficiencies, and outcomes. In addition, the report and
2 annual updates shall identify those departments within each
3 institution under the control of the board granted an exception
4 by the board to the policy as provided in this section.

5 Sec. 68. EFFECTIVE UPON ENACTMENT. This division of this
6 Act, being deemed of immediate importance, takes effect upon
7 enactment.

8 DIVISION VI

9 BOARD OF REGENTS — COOPERATIVE

10 PURCHASING

11 Sec. 69. NEW SECTION. **262.9B Cooperative purchasing.**

12 1. *Overview.* The state board of regents for institutions
13 under its control shall coordinate interagency cooperation with
14 state agencies, as defined in section 8A.101, in the area of
15 purchasing and information technology with the goal of annually
16 increasing the amount of joint purchasing. The board and
17 the institutions under the control of the board shall engage
18 the department of administrative services and other state
19 agencies in pursuing mutually beneficial activities relating
20 to purchasing items and acquiring information technology. The
21 board and the institutions shall explore ways to leverage
22 resources, identify cost savings, implement efficiencies, and
23 improve effectiveness without compromising the mission of the
24 board and the institutions under the control of the board
25 relative to students and research commitments.

26 2. *Purchasing.*

27 a. The board shall direct the institutions under its control
28 to cooperate with the department of administrative services and
29 other state agencies in efforts to collaboratively purchase
30 goods and services that result in mutual cost savings and
31 efficiency improvements.

32 b. The board and the institutions under its control shall
33 assist the department of administrative services by doing the
34 following:

35 (1) Identifying best practices that produce cost savings

1 and improve state government processes.

2 (2) Exploring joint purchases of general use items that
3 result in mutual procurement of quality goods and services at
4 the lowest reasonable cost.

5 (3) Exploring flexibility, administrative relief, and
6 transformational changes through procurement technology.

7 c. The board shall convene at least quarterly an interagency
8 purchasing group meeting including the institutions under
9 its control, the department of administrative services, the
10 department of transportation, and any other state agency, for
11 the purposes of timely cooperation in purchasing goods and
12 services and for the identification of practical measures that
13 improve state agency performance of programs and operations,
14 reduce total costs of state government operations, increase
15 productivity, improve services and make state government more
16 responsive and accountable to the public.

17 3. *Information technology.*

18 a. The board shall direct institutions under its control
19 to cooperate with the chief information officer of the state
20 in efforts to cooperatively obtain information technology
21 and related services that result in mutual cost savings and
22 efficiency improvements.

23 b. The board shall convene at least quarterly an interagency
24 information technology group meeting including the institutions
25 under its control, the state chief information officer and any
26 other agency, for purposes of timely cooperation in obtaining
27 information technology and related services.

28 4. *Cooperative purchasing plan.* The board shall, before
29 July 1, of each year, prepare a plan that identifies specific
30 areas of cooperation between the institutions under its
31 control, the department of administrative services, and the
32 chief information officer of the state, that will be addressed
33 for the next fiscal year including timelines for implementing,
34 analyzing, and evaluating each of the areas of cooperation.
35 The plan shall also identify the potential for greater

1 interinstitutional cooperation in areas that would result in a
2 net cost savings.

3 5. *Report.* The board shall, on or before November 1, submit
4 a report to the general assembly and the governor providing
5 information on the cooperative purchasing plan prepared
6 for that fiscal year by the board and on the results of the
7 quarterly interagency meetings, including the specific cost
8 savings or efficiency gains that have resulted from utilization
9 of cooperative efforts and the implementation of identified
10 best practices.

11 DIVISION VII

12 DEPARTMENT OF ADMINISTRATIVE SERVICES — PURCHASING

13 Sec. 70. Section 8A.302, subsection 1, Code 2009, is amended
14 to read as follows:

15 1. Providing a system of uniform standards and
16 specifications for purchasing. When the system is developed,
17 all items of general use shall be purchased by state
18 agencies through the department, except items used by
19 the state ~~department of transportation,~~ board of regents
20 and institutions under the control of the state board of
21 regents. However, the department may authorize the department
22 of transportation, the department for the blind, and any other
23 agencies otherwise exempted by law from centralized purchasing,
24 to directly purchase items used by those agencies without going
25 through the department, if the department of administrative
26 services determines such purchasing is in the best interests
27 of the state. However, items of general use may be purchased
28 through the department by any governmental entity.

29 Sec. 71. Section 8A.311, subsection 10, paragraph a, Code
30 2009, is amended to read as follows:

31 a. The director shall adopt rules providing that any state
32 agency may, upon request and approval by the department,
33 purchase directly from a vendor if the direct purchasing is
34 ~~as economical or more economical~~ than purchasing through the
35 department, ~~or upon a showing~~ if the agency shows that direct

1 purchasing by the state agency would be in the best interests
2 of the state due to an immediate or emergency need. ~~The rules~~
3 ~~shall include a provision permitting a state agency to purchase~~
4 ~~directly from a vendor, on the agency's own authority, or if~~
5 the purchase will not exceed ten thousand dollars and the
6 purchase ~~will~~ would contribute to the agency complying with ~~or~~
7 ~~exceeding~~ the targeted small business procurement goals under
8 sections 73.15 through 73.21.

9 Sec. 72. NEW SECTION. **8A.311A Centralized purchasing.**

10 1. The department may designate goods and services of
11 general use that agencies shall, and governmental subdivisions
12 may, purchase pursuant to a master contract established by the
13 department for that good or service. The department shall
14 establish a master contract subject to the requirements of
15 this section if the department determines that a high-quality
16 good or service can be acquired by agencies and governmental
17 subdivisions at lower cost through the establishment of a
18 master contract.

19 2. The department shall establish a master contract
20 pursuant to this section on a competitive basis, and the
21 purchase of a good or service pursuant to the contract shall be
22 deemed to satisfy any otherwise applicable competitive bidding
23 requirements.

24 3. Upon the establishment of a master contract for a good or
25 service pursuant to this section, an agency shall purchase the
26 good or service pursuant to the contract, and shall not expend
27 money to purchase the good or service directly from a vendor
28 and not through the contract, unless any of the following
29 applies:

30 a. The department determines, upon a request by the agency,
31 that the agency can satisfy the requirements for purchase of
32 the good or service directly from a vendor as provided in
33 section 8A.311, subsection 10, paragraph "a".

34 b. The agency is purchasing the good or service pursuant
35 to another contract in effect on the effective date of the

1 master contract. However, the agency shall terminate the
2 other contract if the contract permits the termination of the
3 contract without penalty and the agency shall not renew the
4 other contract beyond the current term of the other contract.

5 Sec. 73. Section 8A.312, Code 2009, is amended to read as
6 follows:

7 **8A.312 Cooperative purchasing.**

8 The director may purchase items through ~~the state department~~
9 ~~of transportation, institutions under the control of the state~~
10 ~~board of regents, and any other agency specifically exempted~~
11 ~~by law from centralized purchasing as well as from other~~
12 ~~interstate and intergovernmental entities. These state~~
13 ~~agencies shall upon request furnish the director with a list~~
14 ~~of and specifications for all items of office equipment,~~
15 ~~furniture, fixtures, motor vehicles, heavy equipment, and other~~
16 ~~related items to be purchased during the next quarter and~~
17 ~~the date by which the director must file with the agency the~~
18 ~~quantity of items to be purchased by the state agency for the~~
19 ~~department. The department shall collaborate and cooperate~~
20 ~~with the state board of regents and institutions under the~~
21 ~~control of the state board of regents, as provided in section~~
22 ~~262.9B, and any other state agency exempt from centralized~~
23 ~~purchasing to explore joint purchases of general use items that~~
24 ~~present opportunities to obtain quality goods and services~~
25 ~~at the lowest reasonable cost. The department shall be liable~~
26 ~~to the state agency for the proportionate costs the items~~
27 ~~purchased for the department bear to the total purchase price.~~
28 ~~When items purchased have been delivered, the state agency~~
29 ~~shall notify the director and after receipt of the purchase~~
30 ~~price shall release the items to the director or upon the~~
31 ~~director's order.~~

32 Sec. 74. Section 307.21, subsection 1, paragraph d, Code
33 Supplement 2009, is amended to read as follows:

34 *d.* Provide centralized purchasing services for the
35 department, ~~in cooperation with~~ if authorized by the department

1 of administrative services. The administrator shall, when
2 the price is reasonably competitive and the quality as
3 intended, purchase soybean-based inks and plastic products with
4 recycled content, including but not limited to plastic garbage
5 can liners, and shall purchase these items in accordance
6 with the schedule established in section 8A.315. However,
7 the administrator need not purchase garbage can liners in
8 accordance with the schedule if the liners are utilized by a
9 facility approved by the environmental protection commission
10 created under section 455A.6, for purposes of recycling. For
11 purposes of this section, "*recycled content*" means that the
12 content of the product contains a minimum of thirty percent
13 postconsumer material.

14 Sec. 75. STATE GOVERNMENT PURCHASING EFFORTS — DEPARTMENT
15 OF ADMINISTRATIVE SERVICES. In order to facilitate efficient
16 and cost-effective purchasing, the department of administrative
17 services shall do the following:

18 1. Require state agencies to provide the department a report
19 regarding planned purchases on an annual basis and to report
20 on an annual basis regarding efforts to standardize products
21 and services within their own agencies and with other state
22 agencies.

23 2. Require state employees who conduct bids for services to
24 receive training on an annual basis about procurement rules and
25 regulations and procurement best practices.

26 3. Identify procurement compliance employees within the
27 department.

28 4. Review the process and basis for establishing
29 departmental fees for purchasing.

30 5. Establish a work group to collaborate on best practices
31 to implement the best cost savings for the state concerning
32 purchasing.

33 6. Explore interstate and intergovernmental purchasing
34 opportunities and encourage the legislative and judicial
35 branches to participate in consolidated purchasing and

1 efficiencies wherever possible.

2 7. Expand the use of procurement cards throughout state
3 government to facilitate purchasing of items by state agencies.

4 DIVISION VIII

5 DEPARTMENT OF ADMINISTRATIVE SERVICES — OPERATIONS

6 Sec. 76. Section 8A.104, Code 2009, is amended by adding the
7 following new subsection:

8 NEW SUBSECTION. 12A. Examine and develop best practices
9 for the efficient operation of government and encourage state
10 agencies to adopt and implement these practices.

11 Sec. 77. NEW SECTION. 8A.459 State employee pay and
12 allowances — electronic funds transfer.

13 Effective July 1, 2011, notwithstanding any provision of
14 law to the contrary, all pay and allowances to state employees
15 shall be paid via electronic funds transfer, unless otherwise
16 provided pursuant to a collective bargaining agreement. A
17 state employee may elect to receive pay and allowances as
18 paper warrants in lieu of electronic funds transfers, but the
19 department shall charge an administrative fee for processing
20 such paper warrants. However, the department may, for good
21 cause shown, waive the administrative fee. The fee may be
22 automatically deducted from the state employee's pay and
23 allowances before the warrant is issued to the state employee.

24 Sec. 78. DEPARTMENT OF ADMINISTRATIVE SERVICES —
25 STREAMLINED HIRING. The department of administrative services
26 shall, in consultation with the department of management,
27 examine the process by which state agencies hire personnel
28 with the goal of simplifying and reducing the steps needed
29 for state agencies to hire personnel. The department shall
30 provide information to the general assembly concerning steps
31 taken to implement a more streamlined hiring process and any
32 recommendations for legislative action.

33 Sec. 79. DEPARTMENT OF ADMINISTRATIVE SERVICES — REAL
34 ESTATE AND LEASE MANAGEMENT.

35 1. REAL ESTATE AUDIT. The department of administrative

1 services shall complete an inventory of surplus and unused
2 state properties, including properties owned or under the
3 control of the department of transportation, and recommend
4 which assets could be sold at a premium price. State historic
5 buildings would not be eligible for sale and only those assets
6 identified as being surplus and no longer related to their
7 mission would be eligible for sale.

8 2. LEASE AUDIT. The department of administrative services
9 shall conduct a thorough review of all state office leases
10 and wherever possible, require state agencies to consolidate
11 office spaces that are rented from private sector landlords.
12 In addition, the department should work directly with all state
13 agencies to begin renegotiating office leases to obtain more
14 favorable lease terms.

15 3. SALE AND LEASEBACK OF STATE OFFICE BUILDING ASSETS. The
16 department of administrative services shall explore potential
17 opportunities for state agencies to sell some properties to a
18 private sector owner and then lease them back.

19 4. REPORT. The department shall submit a report to
20 the general assembly by January 1, 2011, concerning the
21 requirements of this section. The report shall, if applicable,
22 identify any statutory barriers for pursuing efforts described
23 in this section and shall include in the report its findings
24 and any recommendations for legislative action.

25 Sec. 80. STATE BOARD OF REGENTS — REAL ESTATE AUDIT. The
26 state board of regents shall complete an inventory of real
27 estate property owned or leased by the state board of regents
28 and institutions under the control of the state board of
29 regents, including information regarding the current and
30 intended use of the property. The board shall submit a report
31 to the general assembly and governor by January 1, 2011,
32 detailing the real estate property owned or leased by the state
33 board of regents and institutions under the control of the
34 state board of regents.

35 Sec. 81. DEPARTMENT OF ADMINISTRATIVE SERVICES

1 — SALE OF REAL PROPERTY.

2 1. During the fiscal year beginning July 1, 2010, and ending
3 June 30, 2011, the department of administrative services,
4 in collaboration with the department of human services
5 and the department of corrections, shall identify and sell
6 real property under the control of the departments that is
7 not necessary to further the mission of the department of
8 human services and the department of corrections and that
9 will maximize the return to the state. Notwithstanding any
10 provision of law to the contrary, moneys received for the sale
11 of property pursuant to this subsection shall be deposited in
12 the general fund of the state.

13 2. During the fiscal year beginning July 1, 2010, and
14 ending June 30, 2011, the department of administrative services
15 shall, pursuant to the real estate and lease management review
16 conducted by the department as provided in this Act, identify
17 and sell or sell and lease back real property under the control
18 of the department that will maximize the return to the state.
19 Notwithstanding any provision of law to the contrary, moneys
20 received for the sale of property pursuant to this subsection
21 shall be deposited in the general fund of the state.

22 DIVISION IX

23 ALCOHOLIC BEVERAGES DIVISION — REORGANIZATION

24 Sec. 82. Section 22.7, subsection 24, Code Supplement 2009,
25 is amended to read as follows:

26 24. Records of purchases of alcoholic liquor from
27 the alcoholic beverages division of the department of
28 ~~commerce~~ revenue which would reveal purchases made by an
29 individual class "E" liquor control licensee. However, the
30 records may be revealed for law enforcement purposes or for the
31 collection of payments due the division pursuant to section
32 123.24.

33 Sec. 83. Section 123.3, subsection 14, Code 2009, is amended
34 to read as follows:

35 14. "Division" means the alcoholic beverages division of the

1 department of ~~commerce~~ revenue established by this chapter.

2 Sec. 84. Section 123.4, Code 2009, is amended to read as
3 follows:

4 **123.4 Alcoholic beverages division created.**

5 An alcoholic beverages division is created within the
6 department of ~~commerce~~ revenue to administer and enforce the
7 laws of this state concerning beer, wine, and alcoholic liquor.

8 Sec. 85. Section 123.14, subsection 2, Code 2009, is amended
9 to read as follows:

10 2. The county attorney, the county sheriff and the
11 sheriff's deputies, and the police department of every city,
12 and the alcoholic beverages division of the department of
13 ~~commerce~~ revenue, shall be supplementary aids to the department
14 of public safety. Any neglect, misfeasance, or malfeasance
15 shown by any peace officer included in this section shall be
16 sufficient cause for the peace officer's removal as provided by
17 law. This section shall not be construed to affect the duties
18 and responsibilities of any county attorney or peace officer
19 with respect to law enforcement.

20 Sec. 86. Section 123.53, subsections 4, 5, and 6, Code
21 Supplement 2009, are amended to read as follows:

22 4. The treasurer of state shall, each quarter, prepare
23 an estimate of the gaming revenues and of the moneys to be
24 deposited in the beer and liquor control fund that will become
25 available during the remainder of the appropriate fiscal year
26 for the purposes described in subsection 3. The department of
27 management, the department of inspections and appeals, and the
28 department of ~~commerce~~ revenue shall take appropriate actions
29 to provide that the sum of the amount of gaming revenues
30 available to be deposited into the revenue bonds debt service
31 fund during a fiscal year and the amount of moneys to be
32 deposited in the beer and liquor control fund available to
33 be deposited into the revenue bonds debt service fund during
34 such fiscal year will be sufficient to cover any anticipated
35 deficiencies.

1 5. After any transfer provided for in subsection 3 is
2 made, the department of ~~commerce~~ revenue shall transfer into a
3 special revenue account in the general fund of the state, a sum
4 of money at least equal to seven percent of the gross amount
5 of sales made by the division from the beer and liquor control
6 fund on a monthly basis but not less than nine million dollars
7 annually. Of the amounts transferred, two million dollars,
8 plus an additional amount determined by the general assembly,
9 shall be appropriated to the Iowa department of public health
10 for use by the staff who administer the comprehensive substance
11 abuse program under chapter 125 for substance abuse treatment
12 and prevention programs. Any amounts received in excess of the
13 amounts appropriated to the Iowa department of public health
14 for use by the staff who administer the comprehensive substance
15 abuse program under chapter 125 shall be considered part of the
16 general fund balance.

17 6. After any transfers provided for in subsections 3 and
18 5, the department of ~~commerce~~ revenue shall transfer to the
19 division from the beer and liquor control fund and before any
20 other transfer to the general fund, an amount sufficient to pay
21 the costs incurred by the division for collecting and properly
22 disposing of the liquor containers.

23 Sec. 87. Section 142A.3, subsection 5, paragraph e, Code
24 Supplement 2009, is amended to read as follows:

25 e. The alcoholic beverages division of the department of
26 ~~commerce~~ revenue.

27 Sec. 88. Section 142A.4, subsection 14, Code Supplement
28 2009, is amended to read as follows:

29 14. Approve contracts entered into with the alcoholic
30 beverages division of the department of ~~commerce~~ revenue, to
31 provide for enforcement of tobacco laws and regulations.

32 Sec. 89. Section 142A.5, subsection 1, paragraph e, Code
33 2009, is amended to read as follows:

34 e. Enter into contracts with the alcoholic beverages
35 division of the department of ~~commerce~~ revenue, to provide

1 enforcement of tobacco laws and regulations. Such contracts
2 shall require that enforcement efforts include training of
3 local authorities who issue retailer permits and education of
4 retailers.

5 Sec. 90. Section 321.19, subsection 1, unnumbered paragraph
6 2, Code 2009, is amended to read as follows:

7 The department shall furnish, on application, free of
8 charge, distinguishing plates for vehicles thus exempted,
9 which plates except plates on state patrol vehicles shall bear
10 the word "official" and the department shall keep a separate
11 record. Registration plates issued for state patrol vehicles,
12 except unmarked patrol vehicles, shall bear two red stars
13 on a yellow background, one before and one following the
14 registration number on the plate, which registration number
15 shall be the officer's badge number. Registration plates
16 issued for county sheriff's patrol vehicles shall display one
17 seven-pointed gold star followed by the letter "S" and the call
18 number of the vehicle. However, the director of the department
19 of administrative services or the director of transportation
20 may order the issuance of regular registration plates for any
21 exempted vehicle used by peace officers in the enforcement
22 of the law, persons enforcing chapter 124 and other laws
23 relating to controlled substances, persons in the department of
24 justice, the alcoholic beverages division of the department of
25 ~~commerce~~ revenue, disease investigators of the Iowa department
26 of public health, the department of inspections and appeals,
27 and the department of revenue, who are regularly assigned to
28 conduct investigations which cannot reasonably be conducted
29 with a vehicle displaying "official" state registration plates,
30 persons in the Iowa lottery authority whose regularly assigned
31 duties relating to security or the carrying of lottery tickets
32 cannot reasonably be conducted with a vehicle displaying
33 "official" registration plates, persons in the department of
34 economic development who are regularly assigned duties relating
35 to existing industry expansion or business attraction, and

1 mental health professionals or health care professionals who
2 provide off-site or in-home medical or mental health services
3 to clients of publicly funded programs. For purposes of sale
4 of exempted vehicles, the exempted governmental body, upon the
5 sale of the exempted vehicle, may issue for in-transit purposes
6 a pasteboard card bearing the words "Vehicle in Transit", the
7 name of the official body from which the vehicle was purchased,
8 together with the date of the purchase plainly marked in at
9 least one-inch letters, and other information required by the
10 department. The in-transit card is valid for use only within
11 forty-eight hours after the purchase date as indicated on the
12 bill of sale which shall be carried by the driver.

13 Sec. 91. Section 453A.2, subsection 7, Code 2009, is amended
14 to read as follows:

15 7. A tobacco compliance employee training fund is created in
16 the office of the treasurer of state. The fund shall consist
17 of civil penalties assessed by the Iowa department of public
18 health under section 453A.22 for violations of this section.
19 Moneys in the fund are appropriated to the alcoholic beverages
20 division of the department of ~~commerce~~ revenue and shall be
21 used to develop and administer the tobacco compliance employee
22 training program under section 453A.5. Moneys deposited in the
23 fund shall not be transferred, used, obligated, appropriated,
24 or otherwise encumbered except as provided in this subsection.
25 Notwithstanding section 8.33, any unexpended balance in the
26 fund at the end of the fiscal year shall be retained in the
27 fund.

28 Sec. 92. Section 453A.5, subsection 1, Code 2009, is amended
29 to read as follows:

30 1. The alcoholic beverages division of the department of
31 ~~commerce~~ revenue shall develop a tobacco compliance employee
32 training program not to exceed two hours in length for
33 employees and prospective employees of retailers, as defined
34 in sections 453A.1 and 453A.42, to inform the employees about
35 state and federal laws and regulations regarding the sale of

1 cigarettes and tobacco products to persons under eighteen years
2 of age and compliance with and the importance of laws regarding
3 the sale of cigarettes and tobacco products to persons under
4 eighteen years of age.

5 Sec. 93. Section 455C.3, subsections 2 and 5, Code 2009, are
6 amended to read as follows:

7 2. A distributor shall accept and pick up from a dealer
8 served by the distributor or a redemption center for a
9 dealer served by the distributor at least weekly, or when the
10 distributor delivers the beverage product if deliveries are
11 less frequent than weekly, any empty beverage container of the
12 kind, size and brand sold by the distributor, and shall pay to
13 the dealer or person operating a redemption center the refund
14 value of a beverage container and the reimbursement as provided
15 under section 455C.2 within one week following pickup of the
16 containers or when the dealer or redemption center normally
17 pays the distributor for the deposit on beverage products
18 purchased from the distributor if less frequent than weekly.
19 A distributor or employee or agent of a distributor is not in
20 violation of this subsection if a redemption center is closed
21 when the distributor attempts to make a regular delivery or a
22 regular pickup of empty beverage containers. This subsection
23 does not apply to a distributor selling alcoholic liquor
24 to the alcoholic beverages division of the department of
25 ~~commerce~~ revenue.

26 5. The alcoholic beverages division of the department
27 of ~~commerce~~ revenue shall provide for the disposal of empty
28 beverage containers as required under subsection 2. The
29 division shall give priority consideration to the recycling
30 of the empty beverage containers to the extent possible,
31 before any other appropriate disposal method is considered or
32 implemented.

33 Sec. 94. Section 546.2, subsection 3, paragraph e, Code
34 2009, is amended by striking the paragraph.

35 Sec. 95. NEW SECTION. **421.2A Alcoholic beverages division.**

1 An alcoholic beverages division is created within the
2 department of revenue. The alcoholic beverages division shall
3 enforce and implement chapter 123. The division is headed by
4 the administrator of alcoholic beverages who shall be appointed
5 pursuant to section 123.10. The alcoholic beverages commission
6 shall perform duties within the division pursuant to chapter
7 123.

8 Sec. 96. REPEAL. Section 546.9, Code 2009, is repealed.

9 Sec. 97. ALCOHOLIC BEVERAGES DIVISION — TRANSITION
10 PROVISIONS.

11 1. In regard to updating references and format in the
12 Iowa administrative code in order to correspond to the
13 transferring of the division from the department of commerce
14 to the department of revenue as established by this division
15 of this Act, the administrative rules coordinator and the
16 administrative rules review committee, in consultation with the
17 administrative code editor, shall jointly develop a schedule
18 for the necessary updating of the Iowa administrative code.

19 2. Any replacement of signs, logos, stationery, insignia,
20 uniforms, and related items that is made due to the effect of
21 this division of this Act should be done as part of the normal
22 replacement cycle for such items.

23 DIVISION X

24 ALCOHOLIC BEVERAGES DIVISION — OPERATIONS

25 Sec. 98. ALCOHOLIC BEVERAGES DIVISION — STATE WAREHOUSE
26 FRIDAY CLOSURE. For the fiscal period beginning July 1, 2010,
27 and ending June 30, 2015, the administrator of the alcoholic
28 beverages division of the department of commerce as created
29 in chapter 123, shall, pursuant to the authority provided in
30 section 123.21, close the main state warehouse every Friday.
31 However, the administrator may keep the warehouse open on
32 designated Fridays if the administrator determines that
33 anticipated sales on that Friday justify keeping the state
34 warehouse open. The administrator may extend the closure
35 authorized pursuant to this section to the succeeding fiscal

1 year. The administrator shall submit a report to the general
2 assembly by January 1, 2015, concerning its recommendation
3 regarding extending the requirements of this section.

4 Sec. 99. TOBACCO RETAIL COMPLIANCE CHECKS. The terms
5 of a chapter 28D agreement entered into between the division
6 of tobacco use prevention and control of the Iowa department
7 of public health and the alcoholic beverages division of the
8 department of commerce, governing compliance checks conducted
9 to ensure licensed retail tobacco outlet conformity with
10 tobacco laws, regulations, and ordinances relating to persons
11 under eighteen years of age, shall restrict the number of such
12 checks to one check per retail outlet, and one additional check
13 for any retail outlet found to be in violation during the first
14 check, for the fiscal year beginning July 1, 2010, and ending
15 June 30, 2011.

16 DIVISION XI

17 ALCOHOLIC BEVERAGES DIVISION — DIRECT SHIPMENT OF WINE

18 Sec. 100. Section 123.173, subsection 1, Code 2009, is
19 amended to read as follows:

20 1. ~~Permits~~ Except as provided in section 123.187,
21 permits exclusively for the sale or manufacture and sale of
22 wine shall be divided into four classes, and shall be known as
23 class "A", "B", "B" native, or "C" native wine permits.

24 Sec. 101. Section 123.187, Code 2009, is amended by striking
25 the section and inserting in lieu thereof the following:

26 **123.187 Direct shipment of wine — licenses and requirements.**

27 1. A wine manufacturer licensed or permitted pursuant to
28 laws regulating alcoholic beverages in another state may apply
29 for a wine direct shipper license, as provided in this section.

30 2. a. The administrator shall issue a wine direct
31 shipper license to a wine manufacturer who submits a written
32 application for the license on a form to be established by
33 the administrator by rule, accompanied by a true copy of the
34 manufacturer's current alcoholic beverage license or permit
35 issued in another state, and a copy of the manufacturer's

1 winery license issued by the federal alcohol and tobacco tax
2 and trade bureau.

3 *b.* An application submitted pursuant to paragraph "a" shall
4 be accompanied by a license fee in the amount of twenty-five
5 dollars.

6 *c.* A license issued pursuant to this section may be renewed
7 annually by resubmitting the information required in paragraph
8 "a", accompanied by the twenty-five dollar license fee.

9 3. The direct shipment of wine pursuant to this
10 section shall be subject to the following requirements and
11 restrictions:

12 *a.* No more than eighteen liters of wine per month may be
13 shipped by a wine direct shipper licensee to a resident of
14 this state who is at least twenty-one years of age, for the
15 resident's personal use and not for resale.

16 *b.* Wine subject to direct shipping shall be properly
17 registered with the federal alcohol and tobacco tax and trade
18 bureau, and manufactured on the winery premises of the wine
19 direct shipper licensee.

20 *c.* All containers of wine shipped directly to a resident
21 of this state shall be conspicuously labeled with the words
22 CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED
23 FOR DELIVERY or shall be conspicuously labeled with alternative
24 wording preapproved by the administrator.

25 *d.* All containers of wine shipped directly to a resident of
26 this state shall be shipped by an alcohol carrier licensed as
27 provided in subsection 6.

28 4. *a.* In addition to the annual license fee, a wine
29 direct shipper licensee shall remit to the division an amount
30 equivalent to the wine gallonage tax at the rate specified in
31 section 123.183 for deposit in the beer and liquor control fund
32 created in section 123.53. The amount shall be remitted at
33 the same time and in the same manner as provided in section
34 123.184, and the ten percent penalty specified therein shall
35 be applicable.

1 *b.* Shipment of wine pursuant to this subsection is not
2 subject to sales tax under section 423.2, use tax under
3 section 423.5, and does not require a refund value for beverage
4 container control purposes under chapter 455C.

5 5. A wine direct shipper licensee shall be deemed to
6 have consented to the jurisdiction of the division or any
7 other agency or court in this state concerning enforcement
8 of this section and any related laws, rules, or regulations.
9 A licensee shall permit the division to perform an audit of
10 shipping records upon request.

11 6. *a.* Wine subject to direct shipment pursuant to this
12 section shall be delivered only by a carrier having obtained
13 from the division an alcohol carrier license. An alcohol
14 carrier license shall be issued subject to requirements,
15 fees, and upon application forms to be determined by the
16 administrator by rule.

17 *b.* An alcohol carrier licensee shall not deliver wine to
18 any person under twenty-one years of age, or to any person
19 who either is or appears to be in an intoxicated state or
20 condition. A licensee shall obtain valid proof of identity and
21 age prior to delivery, and shall obtain the signature of an
22 adult as a condition of delivery.

23 *c.* An alcohol carrier licensee shall maintain records of
24 wine shipped which include the license number and name of the
25 wine manufacturer, quantity of wine shipped, recipient's name
26 and address, and an electronic or paper form of signature from
27 the recipient of the wine.

28 7. The holder of a permit for the sale or manufacture and
29 sale of wine listed in section 123.173, subsection 1, shall be
30 authorized under that permit and without any other licensing
31 requirement to ship out of this state by private common
32 carrier, to a person twenty-one years of age or older, not more
33 than eighteen liters of wine per month, for consumption or use
34 by the person.

35 8. A violation of this section shall subject a licensee to

1 the penalty provisions of section 123.39.

2

DIVISION XII

3

DEPARTMENT OF HUMAN RIGHTS — REORGANIZATION

4 Sec. 102. Section 216A.1, Code 2009, is amended to read as
5 follows:

6 **216A.1 Department of human rights — purpose.**

7 1. A department of human rights is created, with the
8 following divisions and offices:

9 a. Division of community advocacy and services, with the
10 following offices:

11 ~~1. (1) Division Office~~ of Latino affairs.

12 ~~2. (2) Division Office~~ on the status of women.

13 ~~3. (3) Division Office~~ of persons with disabilities.

14 ~~4. Division of community action agencies.~~

15 ~~5. (4) Division Office~~ of deaf services.

16 ~~6. Division of criminal and juvenile justice planning.~~

17 ~~7. (5) Division Office~~ on the status of
18 ~~African-Americans~~ African Americans.

19 ~~8. (6) Division on the status of Iowans~~ Office of Asian and
20 Pacific Islander heritage affairs.

21 ~~9. (7) Division on~~ Office of Native American affairs.

22 b. Division of community action agencies.

23 c. Division of criminal and juvenile justice planning.

24 2. The purpose of the department is to ensure basic
25 rights, freedoms, and opportunities for all by empowering
26 underrepresented Iowans and eliminating economic, social, and
27 cultural barriers.

28 Sec. 103. Section 216A.2, Code 2009, is amended by striking
29 the section and inserting in lieu thereof the following:

30 **216A.2 Appointment of department director, deputy director,**
31 **and administrators — duties.**

32 1. The governor shall appoint a director of the department
33 of human rights, subject to confirmation by the senate pursuant
34 to section 2.32. The department director shall serve at the
35 pleasure of the governor and is exempt from the merit system

1 provisions of chapter 8A, subchapter IV. The governor shall
2 set the salary of the department director within the ranges set
3 by the general assembly.

4 2. The director is the chief administrative officer of
5 the department and in that capacity administers the programs
6 and services of the department in compliance with applicable
7 federal and state laws and regulations. The duties of the
8 director include preparing a budget, establishing an internal
9 administrative structure, and employing personnel.

10 3. The department director shall appoint the administrators
11 of the divisions within the department and all other personnel
12 deemed necessary for the administration of this chapter.
13 The department director shall establish the duties of the
14 administrators of the divisions within the department.

15 4. The department director shall do all of the following:

16 a. Manage the internal operations of the department and
17 establish guidelines and procedures to promote the orderly and
18 efficient administration of the department.

19 b. Prepare a budget for the department, subject to the
20 budget requirements pursuant to chapter 8, for approval by the
21 board.

22 c. Coordinate and supervise personnel services and shared
23 administrative support services to assure maximum support and
24 assistance to the divisions.

25 d. Serve as an ex officio member of all commissions or
26 councils within the department.

27 e. Serve as an ex officio, nonvoting member of the human
28 rights board.

29 f. Solicit and accept gifts and grants on behalf of the
30 department and each commission or council and administer such
31 gifts and grants in accordance with the terms thereof.

32 g. Enter into contracts with public and private individuals
33 and entities to conduct the business and achieve the objectives
34 of the department and each commission or council.

35 h. Issue an annual report to the governor and general

1 assembly no later than November 1 of each year concerning
2 the operations of the department. However, the division of
3 criminal and juvenile justice planning and the division of
4 community action agencies shall submit annual reports as
5 specified in this chapter.

6 *i.* Seek to implement the comprehensive strategic plan
7 approved by the board under section 216A.3.

8 Sec. 104. Section 216A.3, Code 2009, is amended by striking
9 the section and inserting in lieu thereof the following:

10 **216A.3 Human rights board.**

11 1. A human rights board is created within the department of
12 human rights.

13 2. The board shall consist of fourteen members, including
14 nine voting members and five nonvoting members and determined
15 as follows:

16 *a.* The voting members shall consist of nine voting members
17 selected by each of the permanent commissions within the
18 department, and two voting members, appointed by the governor.
19 For purposes of this paragraph "*a*", "*permanent commissions*"
20 means the commission of Latino affairs, commission on the
21 status of women, commission of persons with disabilities,
22 commission on community action agencies, commission of deaf
23 services, criminal and juvenile justice planning advisory
24 council, commission on the status of African Americans,
25 commission of Asian and Pacific Islander affairs, and
26 commission of Native American affairs.

27 *b.* The nonvoting members shall consist of the department
28 director, two state representatives, one appointed by the
29 speaker of the house of representatives and one by the minority
30 leader of the house of representatives, and two state senators,
31 one appointed by the majority leader of the senate and one by
32 the minority leader of the senate.

33 3. A majority of the members of the board shall constitute
34 a quorum, and the affirmative vote of two-thirds of the voting
35 members is necessary for any substantive action taken by the

1 board. The board shall select a chairperson from the voting
2 members of the board. The board shall meet not less than four
3 times a year.

4 4. The board shall have the following duties:

5 a. Develop and monitor implementation of a comprehensive
6 strategic plan to remove barriers for underrepresented
7 populations and, in doing so, to increase Iowa's productivity
8 and inclusivity, including performance measures and benchmarks.

9 b. Approve, disapprove, amend, or modify the budget
10 recommended by the department director for the operation of
11 the department, subject to the budget requirements pursuant to
12 chapter 8.

13 c. Adopt administrative rules pursuant to chapter 17A,
14 upon the recommendation of the department director, for the
15 operation of the department.

16 d. By November 1 of each year, approve the department report
17 to the general assembly and the governor that covers activities
18 during the preceding fiscal year.

19 Sec. 105. Section 216A.4, Code 2009, is amended by adding
20 the following new subsections:

21 NEW SUBSECTION. 0A. "*Board*" means human rights board.

22 NEW SUBSECTION. 3. "*Underrepresented*" means the historical
23 marginalization of populations or groups in the United States
24 and Iowa, including but not limited to African Americans, Asian
25 and Pacific Islanders, persons who are deaf or hard of hearing,
26 persons with disabilities, Latinos, Native Americans, women,
27 persons who have low socioeconomic status, at-risk youth, and
28 adults or juveniles with a criminal history.

29 Sec. 106. NEW SECTION. 216A.7 **Access to information.**

30 Upon request of the director or a commission, council, or
31 administrator of a division of the department, all boards,
32 agencies, departments, and offices of the state shall make
33 available nonconfidential information, records, data, and
34 statistics which are relevant to the populations served by the
35 offices, councils, and commissions of the department.

1 Sec. 107. Section 216A.11, subsection 1, Code 2009, is
2 amended by striking the subsection.

3 Sec. 108. Section 216A.11, subsection 3, Code 2009, is
4 amended to read as follows:

5 3. ~~"Division"~~ "Office" means the ~~division~~ office of Latino
6 affairs of the department of human rights.

7 Sec. 109. Section 216A.12, Code Supplement 2009, is amended
8 to read as follows:

9 **216A.12 Commission of Latino affairs — ~~terms~~**
10 **~~— compensation established.~~**

11 1. The commission of Latino affairs consists of
12 ~~nine~~ seven members, appointed by the governor, and subject
13 to confirmation by the senate pursuant to section 2.32.

14 Commission members shall be appointed in compliance with
15 sections 69.16 and 69.16A ~~and with consideration given~~
16 ~~to geographic residence and density of Latino population~~
17 ~~represented by each member.~~ Commission members shall reside
18 in the state.

19 2. The members of the commission shall be appointed during
20 the month of June and shall serve for staggered four-year terms
21 ~~of two years~~ commencing July 1 of ~~each odd-numbered~~ the year
22 of appointment. Members appointed shall continue to serve
23 until their respective successors are appointed. Vacancies
24 in the membership of the commission shall be filled by the
25 original appointing authority and in the manner of the original
26 appointments. Members shall receive actual expenses incurred
27 while serving in their official capacity. Members may also be
28 eligible to receive compensation as provided in section 7E.6.

29 3. The commission shall select from its membership a
30 chairperson and other officers as it deems necessary and shall
31 meet at least quarterly each fiscal year. A majority of the
32 members currently appointed to the commission shall constitute
33 a quorum and the affirmative vote of a majority of the
34 currently appointed members is necessary for any substantive
35 action taken by the commission. A member shall not vote on any

1 action if the member has a conflict of interest on the matter
2 and a statement by the member of a conflict of interest shall
3 be conclusive for this purpose.

4 Sec. 110. Section 216A.13, Code 2009, is amended by striking
5 the section and inserting in lieu thereof the following:

6 **216A.13 Commission of Latino affairs — duties.**

7 The commission shall have the following duties:

- 8 1. Study the opportunities for and changing needs of the
9 Latino population of this state.
- 10 2. Serve as liaison between the department of human rights
11 and the public, sharing information and gathering constituency
12 input.
- 13 3. Recommend to the board the adoption of rules pursuant to
14 chapter 17A as it deems necessary.
- 15 4. Recommend legislative and executive action to the
16 governor and general assembly.
- 17 5. Establish advisory committees, work groups, or other
18 coalitions as appropriate.

19 Sec. 111. Section 216A.14, Code 2009, is amended by striking
20 the section and inserting in lieu thereof the following:

21 **216A.14 Office of Latino affairs — duties.**

22 The office of Latino affairs is established and shall do the
23 following:

- 24 1. Serve as the central permanent agency to advocate for
25 Latino persons.
- 26 2. Coordinate and cooperate with the efforts of state
27 departments and agencies to serve the needs of Latino persons
28 in participating fully in the economic, social, and cultural
29 life of the state, and by providing direct assistance to those
30 who request it.
- 31 3. Develop, coordinate, and assist other public
32 organizations which serve Latino persons.
- 33 4. Serve as an information clearinghouse on programs and
34 agencies operating to assist Latino persons.

35 Sec. 112. Section 216A.15, subsections 1 through 9, Code

1 2009, are amended by striking the subsections and inserting in
2 lieu thereof the following:

3 1. Study the opportunities for and changing needs of the
4 Latino population of this state.

5 2. Serve as liaison between the office and the public,
6 sharing information and gathering constituency input.

7 3. Recommend to the board for adoption rules pursuant
8 to chapter 17A as it deems necessary for the commission and
9 office.

10 4. Recommend to the department director policies and
11 programs for the office.

12 5. Establish advisory committees, work groups, or other
13 coalitions as appropriate.

14 Sec. 113. Section 216A.51, subsection 1, Code 2009, is
15 amended by striking the subsection.

16 Sec. 114. Section 216A.51, subsection 3, Code 2009, is
17 amended to read as follows:

18 3. ~~"Division"~~ "Office" means the ~~division~~ office on the
19 status of women of the department of human rights.

20 Sec. 115. Section 216A.52, Code 2009, is amended by striking
21 the section and inserting in lieu thereof the following:

22 **216A.52 Office on the status of women.**

23 The office on the status of women is established, and shall
24 do the following:

25 1. Serve as the central permanent agency to advocate for
26 women and girls.

27 2. Coordinate and cooperate with the efforts of state
28 departments and agencies to serve the needs of women and girls
29 in participating fully in the economic, social, and cultural
30 life of the state, and provide direct assistance to individuals
31 who request it.

32 3. Serve as a clearinghouse on programs and agencies
33 operating to assist women and girls.

34 4. Develop, coordinate, and assist other public or private
35 organizations which serve women and girls.

1 Sec. 116. Section 216A.53, Code 2009, is amended by striking
2 the section and inserting in lieu thereof the following:

3 **216A.53 Commission on the status of women established.**

4 1. The commission on the status of women is established and
5 shall consist of seven voting members who shall be appointed by
6 the governor, subject to confirmation by the senate pursuant
7 to section 2.32, and shall represent a cross section of the
8 citizens of the state. All members shall reside in the state.

9 2. The term of office for voting members is four years.
10 Terms shall be staggered. Members whose terms expire may be
11 reappointed. Vacancies in voting membership positions on
12 the commission shall be filled for the unexpired term in the
13 same manner as the original appointment. Voting members of
14 the commission may receive a per diem as specified in section
15 7E.6 and shall be reimbursed for actual expenses incurred
16 while serving in their official capacity, subject to statutory
17 limits.

18 3. Members of the commission shall appoint a chairperson and
19 vice chairperson and any other officers as the commission deems
20 necessary. The commission shall meet at least quarterly during
21 each fiscal year. A majority of the voting members currently
22 appointed to the commission shall constitute a quorum. A
23 quorum of the members shall be required for the conduct of
24 business of the commission and the affirmative vote of a
25 majority of the currently appointed voting members is necessary
26 for any substantive action taken by the commission. A member
27 shall not vote on any action if the member has a conflict of
28 interest on the matter and a statement by the member of a
29 conflict of interest shall be conclusive for this purpose.

30 Sec. 117. Section 216A.54, Code 2009, is amended by striking
31 the section and inserting in lieu thereof the following:

32 **216A.54 Commission powers and duties.**

33 The commission shall have the following powers and duties:

34 1. Study the opportunities for and changing needs of the
35 women and girls of this state.

1 2. Serve as liaison between the office and the public,
2 sharing information and gathering constituency input.

3 3. Recommend to the board the adoption of rules pursuant
4 to chapter 17A as it deems necessary for the commission and
5 office.

6 4. Recommend legislative and executive action to the
7 governor and general assembly.

8 5. Establish advisory committees, work groups, or other
9 coalitions as appropriate.

10 Sec. 118. Section 216A.71, subsection 1, Code 2009, is
11 amended by striking the subsection.

12 Sec. 119. Section 216A.71, subsection 3, Code 2009, is
13 amended to read as follows:

14 3. ~~"Division"~~ "Office" means the ~~division~~ office of persons
15 with disabilities of the department of human rights.

16 Sec. 120. Section 216A.72, Code 2009, is amended by striking
17 the section and inserting in lieu thereof the following:

18 **216A.72 Office of persons with disabilities.**

19 The office of persons with disabilities is established, and
20 shall do all of the following:

21 1. Serve as the central permanent agency to advocate for
22 persons with disabilities.

23 2. Coordinate and cooperate with the efforts of state
24 departments and agencies to serve the needs of persons with
25 disabilities in participating fully in the economic, social,
26 and cultural life of the state, and provide direct assistance
27 to individuals who request it.

28 3. Develop, coordinate, and assist other public or private
29 organizations which serve persons with disabilities.

30 4. Serve as an information clearinghouse on programs and
31 agencies operating to assist persons with disabilities.

32 Sec. 121. Section 216A.74, Code Supplement 2009, is amended
33 by striking the section and inserting in lieu thereof the
34 following:

35 **216A.74 Commission of persons with disabilities established.**

1 1. The commission of persons with disabilities is
2 established and shall consist of seven voting members appointed
3 by the governor subject to confirmation by the senate pursuant
4 to section 2.32. A majority of the commission shall be persons
5 with disabilities. All members shall reside in the state.

6 2. Members of the commission shall serve four-year
7 staggered terms which shall begin and end pursuant to section
8 69.19. Members whose terms expire may be reappointed.
9 Vacancies on the commission shall be filled for the unexpired
10 term in the same manner as the original appointment. Voting
11 members shall receive actual expenses incurred while serving
12 in their official capacity, subject to statutory limits.
13 Voting members may also be eligible to receive compensation as
14 provided in section 7E.6.

15 3. Members of the commission shall appoint a chairperson.
16 The commission shall meet at least quarterly during each fiscal
17 year. A majority of the voting members currently appointed
18 to the commission shall constitute a quorum. A quorum shall
19 be required for the conduct of business of the commission and
20 the affirmative vote of a majority of the currently appointed
21 voting members is necessary for any substantive action taken by
22 the commission. A member shall not vote on any action if the
23 member has a conflict of interest on the matter and a statement
24 by the member of a conflict of interest shall be conclusive for
25 this purpose.

26 Sec. 122. Section 216A.75, Code 2009, is amended by striking
27 the section and inserting in lieu thereof the following:

28 **216A.75 Commission powers and duties.**

29 The commission shall have the following powers and duties:

30 1. Study the opportunities for and changing needs of persons
31 with disabilities in this state.

32 2. Serve as liaisons between the office and the public,
33 sharing information and gathering constituency input.

34 3. Recommend to the board the adoption of rules pursuant
35 to chapter 17A as it deems necessary for the commission and

1 office.

2 4. Recommend legislative and executive action to the
3 governor and general assembly.

4 5. Establish advisory committees, work groups, or other
5 coalitions as appropriate.

6 Sec. 123. Section 216A.92, Code 2009, is amended by striking
7 the section and inserting in lieu thereof the following:

8 **216A.92 Division of community action agencies.**

9 1. The division of community action agencies is
10 established. The purpose of the division of community action
11 agencies is to strengthen, supplement, and coordinate efforts
12 to develop the full potential of each citizen by recognizing
13 certain community action agencies and supporting certain
14 community-based programs delivered by community action
15 agencies.

16 2. The division shall do all of the following:

17 a. Provide financial assistance for community action
18 agencies to implement community action programs, as permitted
19 by the community service block grant and subject to the funding
20 made available for the program.

21 b. Administer the community services block grant, the
22 low-income energy assistance block grants, department of energy
23 funds for weatherization, and other possible funding sources.
24 If a political subdivision is the community action agency,
25 the financial assistance shall be allocated to the political
26 subdivision.

27 c. Implement accountability measures for its programs and
28 require regular reporting on the measures by the community
29 action agencies.

30 d. Issue an annual report to the governor and general
31 assembly by July 1 of each year.

32 Sec. 124. Section 216A.92A, subsection 1, paragraph c, Code
33 2009, is amended to read as follows:

34 c. One-third of the members shall be persons who, according
35 to federal guidelines, have incomes at or below one hundred

1 eighty-five percent of poverty level.

2 Sec. 125. Section 216A.92A, subsection 3, Code 2009, is
3 amended to read as follows:

4 3. The commission shall select from its membership a
5 chairperson and other officers as it deems necessary. The
6 commission shall meet no less than four times per year. A
7 majority of the members of the commission shall constitute a
8 quorum.

9 Sec. 126. Section 216A.92B, Code 2009, is amended by
10 striking the section and inserting in lieu thereof the
11 following:

12 **216A.92B Commission powers and duties.**

13 The commission shall have the following powers and duties:

14 1. Recommend to the board the adoption of rules pursuant
15 to chapter 17A as it deems necessary for the commission and
16 division.

17 2. Supervise the collection of data regarding the scope of
18 services provided by the community action agencies.

19 3. Serve as liaisons between the division and the public,
20 sharing information and gathering constituency input.

21 4. Make recommendations to the governor and the general
22 assembly for executive and legislative action designed to
23 improve the status of low-income persons in the state.

24 5. Establish advisory committees, work groups, or other
25 coalitions as appropriate.

26 Sec. 127. Section 216A.93, Code 2009, is amended to read as
27 follows:

28 **216A.93 Establishment of community action agencies.**

29 The division shall recognize and assist in the designation
30 of certain community action agencies to assist in the
31 delivery of community action programs. These programs shall
32 include, but not be limited to, outreach, community services
33 block grant, low-income energy assistance, and weatherization
34 programs. If a community action agency is in effect and
35 currently serving an area, that community action agency shall

1 become the designated community action agency for that area.
2 ~~If there is not a designated community action agency in the~~
3 ~~area a city council or county board of supervisors or any~~
4 ~~combination of one or more councils or boards may establish~~
5 ~~a community action agency and may apply to the division for~~
6 ~~recognition. The council or board or the combination may adopt~~
7 ~~an ordinance or resolution establishing a community action~~
8 ~~agency if a community action agency has not been designated.~~
9 ~~It is the purpose of the division of community action agencies~~
10 ~~to strengthen, supplement, and coordinate efforts to develop~~
11 ~~the full potential of each citizen by recognizing certain~~
12 ~~community action agencies and the continuation of certain~~
13 ~~community-based programs delivered by community action~~
14 ~~agencies. If any geographic area of the state ceases to be~~
15 ~~served by a designated community action agency, the division~~
16 ~~may solicit applications and assist the governor in designating~~
17 ~~a community action agency for that area in accordance with~~
18 ~~current community services block grant requirements.~~

19 Sec. 128. Section 216A.94, subsection 2, Code 2009, is
20 amended to read as follows:

21 2. Notwithstanding subsection 1, a public agency
22 shall establish an advisory board ~~or may contract with a~~
23 ~~delegate agency to assist the governing board in meeting~~
24 ~~the requirements of section 216A.95.~~ The advisory board ~~or~~
25 ~~delegate agency board~~ shall be composed of the same type
26 of membership as a board of directors for community action
27 agencies under subsection 1. ~~However, the public agency acting~~
28 ~~as In addition, the advisory board of the community action~~
29 ~~agency shall have the sole authority to determine annual~~
30 ~~program budget requests.~~

31 Sec. 129. Section 216A.95, subsection 1, Code 2009, is
32 amended by striking the subsection and inserting in lieu
33 thereof the following:

34 1. The governing board or advisory board shall fully
35 participate in the development, planning, implementation, and

1 evaluation of programs to serve low-income communities.

2 Sec. 130. Section 216A.96, subsection 1, Code 2009, is
3 amended by striking the subsection and inserting in lieu
4 thereof the following:

5 1. Plan and implement strategies to alleviate the
6 conditions of poverty and encourage self-sufficiency for
7 citizens in its service area and in Iowa. In doing so,
8 an agency shall plan for a community action program by
9 establishing priorities among projects, activities, and areas
10 to provide for the most efficient use of possible resources.

11 Sec. 131. Section 216A.96, subsection 4, Code 2009, is
12 amended to read as follows:

13 4. Encourage and support self-help, volunteer, business,
14 labor, and other groups and organizations to assist public
15 officials and agencies in supporting a community action program
16 ~~which results in the additional use of~~ by providing private
17 resources while, developing new employment opportunities,
18 encouraging investments ~~which have an impact on reducing~~
19 ~~poverty among the poor~~ in areas of concentrated poverty, and
20 providing methods by which low-income persons can work with
21 private organizations, businesses, and institutions in seeking
22 solutions to problems of common concern.

23 Sec. 132. Section 216A.97, Code 2009, is amended to read as
24 follows:

25 **216A.97 Administration.**

26 A community action agency or a delegate agency may
27 administer the components of a community action program
28 when the program is consistent with plans and purposes and
29 applicable law. The community action programs may be projects
30 which are eligible for assistance from any source. The
31 programs shall be developed to meet local needs and may be
32 designed to meet eligibility standards of a federal or state
33 program ~~providing assistance to a plan to meet local needs.~~

34 Sec. 133. Section 216A.98, Code 2009, is amended to read as
35 follows:

1 **216A.98 Audit.**

2 Each community action agency shall be audited annually but
3 shall not be required to obtain a duplicate audit to meet the
4 requirements of this section. In lieu of an audit by the
5 auditor of state, the community action agency may contract with
6 or employ a certified public accountant to conduct the audit,
7 pursuant to the applicable terms and conditions prescribed by
8 sections 11.6 and 11.19 and an audit format prescribed by the
9 auditor of state. Copies of each audit shall be furnished to
10 the division ~~within three months following the annual audit in~~
11 a manner prescribed by the division.

12 Sec. 134. Section 216A.102, subsection 3, Code 2009, is
13 amended to read as follows:

14 3. Under rules developed by the division of community action
15 agencies of the department of human rights and adopted by
16 the board, the fund may be used to negotiate reconnection of
17 essential utility services with the energy provider.

18 Sec. 135. Section 216A.104, subsections 4 and 5, Code 2009,
19 are amended by striking the subsections.

20 Sec. 136. Section 216A.107, subsection 2, Code Supplement
21 2009, is amended to read as follows:

22 2. Unless otherwise provided by law, terms of members,
23 election of officers, and other procedural matters shall be
24 as determined by the council. A quorum shall be required for
25 the conduct of business of the council and the affirmative
26 vote of a majority of the currently appointed voting members
27 is necessary for any substantive action taken by the council.
28 A member shall not vote on any action if the member has a
29 conflict of interest on the matter and a statement by the
30 member of a conflict of interest shall be conclusive for this
31 purpose.

32 Sec. 137. Section 216A.111, subsection 1, Code 2009, is
33 amended by striking the subsection.

34 Sec. 138. Section 216A.111, subsection 3, Code 2009, is
35 amended to read as follows:

1 3. ~~"Division"~~ "Office" means the ~~division~~ office of deaf
2 services of the department of human rights.

3 Sec. 139. Section 216A.112, Code 2009, is amended by
4 striking the section and inserting in lieu thereof the
5 following:

6 **216A.112 Office of deaf services.**

7 The office of deaf services is established, and shall do all
8 of the following:

9 1. Serve as the central permanent agency to advocate for
10 persons who are deaf or hard of hearing.

11 2. Coordinate and cooperate with the efforts of state
12 departments and agencies to serve the needs of persons who are
13 deaf or hard of hearing in participating fully in the economic,
14 social, and cultural life of the state, and provide direct
15 assistance to individuals who request it.

16 3. Develop, coordinate, and assist other public or private
17 organizations which serve persons who are deaf or hard of
18 hearing.

19 4. Serve as an information clearinghouse on programs and
20 agencies operating to assist persons who are deaf or hard of
21 hearing.

22 Sec. 140. Section 216A.113, Code 2009, is amended by
23 striking the section and inserting in lieu thereof the
24 following:

25 **216A.113 Deaf services commission established.**

26 1. The commission on the deaf is established, and shall
27 consist of seven voting members appointed by the governor,
28 subject to confirmation by the senate pursuant to section
29 2.32. Membership of the commission shall include at least four
30 members who are deaf and who cannot hear human speech with or
31 without use of amplification and at least one member who is
32 hard of hearing. All members shall reside in Iowa.

33 2. Members of the commission shall serve four-year
34 staggered terms which shall begin and end pursuant to section
35 69.19. Members whose terms expire may be reappointed.

1 Vacancies on the commission may be filled for the remainder
2 of the term in the same manner as the original appointment.
3 Members shall receive actual expenses incurred while serving in
4 their official capacity, subject to statutory limits. Members
5 may also be eligible to receive compensation as provided in
6 section 7E.6.

7 3. Members of the commission shall appoint a chairperson
8 and vice chairperson and other officers as the commission
9 deems necessary. The commission shall meet at least quarterly
10 during each fiscal year. A majority of the members currently
11 appointed to the commission shall constitute a quorum. A
12 quorum shall be required for the conduct of business of the
13 commission and the affirmative vote of a majority of the
14 currently appointed members is necessary for any substantive
15 action taken by the commission. A member shall not vote on any
16 action if the member has a conflict of interest on the matter
17 and a statement by the member of a conflict of interest shall
18 be conclusive for this purpose.

19 Sec. 141. Section 216A.114, Code 2009, is amended by
20 striking the section and inserting in lieu thereof the
21 following:

22 **216A.114 Commission powers and duties.**

23 The commission shall have the following powers and duties:

24 1. Study the changing needs and opportunities for the deaf
25 and hard-of-hearing people in this state.

26 2. Serve as a liaison between the office and the public,
27 sharing information and gathering constituency input.

28 3. Recommend to the board for adoption rules pursuant
29 to chapter 17A as it deems necessary for the commission and
30 office.

31 4. Recommend legislative and executive action to the
32 governor and general assembly.

33 5. Establish advisory committees, work groups, or other
34 coalitions as appropriate.

35 Sec. 142. NEW SECTION. **216A.131A Division of criminal and**

1 juvenile justice planning.

2 The division of criminal and juvenile justice planning is
3 established to fulfill the responsibilities of this subchapter,
4 including the duties specified in sections 216A.135, 216A.136,
5 216A.137, 216A.138, and 216A.139.

6 Sec. 143. Section 216A.132, subsection 1, unnumbered
7 paragraph 1, Code 2009, is amended to read as follows:

8 A criminal and juvenile justice planning advisory council is
9 established consisting of twenty-three members who shall all
10 reside in the state.

11 Sec. 144. Section 216A.132, subsection 1, paragraph b, Code
12 2009, is amended to read as follows:

13 b. The departments of human services, corrections,
14 and public safety, the ~~division~~ office on the status of
15 ~~African-Americans~~ African Americans, the Iowa department of
16 public health, the chairperson of the board of parole, the
17 attorney general, the state public defender, the governor's
18 office of drug control policy, and the chief justice of the
19 supreme court shall each designate a person to serve on the
20 council. The person appointed by the Iowa department of public
21 health shall be from the departmental staff who administer the
22 comprehensive substance abuse program under chapter 125.

23 Sec. 145. Section 216A.132, Code 2009, is amended by adding
24 the following new subsection:

25 NEW SUBSECTION. 3. Members of the council shall appoint
26 a chairperson and vice chairperson and other officers as the
27 council deems necessary. A majority of the voting members
28 currently appointed to the council shall constitute a quorum.
29 A quorum shall be required for the conduct of business of the
30 council and the affirmative vote of a majority of the currently
31 appointed members is necessary for any substantive action taken
32 by the council. A member shall not vote on any action if the
33 member has a conflict of interest on the matter and a statement
34 by the member of a conflict of interest shall be conclusive for
35 this purpose.

1 Sec. 146. Section 216A.133, subsection 5, Code 2009, is
2 amended to read as follows:

3 5. Administer federal funds and funds appropriated by
4 the state or that are otherwise available in compliance with
5 applicable laws, regulations, and other requirements for
6 purposes of study, research, investigation, planning, and
7 implementation in the areas of criminal and juvenile justice.

8 Sec. 147. Section 216A.133, Code 2009, is amended by adding
9 the following new subsections:

10 NEW SUBSECTION. 8. Provide input to the department director
11 in the development of budget recommendations for the division.

12 NEW SUBSECTION. 9. Serve as liaison between the division
13 and the public, sharing information and gathering constituency
14 input.

15 NEW SUBSECTION. 10. Recommend to the board for adoption
16 rules pursuant to chapter 17A as it deems necessary for the
17 council and division.

18 NEW SUBSECTION. 11. Recommend legislative and executive
19 action to the governor and general assembly.

20 NEW SUBSECTION. 12. Establish advisory committees, work
21 groups, or other coalitions as appropriate.

22 Sec. 148. Section 216A.138, subsection 8, Code 2009, is
23 amended by striking the subsection.

24 Sec. 149. Section 216A.141, subsection 1, Code 2009, is
25 amended by striking the subsection.

26 Sec. 150. Section 216A.141, subsection 3, Code 2009, is
27 amended to read as follows:

28 3. ~~"Division"~~ "Office" means the ~~division~~ office on the
29 status of ~~African-Americans~~ African Americans of the department
30 of human rights.

31 Sec. 151. Section 216A.142, Code 2009, is amended by
32 striking the section and inserting in lieu thereof the
33 following:

34 **216A.142 Commission on the status of African Americans**
35 **established.**

1 1. The commission on the status of African Americans is
2 established and shall consist of seven members appointed by
3 the governor, subject to confirmation by the senate. All
4 members shall reside in Iowa. At least five members shall be
5 individuals who are African American.

6 2. Terms of office are staggered four-year terms. Members
7 whose terms expire may be reappointed. Vacancies on the
8 commission shall be filled for the remainder of the term of and
9 in the same manner as the original appointment. The commission
10 shall meet quarterly and may hold special meetings on the call
11 of the chairperson. The members of the commission shall be
12 reimbursed for actual expenses while engaged in their official
13 duties. Members may also be eligible to receive compensation
14 as provided in section 7E.6.

15 3. Members of the commission shall appoint a chairperson
16 and vice chairperson and other officers as the commission
17 deems necessary. A majority of members of the commission
18 shall constitute a quorum. A quorum shall be required for the
19 conduct of business of the commission and the affirmative vote
20 of a majority of the currently appointed members is necessary
21 for any substantive action taken by the commission. A member
22 shall not vote on any action if the member has a conflict of
23 interest on the matter and a statement by the member of a
24 conflict of interest shall be conclusive for this purpose.

25 Sec. 152. Section 216A.143, Code 2009, is amended by
26 striking the section and inserting in lieu thereof the
27 following:

28 **216A.143 Commission powers and duties.**

29 The commission shall have the following powers and duties:

30 1. Study the opportunities for and changing needs of the
31 African American community in this state.

32 2. Serve as liaison between the office and the public,
33 sharing information and gathering constituency input.

34 3. Recommend to the board for adoption rules pursuant
35 to chapter 17A as it deems necessary for the commission and

1 office.

2 4. Recommend executive and legislative action to the
3 governor and general assembly.

4 5. Establish advisory committees, work groups, or other
5 coalitions as appropriate.

6 Sec. 153. Section 216A.146, Code 2009, is amended by
7 striking the section and inserting in lieu thereof the
8 following:

9 **216A.146 Office on the status of African Americans.**

10 The office on the status of African Americans is established
11 and shall do the following:

12 1. Serve as the central permanent agency to advocate for
13 African Americans.

14 2. Coordinate and cooperate with the efforts of state
15 departments and agencies to serve the needs of African
16 Americans in participating fully in the economic, social, and
17 cultural life of the state, and provide direct assistance to
18 individuals who request it.

19 3. Develop, coordinate, and assist other public or private
20 organizations which serve African Americans.

21 4. Serve as an information clearinghouse on programs and
22 agencies operating to assist African Americans.

23 Sec. 154. Section 216A.151, subsection 1, Code 2009, is
24 amended by striking the subsection.

25 Sec. 155. Section 216A.151, subsection 3, Code 2009, is
26 amended to read as follows:

27 3. "*Commission*" means the commission ~~on the status of~~
28 ~~Iowans~~ of Asian and Pacific Islander heritage affairs.

29 Sec. 156. Section 216A.151, subsection 4, Code 2009, is
30 amended to read as follows:

31 4. "*Division*" "*Office*" means the ~~division on the status of~~
32 ~~Iowans~~ office of Asian and Pacific Islander heritage affairs of
33 the department of human rights.

34 Sec. 157. Section 216A.152, Code 2009, is amended by
35 striking the section and inserting in lieu thereof the

1 following:

2 **216A.152 Commission of Asian and Pacific Islander affairs**
3 **established.**

4 1. The commission of Asian and Pacific Islander affairs is
5 established and shall consist of seven members appointed by the
6 governor, subject to confirmation by the senate. Members shall
7 be appointed representing every geographical area of the state
8 and ethnic groups of Asian and Pacific Islander heritage. All
9 members shall reside in Iowa.

10 2. Terms of office are four years and shall begin and end
11 pursuant to section 69.19. Members whose terms expire may be
12 reappointed. Vacancies on the commission may be filled for the
13 remainder of the term of and in the same manner as the original
14 appointment. Members shall receive actual expenses incurred
15 while serving in their official capacity, subject to statutory
16 limits. Members may also be eligible to receive compensation
17 as provided in section 7E.6.

18 3. Members of the commission shall appoint a chairperson
19 and vice chairperson and other officers as the commission deems
20 necessary. The commission shall meet at least quarterly during
21 each fiscal year. A majority of the members of the commission
22 shall constitute a quorum. A quorum shall be required for the
23 conduct of business of the commission and the affirmative vote
24 of a majority of the currently appointed members is necessary
25 for any substantive action taken by the commission. A member
26 shall not vote on any action if the member has a conflict of
27 interest on the matter and a statement by the member of a
28 conflict of interest shall be conclusive for this purpose.

29 Sec. 158. Section 216A.153, Code 2009, is amended by
30 striking the section and inserting in lieu thereof the
31 following:

32 **216A.153 Commission powers and duties.**

33 The commission shall have the following powers and duties:

34 1. Study the opportunities for and changing needs of the
35 Asian and Pacific Islander persons in this state.

1 2. Serve as liaison between the office and the public,
2 sharing information and gathering constituency input.

3 3. Recommend to the board for adoption rules pursuant
4 to chapter 17A as it deems necessary for the commission and
5 office.

6 4. Recommend legislative and executive action to the
7 governor and general assembly.

8 5. Establish advisory committees, work groups, or other
9 coalitions as appropriate.

10 Sec. 159. Section 216A.154, Code 2009, is amended by
11 striking the section and inserting in lieu thereof the
12 following:

13 **216A.154 Office of Asian and Pacific Islander affairs.**

14 The office of Asian and Pacific Islander affairs is
15 established and shall do the following:

16 1. Serve as the central permanent agency to advocate for
17 Iowans of Asian and Pacific Islander heritage.

18 2. Coordinate and cooperate with the efforts of state
19 departments and agencies to serve the needs of Iowans of Asian
20 and Pacific Islander heritage in participating fully in the
21 economic, social, and cultural life of the state, and provide
22 direct assistance to individuals who request it.

23 3. Develop, coordinate, and assist other public or private
24 organizations which serve Iowans of Asian and Pacific Islander
25 heritage.

26 4. Serve as an information clearinghouse on programs
27 and agencies operating to assist Iowans of Asian and Pacific
28 Islander heritage.

29 Sec. 160. Section 216A.161, subsection 1, Code 2009, is
30 amended by striking the subsection.

31 Sec. 161. Section 216A.161, subsection 2, Code 2009, is
32 amended to read as follows:

33 2. "*Commission*" means the commission ~~en~~ of Native American
34 affairs.

35 Sec. 162. Section 216A.161, subsection 3, Code 2009, is

1 amended to read as follows:

2 3. ~~"Division"~~ "Office" means the ~~division on~~ office
3 of Native American affairs of the department of human rights.

4 Sec. 163. Section 216A.162, subsection 1, Code 2009, is
5 amended to read as follows:

6 1. A commission ~~on~~ of Native American affairs is established
7 consisting of eleven voting members appointed by the governor,
8 subject to confirmation by the senate. ~~The members of the~~
9 ~~commission shall appoint one of the members to serve as~~
10 ~~chairperson of the commission.~~

11 Sec. 164. Section 216A.162, Code 2009, is amended by adding
12 the following new subsection:

13 NEW SUBSECTION. 4. Members of the commission shall appoint
14 one of their members to serve as chairperson and may appoint
15 such other officers as the commission deems necessary. The
16 commission shall meet at least four times per year and shall
17 hold special meetings on the call of the chairperson. The
18 members of the commission shall be reimbursed for actual
19 expenses while engaged in their official duties. A member
20 may also be eligible to receive compensation as provided in
21 section 7E.6. A majority of the members of the commission
22 shall constitute a quorum. A quorum shall be required for the
23 conduct of business of the commission and the affirmative vote
24 of a majority of the currently appointed members is necessary
25 for any substantive action taken by the commission. A member
26 shall not vote on any action if the member has a conflict of
27 interest on the matter and a statement by the member of a
28 conflict of interest shall be conclusive for this purpose.

29 Sec. 165. Section 216A.165, subsections 1 through 9, Code
30 2009, are amended by striking the subsections and inserting in
31 lieu thereof the following:

32 1. Study the opportunities for and changing needs of Native
33 American persons in this state.

34 2. Serve as a liaison between the department and the public,
35 sharing information and gathering constituency input.

1 3. Recommend to the board for adoption rules pursuant
2 to chapter 17A as it deems necessary for the commission and
3 office.

4 4. Recommend legislative and executive action to the
5 governor and general assembly.

6 5. Establish advisory committees, work groups, or other
7 coalitions as appropriate.

8 Sec. 166. Section 216A.166, Code 2009, is amended by
9 striking the section and inserting in lieu thereof the
10 following:

11 **216A.166 Office of Native American affairs.**

12 The office of Native American affairs is established and
13 shall do the following:

14 1. Serve as the central permanent agency to advocate for
15 Native Americans.

16 2. Coordinate and cooperate with the efforts of state
17 departments and agencies to serve the needs of Native Americans
18 in participating fully in the economic, social, and cultural
19 life of the state, and provide direct assistance to individuals
20 who request it.

21 3. Develop, coordinate, and assist other public or private
22 organizations which serve Native Americans.

23 4. Serve as an information clearinghouse on programs and
24 agencies operating to assist Native Americans.

25 Sec. 167. Section 216A.167, subsections 1 and 2, Code 2009,
26 are amended by striking the subsections.

27 Sec. 168. Section 216A.167, subsection 3, unnumbered
28 paragraph 1, Code 2009, is amended to read as follows:

29 The commission and office shall not have the authority to do
30 any of the following:

31 Sec. 169. REPEAL. Sections 216A.16, 216A.17, 216A.55,
32 216A.56, 216A.57, 216A.58, 216A.59, 216A.60, 216A.73, 216A.76,
33 216A.77, 216A.78, 216A.79, 216A.101, 216A.103, 216A.115,
34 216A.116, 216A.117, 216A.134, 216A.144, 216A.145, 216A.147,
35 216A.148, 216A.149, 216A.155, 216A.156, 216A.157, 216A.158,

1 216A.159, 216A.160, 216A.164, 216A.168, 216A.169, and 216A.170,
2 Code 2009, are repealed.

3 Sec. 170. DEPARTMENT OF HUMAN RIGHTS REORGANIZATION —
4 TRANSITION PROVISIONS.

5 1. Except for the department director, no other employee
6 of the department of human rights shall be appointed by the
7 governor. Those persons now occupying positions that were
8 previously appointed by the governor shall be retained but
9 shall be subject to the merit system and state human resource
10 management system as provided by sections 8A.412 and 8A.413.

11 2. Through December 31, 2010, the department director shall
12 be granted reasonable flexibility within the department's
13 appropriation and allotted full-time equivalent positions to
14 reassign, retrain, or reclassify personnel as deemed necessary
15 in order to most effectively and efficiently carry out the
16 department's mission. Any personnel in the state merit system
17 of employment who are transferred from one work unit to another
18 due to the effect of this division of this Act shall be so
19 transferred without any loss in salary, benefits, or accrued
20 years of service.

21 3. In regard to updating references and format in the Iowa
22 administrative code in order to correspond to the transferring
23 of the authority to adopt rules from the previous divisions
24 of the department of human rights to the department of human
25 rights as established by this division of this Act, the
26 administrative rules coordinator and the administrative rules
27 review committee, in consultation with the administrative code
28 editor, shall jointly develop a schedule for the necessary
29 updating of the Iowa administrative code.

30 4. Current contracts that bind any division of the
31 department of human rights shall be honored by the department,
32 or expediently and judiciously amended if changes in the name
33 of the contractor must be made before the expiration of the
34 contract.

35 5. All client and organizational files in the possession

1 of any office subsumed within the division of community
2 advocacy and services as enacted by this division of this Act
3 will become the property of the office that will serve that
4 population.

5 6. Any replacement of signs, logos, stationery, insignia,
6 uniforms, and related items that is made due to the effect of
7 this division of this Act shall if possible be done as part of
8 the normal replacement cycle for such items.

9 7. The governor, in consultation with the director of
10 the department of human rights, shall establish a process
11 to implement the requirements of this division of this Act
12 and shall have the authority to terminate and modify the
13 terms of office of voting members of the commissions and the
14 council within the department of human rights in order to
15 effectuate the requirements of this division of this Act. New
16 appointments or reappointments to the commissions and the
17 council as required by this division of this Act shall be made
18 to effectuate the requirement, if applicable, that members
19 shall serve for staggered four-year terms.

20 Sec. 171. EFFECTIVE UPON ENACTMENT. This division of this
21 Act, being deemed of immediate importance, takes effect upon
22 enactment.

23 DIVISION XIII

24 GAMBLING SETOFFS

25 Sec. 172. Section 99D.28, subsection 1, Code 2009, is
26 amended to read as follows:

27 1. A licensee or a person acting on behalf of a licensee
28 shall be provided electronic access to the names of the
29 persons indebted to a claimant agency pursuant to the process
30 established pursuant to section 99D.7, subsection 23. The
31 electronic access provided by the claimant agency shall include
32 access to the names of the debtors, their social security
33 numbers, and any other information that assists the licensee
34 in identifying the debtors. If the name of a debtor provided
35 to the licensee through electronic access is retrieved by

1 the licensee and the winnings are equal to or greater than
2 ~~ten~~ one thousand two hundred dollars per occurrence, the
3 retrieval of such a name shall constitute a valid lien upon and
4 claim of lien against the winnings of the debtor whose name
5 is electronically retrieved from the claimant agency. If a
6 debtor's winnings are equal to or greater than ~~ten~~ one thousand
7 two hundred dollars per occurrence, the full amount of the debt
8 shall be collectible from any winnings due the debtor without
9 regard to limitations on the amounts that may be collectible in
10 increments through setoff or other proceedings.

11 Sec. 173. Section 99F.19, subsection 1, Code 2009, is
12 amended to read as follows:

13 1. A licensee or a person acting on behalf of a licensee
14 shall be provided electronic access to the names of the
15 persons indebted to a claimant agency pursuant to the process
16 established pursuant to section 99F.4, subsection 26. The
17 electronic access provided by the claimant agency shall include
18 access to the names of the debtors, their social security
19 numbers, and any other information that assists the licensee
20 in identifying the debtors. If the name of a debtor provided
21 to the licensee through electronic access is retrieved by
22 the licensee and the winnings are equal to or greater than
23 ~~ten~~ one thousand two hundred dollars per occurrence, the
24 retrieval of such a name shall constitute a valid lien upon and
25 claim of lien against the winnings of the debtor whose name
26 is electronically retrieved from the claimant agency. If a
27 debtor's winnings are equal to or greater than ~~ten~~ one thousand
28 two hundred dollars per occurrence, the full amount of the debt
29 shall be collectible from any winnings due the debtor without
30 regard to limitations on the amounts that may be collectible in
31 increments through setoff or other proceedings.

32 DIVISION XIV

33 DEPARTMENT OF MANAGEMENT — FINANCIAL ADMINISTRATION

34 REORGANIZATION

35 Sec. 174. NEW SECTION. 8.71 Definitions.

1 As used in this section and sections 8.72 through 8.89,
2 unless the context otherwise requires:

3 1. "Agency" or "state agency" means a unit of state
4 government, which is an authority, board, commission,
5 committee, council, department, or independent agency as
6 defined in section 7E.4, including but not limited to each
7 principal central department enumerated in section 7E.5.
8 However, "agency" or "state agency" does not mean any of the
9 following:

10 a. The office of the governor or the office of an elective
11 constitutional or statutory officer.

12 b. The general assembly, or any office or unit under its
13 administrative authority.

14 c. The judicial branch, as provided in section 602.1102.

15 d. A political subdivision of the state or its offices
16 or units, including but not limited to a county, city, or
17 community college.

18 2. "Department" means the department of management.

19 3. "Director" means the director of the department of
20 management or the director's designee.

21 Sec. 175. NEW SECTION. **8.72 Financial administration**
22 **duties.**

23 The department shall provide for the efficient management
24 and administration of the financial resources of state
25 government and shall have and assume the following powers and
26 duties:

27 1. *Centralized accounting and payroll system.* To assume the
28 responsibilities related to a centralized accounting system
29 for state government and to establish a centralized payroll
30 system for all state agencies. However, the state board of
31 regents and institutions under the control of the state board
32 of regents shall not be required to utilize the centralized
33 payroll system.

34 2. *Setoff procedures.* To establish and maintain a setoff
35 procedure as provided in section 8.74.

1 3. *Cost allocation system.* To establish a cost allocation
2 system as provided in section 8.75.

3 4. *Collection and payment of funds — monthly payments.* To
4 control the payment of all moneys into the state treasury,
5 and all payments from the state treasury by the preparation
6 of appropriate warrants, or warrant checks, directing such
7 collections and payment, and to advise the treasurer of state
8 monthly in writing of the amount of public funds not currently
9 needed for operating expenses. Whenever the state treasury
10 includes state funds that require distribution to counties,
11 cities, or other political subdivisions of this state, and the
12 counties, cities, and other political subdivisions certify to
13 the director that warrants will be stamped for lack of funds
14 within the thirty-day period following certification, the
15 director may partially distribute the funds on a monthly basis.
16 Whenever the law requires that any funds be paid by a specific
17 date, the director shall prepare a final accounting and shall
18 make a final distribution of any remaining funds prior to that
19 date.

20 5. *Preaudit system.* To establish and fix a reasonable
21 imprest cash fund for each state department and institution
22 for disbursement purposes where needed. These revolving
23 funds shall be reimbursed only upon vouchers approved by the
24 director. It is the purpose of this subsection to establish a
25 preaudit system of settling all claims against the state, but
26 the preaudit system is not applicable to any of the following:

27 a. Institutions under the control of the state board of
28 regents.

29 b. The state fair board as established in chapter 173.

30 c. The Iowa dairy industry commission as established in
31 chapter 179, the Iowa beef cattle producers association as
32 established in chapter 181, the Iowa pork producers council
33 as established in chapter 183A, the Iowa egg council as
34 established in chapter 184, the Iowa turkey marketing council
35 as established in chapter 184A, the Iowa soybean association

1 as provided in chapter 185, and the Iowa corn promotion board
2 as established in chapter 185C.

3 6. *Audit of claims.* To set rules and procedures for the
4 preaudit of claims by individual agencies or organizations.
5 The director reserves the right to refuse to accept incomplete
6 or incorrect claims and to review, preaudit, or audit claims
7 as determined by the director.

8 7. *Contracts.* To certify, record, and encumber all formal
9 contracts to prevent overcommitment of appropriations and
10 allotments.

11 8. *Accounts.* To keep the central budget and proprietary
12 control accounts of the general fund of the state and special
13 funds, as defined in section 8.2, of the state government.
14 Upon elimination of the state deficit under generally accepted
15 accounting principles, including the payment of items budgeted
16 in a subsequent fiscal year which under generally accepted
17 accounting principles should be budgeted in the current fiscal
18 year, the recognition of revenues received and expenditures
19 paid and transfers received and paid within the time period
20 required pursuant to section 8.33 shall be in accordance with
21 generally accepted accounting principles. Budget accounts
22 are those accounts maintained to control the receipt and
23 disposition of all funds, appropriations, and allotments.
24 Proprietary accounts are those accounts relating to assets,
25 liabilities, income, and expense. For each fiscal year, the
26 financial position and results of operations of the state shall
27 be reported in a comprehensive annual financial report prepared
28 in accordance with generally accepted accounting principles, as
29 established by the governmental accounting standards board.

30 8A. *Budget database.* To develop and make available to the
31 public a searchable budget database.

32 9. *Fair board and state board of regents.* To control
33 the financial operations of the state fair board and the
34 institutions under the state board of regents:

35 a. By charging all warrants issued to the respective

1 educational institutions and the state fair board to an advance
2 account to be further accounted for and not as an expense which
3 requires no further accounting.

4 *b.* By charging all collections made by the educational
5 institutions and state fair board to the respective advance
6 accounts of the institutions and state fair board, and by
7 crediting all such repayment collections to the respective
8 appropriations and special funds.

9 *c.* By charging all disbursements made to the respective
10 allotment accounts of each educational institution or state
11 fair board and by crediting all such disbursements to the
12 respective advance and inventory accounts.

13 *d.* By requiring a monthly abstract of all receipts and
14 of all disbursements, both money and stores, and a complete
15 account current each month from each educational institution
16 and the state fair board.

17 10. *Entities representing agricultural producers.* To control
18 the financial operations of the Iowa dairy industry commission
19 as provided in chapter 179, the Iowa beef cattle producers
20 association as provided in chapter 181, the Iowa pork producers
21 council as provided in chapter 183A, the Iowa egg council as
22 provided in chapter 184, the Iowa turkey marketing council
23 as provided in chapter 184A, the Iowa soybean association as
24 provided in chapter 185, and the Iowa corn promotion board as
25 provided in chapter 185C.

26 11. *Custody of records.* To have the custody of all books,
27 papers, records, documents, vouchers, conveyances, leases,
28 mortgages, bonds, and other securities appertaining to the
29 fiscal affairs and property of the state, which are not
30 required to be kept in some other office.

31 12. *Interest of the permanent school fund.* To transfer the
32 interest of the permanent school fund to the credit of the
33 interest for Iowa schools fund.

34 13. *Forms.* To prescribe all accounting and business
35 forms and the system of accounts and reports of financial

1 transactions by all departments and agencies of the state
2 government other than those of the legislative branch.

3 14. *Federal cash management and improvement act*
4 *administrator.*

5 a. To serve as administrator for state actions relating to
6 the federal Cash Management and Improvement Act of 1990, Pub.
7 L. No. 101=453, as codified in 31 U.S.C. § 6503. The director
8 shall perform the following duties relating to the federal law:

9 (1) Act as the designated representative of the state in the
10 negotiation and administration of contracts between the state
11 and federal government relating to the federal law.

12 (2) Modify the centralized statewide accounting system
13 and develop, or require to be developed by the appropriate
14 departments of state government, the reports and procedures
15 necessary to complete the managerial and financial reports
16 required to comply with the federal law.

17 b. There is annually appropriated from the general fund
18 of the state to the department an amount sufficient to pay
19 interest costs that may be due the federal government as a
20 result of implementation of the federal law. This paragraph
21 does not authorize the payment of interest from the general
22 fund of the state for any department of administrative
23 services' revolving, trust, or special fund of the department
24 of administrative services where monthly interest earnings
25 accrue to the credit of the department of administrative
26 services' revolving, trust, or special fund. For any
27 department of administrative services' revolving, trust, or
28 special fund where monthly interest is accrued to the credit of
29 the fund, the director may authorize a supplemental expenditure
30 to pay interest costs from the individual fund which are due
31 the federal government as a result of implementation of the
32 federal law.

33 Sec. 176. NEW SECTION. 8.73 Rules — deposit of
34 departmental moneys.

35 The director shall prescribe by rule the manner and methods

1 by which all departments and agencies of the state that
2 collect money for and on behalf of the state shall cause the
3 money to be deposited with the treasurer of state or in a
4 depository designated by the treasurer of state. All such
5 moneys collected shall be deposited at such times and in such
6 depositories to permit the state of Iowa to deposit the funds
7 in a manner consistent with the state's investment policies.
8 All such moneys shall be promptly deposited, as directed, even
9 though the individual amount remitted may not be correct. If
10 any individual amount remitted is in excess of the amount
11 required, the department or agency receiving the same shall
12 refund the excess amount. If the individual amount remitted is
13 insufficient, the person, firm, or corporation concerned shall
14 be immediately billed for the amount of the deficiency.

15 Sec. 177. NEW SECTION. 8.74 **Setoff procedures.**

16 1. *Definitions.* As used in this section, unless the context
17 otherwise requires:

18 a. "*Collection entity*" means the department of management
19 and any other state agency that maintains a separate accounting
20 system and elects to establish a debt collection setoff
21 procedure for collection of debts owed to the state or its
22 agencies.

23 b. "*Person*" does not include a state agency.

24 c. "*Qualifying debt*" includes but is not limited to the
25 following:

26 (1) Any debt, which is assigned to the department of human
27 services, or which the child support recovery unit is otherwise
28 attempting to collect, or which the foster care recovery unit
29 of the department of human services is attempting to collect
30 on behalf of a child receiving foster care provided by the
31 department of human services.

32 (2) An amount that is due because of a default on a
33 guaranteed student or parental loan under chapter 261.

34 (3) Any debt which is in the form of a liquidated sum due,
35 owing, and payable to the clerk of the district court.

1 *d. "State agency"* means a board, commission, department,
2 including the department of administrative services, or other
3 administrative office or unit of the state of Iowa or any
4 other state entity reported in the Iowa comprehensive annual
5 financial report, or a political subdivision of the state, or
6 an office or unit of a political subdivision. "*State agency*"
7 does include the clerk of the district court as it relates to
8 the collection of a qualifying debt. "*State agency*" does not
9 include the general assembly or the governor.

10 2. *Setoff procedure.* The collection entity shall establish
11 and maintain a procedure to set off against any claim owed to
12 a person by a state agency any liability of that person owed
13 to a state agency, a support debt being enforced by the child
14 support recovery unit pursuant to chapter 252B, or such other
15 qualifying debt. The procedure shall only apply when at the
16 discretion of the director it is feasible. The procedure shall
17 meet the following conditions:

18 *a.* Before setoff, a person's liability to a state agency and
19 the person's claim on a state agency shall be in the form of a
20 liquidated sum due, owing, and payable.

21 *b.* Before setoff, the state agency shall obtain and forward
22 to the collection entity the full name and social security
23 number of the person liable to it or to whom a claim is owing
24 who is a natural person. If the person is not a natural person,
25 before setoff, the state agency shall forward to the collection
26 entity the information concerning the person as the collection
27 entity shall, by rule, require. The collection entity
28 shall cooperate with other state agencies in the exchange of
29 information relevant to the identification of persons liable
30 to or of claimants of state agencies. However, the collection
31 entity shall provide only relevant information required by a
32 state agency. The information shall be held in confidence
33 and used for the purpose of setoff only. Section 422.72,
34 subsection 1, does not apply to this paragraph.

35 *c.* Before setoff, a state agency shall, at least annually,

1 submit to the collection entity the information required
2 by paragraph "b" along with the amount of each person's
3 liability to and the amount of each claim on the state agency.
4 The collection entity may, by rule, require more frequent
5 submissions.

6 *d.* Before setoff, the amount of a person's claim on a state
7 agency and the amount of a person's liability to a state agency
8 shall constitute a minimum amount set by rule of the collection
9 entity.

10 *e.* Upon submission of an allegation of liability by a state
11 agency, the collection entity shall notify the state agency
12 whether the person allegedly liable is entitled to payment from
13 a state agency, and, if so entitled, shall notify the state
14 agency of the amount of the person's entitlement and of the
15 person's last address known to the collection entity. Section
16 422.72, subsection 1, does not apply to this paragraph.

17 *f.* (1) Upon notice of entitlement to a payment, the state
18 agency shall send written notification to that person of the
19 state agency's assertion of its rights to all or a portion of
20 the payment and of the state agency's entitlement to recover
21 the liability through the setoff procedure, the basis of
22 the assertion, the opportunity to request that a jointly or
23 commonly owned right to payment be divided among owners, and
24 the person's opportunity to give written notice of intent
25 to contest the amount of the allegation. The state agency
26 shall send a copy of the notice to the collection entity. A
27 state agency subject to chapter 17A shall give notice, conduct
28 hearings, and allow appeals in conformity with chapter 17A.

29 (2) However, upon submission of an allegation of the
30 liability of a person which is owing and payable to the
31 clerk of the district court and upon the determination by
32 the collection entity that the person allegedly liable is
33 entitled to payment from a state agency, the collection entity
34 shall send written notification to the person which states the
35 assertion by the clerk of the district court of rights to all

1 or a portion of the payment, the clerk's entitlement to recover
2 the liability through the setoff procedure, the basis of the
3 assertions, the person's opportunity to request within fifteen
4 days of the mailing of the notice that the collection entity
5 divide a jointly or commonly owned right to payment between
6 owners, the opportunity to contest the liability to the clerk
7 by written application to the clerk within fifteen days of the
8 mailing of the notice, and the person's opportunity to contest
9 the collection entity's setoff procedure.

10 *g.* Upon the timely request of a person liable to a state
11 agency or of the spouse of that person and upon receipt of the
12 full name and social security number of the person's spouse,
13 a state agency shall notify the collection entity of the
14 request to divide a jointly or commonly owned right to payment.
15 Any jointly or commonly owned right to payment is rebuttably
16 presumed to be owned in equal portions by its joint or common
17 owners.

18 *h.* The collection entity shall, after the state agency has
19 sent notice to the person liable or, if the liability is owing
20 and payable to the clerk of the district court, the collection
21 entity has sent notice to the person liable, set off the amount
22 owed to the agency against any amount which a state agency owes
23 that person. The collection entity shall refund any balance
24 of the amount to the person. The collection entity shall
25 periodically transfer amounts set off to the state agencies
26 entitled to them. If a person liable to a state agency gives
27 written notice of intent to contest an allegation, a state
28 agency shall hold a refund or rebate until final disposition
29 of the allegation. Upon completion of the setoff, a state
30 agency shall notify in writing the person who was liable or,
31 if the liability is owing and payable to the clerk of the
32 district court, shall comply with the procedures as provided
33 in paragraph "j".

34 *i.* The department of revenue's existing right to credit
35 against tax due or to become due under section 422.73 is not to

1 be impaired by a right granted to or a duty imposed upon the
2 collection entity or other state agency by this section. This
3 section is not intended to impose upon the collection entity or
4 the department of revenue any additional requirement of notice,
5 hearing, or appeal concerning the right to credit against tax
6 due under section 422.73.

7 *j.* If the alleged liability is owing and payable to the
8 clerk of the district court and setoff as provided in this
9 section is sought, all of the following shall apply:

10 (1) The judicial branch shall prescribe procedures to
11 permit a person to contest the amount of the person's liability
12 to the clerk of the district court.

13 (2) The collection entity shall, except for the procedures
14 described in subparagraph (1), prescribe any other applicable
15 procedures concerning setoff as provided in this subsection.

16 (3) Upon completion of the setoff, the collection entity
17 shall file, at least monthly, with the clerk of the district
18 court a notice of satisfaction of each obligation to the
19 full extent of all moneys collected in satisfaction of the
20 obligation. The clerk shall record the notice and enter a
21 satisfaction for the amounts collected and a separate written
22 notice is not required.

23 3. *Priority claims.* In the case of multiple claims to
24 payments filed under this section, priority shall be given to
25 claims filed by the child support recovery unit or the foster
26 care recovery unit, next priority shall be given to claims
27 filed by the college student aid commission, next priority
28 shall be given to claims filed by the investigations division
29 of the department of inspections and appeals, next priority
30 shall be given to claims filed by a clerk of the district
31 court, and last priority shall be given to claims filed by
32 other state agencies. In the case of multiple claims in which
33 the priority is not otherwise provided by this subsection,
34 priority shall be determined in accordance with rules to be
35 established by the director.

1 4. *State reciprocal agreements.* The director shall have
 2 the authority to enter into reciprocal agreements with the
 3 departments of revenue of other states that have enacted
 4 legislation that is substantially equivalent to the setoff
 5 procedure provided in this section for the recovery of an
 6 amount due because of a default on a guaranteed student or
 7 parental loan under chapter 261. A reciprocal agreement shall
 8 also be approved by the college student aid commission. The
 9 agreement shall authorize the department to provide by rule for
 10 the setoff of state income tax refunds or rebates of defaulters
 11 from states with which Iowa has a reciprocal agreement and to
 12 provide for sending lists of names of Iowa defaulters to the
 13 states with which Iowa has a reciprocal agreement for setoff of
 14 that state's income tax refunds.

15 5. *Agency reimbursements.* Under substantive rules
 16 established by the director, the department shall seek
 17 reimbursement from other state agencies to recover its costs
 18 for setting off liabilities.

19 Sec. 178. NEW SECTION. **8.75 Cost allocation system —**
 20 **appropriation.**

21 The department shall develop and administer an indirect
 22 cost allocation system for state agencies. The system shall
 23 be based upon standard cost accounting methodologies and shall
 24 be used to allocate both direct and indirect costs of state
 25 agencies or state agency functions in providing centralized
 26 services to other state agencies. A cost that is allocated to
 27 a state agency pursuant to this system shall be billed to the
 28 state agency and the cost is payable to the general fund of the
 29 state. The source of payment for the billed cost shall be any
 30 revenue source except for the general fund of the state. If a
 31 state agency is authorized by law to bill and recover direct
 32 expenses, the state agency shall recover indirect costs in the
 33 same manner.

34 Sec. 179. NEW SECTION. **8.76 Accounting.**

35 The director may at any time require any person receiving

1 money, securities, or property belonging to the state, or
2 having the management, disbursement, or other disposition of
3 them, an account of which is kept in the department, to render
4 statements of them and information in reference to them.

5 Sec. 180. NEW SECTION. 8.77 Stating account.

6 If an officer who is accountable to the state treasury for
7 any money or property neglects to render an account to the
8 director within the time prescribed by law, or if no time is so
9 prescribed, within twenty days after being required to do so by
10 the director, the director shall state an account against the
11 officer from the books of the officer's office, charging ten
12 percent damages on the whole sum appearing due, and interest
13 at the rate of six percent per annum on the aggregate from the
14 time when the account should have been rendered; all of which
15 may be recovered by action brought on the account, or on the
16 official bond of the officer.

17 Sec. 181. NEW SECTION. 8.78 Compelling payment.

18 If an officer fails to pay into the state treasury the amount
19 received by the officer within the time prescribed by law, or
20 having settled with the director, fails to pay the amount found
21 due, the director shall charge the officer with twenty percent
22 damages on the amount due, with interest on the aggregate from
23 the time the amount became due at the rate of six percent per
24 annum, and the whole may be recovered by an action brought on
25 the account, or on the official bond of the officer, and the
26 officer shall forfeit the officer's commission.

27 Sec. 182. NEW SECTION. 8.79 Defense to claim.

28 The penal provisions in sections 8.77 and 8.78 are subject
29 to any legal defense which the officer may have against the
30 account as stated by the director, but judgment for costs shall
31 be rendered against the officer in the action, whatever its
32 result, unless the officer rendered an account within the time
33 named in those sections.

34 Sec. 183. NEW SECTION. 8.80 Requested credits — oath
35 required.

1 When a county treasurer or other receiver of public moneys
2 seeks to obtain credit on the books of the department for
3 payment made to the county treasurer, before giving such credit
4 the director shall require that person to take and subscribe an
5 oath that the person has not used, loaned, or appropriated any
6 of the public moneys for the person's private benefit or for
7 the benefit of any other person.

8 Sec. 184. NEW SECTION. **8.81 Requisition for information.**

9 In those cases where the director is authorized to call
10 upon persons or officers for information, or statements,
11 or accounts, the director may issue a requisition therefor
12 in writing to the person or officer called upon, allowing
13 reasonable time, which, having been served and return made to
14 the director, as a notice in a civil action, is evidence of the
15 making of the requisition.

16 Sec. 185. NEW SECTION. **8.82 Limits on claims.**

17 The director is limited in authorizing the payment of
18 claims, as follows:

19 1. *Funding limit.*

20 a. A claim shall not be allowed by the department if the
21 appropriation or fund of certification available for paying the
22 claim has been exhausted or proves insufficient.

23 b. The authority of the director is subject to the following
24 exceptions:

25 (1) Claims by state employees for benefits pursuant to
26 chapters 85, 85A, 85B, and 86 are subject to limitations
27 provided in those chapters.

28 (2) Claims for medical assistance payments authorized under
29 chapter 249A are subject to the time limits imposed by rule
30 adopted by the department of human services.

31 (3) Claims approved by an agency according to the provisions
32 of section 25.2.

33 2. *Convention expenses.* Claims for expenses in attending
34 conventions, meetings, conferences, or gatherings of members
35 of an association or society organized and existing as a

1 quasi-public association or society outside the state of Iowa
2 shall not be allowed at public expense, unless authorized by
3 the executive council; and claims for these expenses outside
4 of the state shall not be allowed unless the voucher is
5 accompanied by the portion of the minutes of the executive
6 council, certified to by its secretary, showing that the
7 expense was authorized by the council. This section does not
8 apply to claims in favor of the governor, attorney general,
9 utilities board members, or to trips referred to in sections
10 97B.7A and 217.20.

11 3. *Payment from fees.* Claims for per diem and expenses
12 payable from fees shall not be approved for payment in excess
13 of those fees if the law provides that such expenditures are
14 limited to the special funds collected and deposited in the
15 state treasury.

16 Sec. 186. NEW SECTION. 8.83 Claims — approval.

17 The director before approving a claim on behalf of the
18 department shall determine:

19 1. That the creation of the claim is clearly authorized by
20 law. Statutes authorizing the expenditure may be referenced
21 through account coding authorized by the director.

22 2. That the claim has been authorized by an officer or
23 official body having legal authority to so authorize and that
24 the fact of authorization has been certified to the director by
25 such officer or official body.

26 3. That all legal requirements have been observed,
27 including notice and opportunity for competition, if required
28 by law.

29 4. That the claim is in proper form as the director may
30 provide.

31 5. That the charges are reasonable, proper, and correct and
32 no part of the claim has been paid.

33 Sec. 187. NEW SECTION. 8.84 Vouchers — interest — payment
34 of claims.

35 1. Before a warrant or its equivalent is issued for

1 a claim payable from the state treasury, the department
2 shall file an itemized voucher showing in detail the items
3 of service, expense, item furnished, or contract for which
4 payment is sought. However, the director may authorize the
5 prepayment of claims when the best interests of the state are
6 served under rules adopted by the director. The claimant's
7 original invoice shall be attached to a department's approved
8 voucher. The director shall adopt rules specifying the
9 form and contents for invoices submitted by a vendor to a
10 department. The requirements apply to acceptance of an invoice
11 by a department. A department shall not impose additional or
12 different requirements on submission of invoices than those
13 contained in rules of the director unless the director exempts
14 the department from the invoice requirements or a part of the
15 requirements upon a finding that compliance would result in
16 poor accounting or management practices.

17 2. Vouchers for postage, stamped envelopes, and postal
18 cards may be audited as soon as an order for them is entered.

19 3. The departments, the general assembly, and the courts
20 shall pay their claims in a timely manner. If a claim
21 for services, supplies, materials, or a contract which is
22 payable from the state treasury remains unpaid after sixty
23 days following the receipt of the claim or the satisfactory
24 delivery, furnishing, or performance of the services, supplies,
25 materials, or contract, whichever date is later, the state
26 shall pay interest at the rate of one percent per month on
27 the unpaid amount of the claim. This subsection does not
28 apply to claims against the state under chapters 25 and 669
29 or to claims paid by federal funds. The interest shall be
30 charged to the appropriation or fund to which the claim is
31 certified. Departments may enter into contracts for goods or
32 services on payment terms of less than sixty days if the state
33 may obtain a financial benefit or incentive which would not
34 otherwise be available from the vendor. The department, in
35 consultation with other affected departments, shall develop

1 policies to promote consistency and fiscal responsibility
2 relating to payment terms authorized under this subsection.
3 The director shall adopt rules under chapter 17A relating to
4 the administration of this subsection.

5 Sec. 188. NEW SECTION. **8.85 Warrants — form.**

6 A warrant shall bear on its face the signature of the
7 director or its facsimile, or the signature of an assistant
8 or its facsimile in case of a vacancy in the office of the
9 director; a proper number, date, amount, and name of payee;
10 a reference to the law under which it is drawn; whether for
11 salaries or wages, services, or supplies, and what kind of
12 supplies; and from what office or department, or for what
13 other general or special purposes; or in lieu thereof, a
14 coding system may be used, which particulars shall be entered
15 in a warrant register kept for that purpose in the order of
16 issuance; and as soon as practicable after issuing a warrant
17 register, the director shall certify a duplicate of it to the
18 treasurer of state.

19 Sec. 189. NEW SECTION. **8.86 Required payee.**

20 All warrants shall be drawn to the order of the person
21 entitled to payment or compensation, except that when goods
22 or materials are purchased in foreign countries, warrants may
23 be drawn upon the treasurer of state, payable to the bearer
24 for the net amount of invoice and current exchange, and the
25 treasurer of state shall furnish a foreign draft payable to the
26 order of the person from whom purchase is made.

27 Sec. 190. NEW SECTION. **8.87 Prohibited payee.**

28 In no case shall warrants be drawn in the name of the
29 certifying office, department, board, or institution, or in
30 the name of an employee, except for personal service rendered
31 or expense incurred by the employee, unless express statutory
32 authority exists therefor.

33 Sec. 191. NEW SECTION. **8.88 Claims exceeding**
34 **appropriations.**

35 A claim shall not be allowed when the claim will exceed the

1 amount specifically appropriated for the claim.

2 Sec. 192. NEW SECTION. **8.89 Cancellation of state warrants.**

3 On the last business day of each month, the director shall
4 cancel and request the treasurer of state to stop payment on
5 all state warrants which have been outstanding and unredeemed
6 by the treasurer of state for six months or longer.

7 Sec. 193. Section 8.9, subsection 1, Code Supplement 2009,
8 is amended to read as follows:

9 1. The office of grants enterprise management is
10 established in the department of management. The function of
11 the office is to develop and administer a system to track,
12 identify, advocate for, and coordinate nonstate grants as
13 defined in section 8.2, subsections 1 and 3. Staffing for
14 the office of grants enterprise management shall be provided
15 by a facilitator appointed by the director of the department
16 of management. Additional staff may be hired, subject to the
17 availability of funding. Funding for the office is from the
18 appropriation to the department ~~pursuant to section 8A.505,~~
19 ~~subsection 2.~~

20 Sec. 194. Section 8.31, subsection 4, Code 2009, is amended
21 to read as follows:

22 4. The procedure to be employed in controlling the
23 expenditures and receipts of the state fair board and
24 the institutions under the state board of regents, whose
25 collections are not deposited in the state treasury, is that
26 outlined in section ~~8A.502~~ 8.72, subsection 9.

27 Sec. 195. Section 8A.102, subsection 2, Code 2009, is
28 amended to read as follows:

29 2. The person appointed as director shall be professionally
30 qualified by education and have no less than five years'
31 experience in the field of management, public or private sector
32 personnel administration including the application of merit
33 principles in employment, ~~financial management,~~ and policy
34 development and implementation. The appointment shall be made
35 without regard for political affiliation. The director shall

1 not be a member of any local, state, or national committee
2 of a political party, an officer or member of a committee in
3 any partisan political club or organization, or hold or be a
4 candidate for a paid elective public office. The director is
5 subject to the restrictions on political activity provided
6 in section 8A.416. The governor shall set the salary of the
7 director within pay grade nine.

8 Sec. 196. Section 8A.103, unnumbered paragraph 1, Code
9 2009, is amended to read as follows:

10 The department is created for the purpose of managing and
11 coordinating the major resources of state government including
12 the human, ~~financial~~, physical, and information resources of
13 state government.

14 Sec. 197. Section 8A.104, subsection 12, Code 2009, is
15 amended to read as follows:

16 12. Serve as the chief information officer for the
17 state. However, the director may designate a person in the
18 department to serve in this capacity at the discretion of
19 the director. If the director designates a person to serve
20 as chief information officer, the person designated shall be
21 professionally qualified by education and have no less than
22 five years' experience in the ~~fields~~ field of information
23 technology ~~and financial management~~.

24 Sec. 198. Section 8A.111, subsection 11, Code 2009, is
25 amended by striking the subsection.

26 Sec. 199. Section 8A.204, subsection 3, paragraph b, Code
27 2009, is amended to read as follows:

28 *b.* Work with the department of management ~~and the state~~
29 ~~accounting enterprise of the department, pursuant to section~~
30 ~~8A.502,~~ to maintain the relevancy of the central budget and
31 proprietary control accounts of the general fund of the state
32 and special funds to information technology, as those terms are
33 defined in section 8.2, of state government.

34 Sec. 200. Section 8A.323, subsection 5, Code 2009, is
35 amended to read as follows:

1 5. Any fine that remains unpaid upon becoming delinquent
2 may be collected by the department pursuant to the setoff
3 procedures provided for in section ~~8A.504~~ 8.74. For purposes
4 of this subsection, a fine becomes delinquent if it has not
5 been paid within thirty days of the date of the issuance of the
6 parking citation, unless a written request for a hearing is
7 filed as provided pursuant to the rules of the department. If
8 an appeal is filed and the citation is upheld, the fine becomes
9 delinquent ten days after the issuance of the final decision on
10 the appeal or thirty-one days after the date of the issuance of
11 the parking citation, whichever is later.

12 Sec. 201. Section 11.2, subsection 1, paragraph b, Code
13 2009, is amended to read as follows:

14 b. Provided further, that a preliminary audit of the
15 educational institutions and the state fair board shall be made
16 periodically, at least quarterly, to check the monthly reports
17 submitted to the director of the department of administrative
18 services as required by section ~~8A.502~~ 8.72, subsection 9, and
19 that a final audit of such state agencies shall be made at the
20 close of each fiscal year.

21 Sec. 202. Section 25.2, subsection 5, Code 2009, is amended
22 to read as follows:

23 5. Outstanding state warrants that have been canceled
24 pursuant to section ~~8A.519~~ 8.89 and were charged to the general
25 fund of the state or another state funding source shall be
26 addressed as provided in section 556.2C.

27 Sec. 203. Section 96.11, subsection 16, Code 2009, is
28 amended to read as follows:

29 16. *Reimbursement of setoff costs.* The department shall
30 include in the amount set off in accordance with section
31 ~~8A.504~~ 8.74, for the collection of an overpayment created
32 pursuant to section 96.3, subsection 7, or section 96.16,
33 subsection 4, an additional amount for the reimbursement of
34 setoff costs incurred by the department of administrative
35 services.

1 Sec. 204. Section 97B.7A, subsection 5, Code 2009, is
2 amended to read as follows:

3 5. *Travel*. In the administration of the investment of
4 moneys in the retirement fund, employees of the system and
5 members of the board may travel outside the state for the
6 purpose of meeting with investment firms and consultants and
7 attending conferences and meetings to fulfill their fiduciary
8 responsibilities. This travel is not subject to section
9 ~~8A.512~~ 8.82, subsection 2.

10 Sec. 205. Section 99D.2, subsection 3, Code 2009, is amended
11 to read as follows:

12 3. "*Claimant agency*" means a state agency as defined
13 in section ~~8A.504~~ 8.74, subsection 1, or the state court
14 administrator as defined in section 602.1101.

15 Sec. 206. Section 99D.28, subsection 2, Code 2009, is
16 amended to read as follows:

17 2. The licensee is authorized and directed to withhold
18 any winnings of a debtor which are paid out directly by the
19 licensee subject to the lien created by this section and
20 provide notice of such withholding to the winner when the
21 winner appears and claims winnings in person. The licensee
22 shall pay the funds over to the collection entity which
23 administers the setoff program pursuant to section ~~8A.504~~ 8.74.

24 Sec. 207. Section 99F.1, subsection 4, Code 2009, is amended
25 to read as follows:

26 4. "*Claimant agency*" means a state agency as defined
27 in section ~~8A.504~~ 8.74, subsection 1, or the state court
28 administrator as defined in section 602.1101.

29 Sec. 208. Section 99F.19, subsection 2, Code 2009, is
30 amended to read as follows:

31 2. The licensee is authorized and directed to withhold
32 any winnings of a debtor which are paid out directly by the
33 licensee subject to the lien created by this section and
34 provide notice of such withholding to the winner when the
35 winner appears and claims winnings in person. The licensee

1 shall pay the funds over to the collection entity which
2 administers the setoff program pursuant to section ~~8A.504~~ 8.74.

3 Sec. 209. Section 99G.38, subsection 3, Code 2009, is
4 amended to read as follows:

5 3. The state of Iowa offset program, as provided in section
6 ~~8A.504~~ 8.74, shall be available to the authority to facilitate
7 receipt of funds owed to the authority.

8 Sec. 210. Section 217.34, Code 2009, is amended to read as
9 follows:

10 **217.34 Debt setoff.**

11 The investigations division of the department of inspections
12 and appeals and the department of human services shall provide
13 assistance to set off against a person's or provider's income
14 tax refund or rebate any debt which has accrued through written
15 contract, subrogation, departmental recoupment procedures,
16 or court judgment and which is in the form of a liquidated
17 sum due and owing the department of human services. The
18 department of inspections and appeals, with approval of the
19 department of human services, shall adopt rules under chapter
20 17A necessary to assist the department of ~~administrative~~
21 ~~services~~ management in the implementation of the setoff under
22 section ~~8A.504~~ 8.74 in regard to money owed to the state
23 for public assistance overpayments. The department of human
24 services shall adopt rules under chapter 17A necessary to
25 assist the department of ~~administrative services~~ management in
26 the implementation of the setoff under section ~~8A.504~~ 8.74, in
27 regard to collections by the child support recovery unit and
28 the foster care recovery unit.

29 Sec. 211. Section 218.58, subsection 5, Code 2009, is
30 amended to read as follows:

31 5. A claim for payment relating to a project shall be
32 itemized on a voucher form pursuant to section ~~8A.514~~ 8.84,
33 certified by the claimant and the architect or engineer
34 in charge, and audited and approved by the department of
35 ~~administrative services~~ management. Upon approval by the

1 department of ~~administrative services~~ management, the director
2 of the department of ~~administrative services~~ management shall
3 draw a warrant to be paid by the treasurer of state from funds
4 appropriated for the project. A partial payment made before
5 completion of the project does not constitute final acceptance
6 of the work or a waiver of any defect in the work.

7 Sec. 212. Section 218.85, Code 2009, is amended to read as
8 follows:

9 **218.85 Uniform system of accounts.**

10 The director of human services through the administrators
11 in control of the institutions shall install in all the
12 institutions the most modern, complete, and uniform system of
13 accounts, records, and reports possible. The system shall be
14 prescribed by the director of the department of ~~administrative~~
15 ~~services management~~ as authorized in section ~~8A.502~~ 8.72,
16 subsection 13, and, among other matters, shall clearly show
17 the detailed facts relative to the handling and uses of all
18 purchases.

19 Sec. 213. Section 234.8, Code 2009, is amended to read as
20 follows:

21 **234.8 Fees for child welfare services.**

22 The department of human services may charge a fee for
23 child welfare services to a person liable for the cost of the
24 services. The fee shall not exceed the reasonable cost of the
25 services. The fee shall be based upon the person's ability
26 to pay and consideration of the fee's impact upon the liable
27 person's family and the goals identified in the case permanency
28 plan. The department may assess the liable person for the fee
29 and the means of recovery shall include a setoff against an
30 amount owed by a state agency to the person assessed pursuant
31 to section ~~8A.504~~ 8.74. In addition the department may
32 establish an administrative process to recover the assessment
33 through automatic income withholding. The department shall
34 adopt rules pursuant to chapter 17A to implement the provisions
35 of this section. This section does not apply to court-ordered

1 services provided to juveniles which are a charge upon the
2 state pursuant to section 232.141 and services for which the
3 department has established a support obligation pursuant to
4 section 234.39.

5 Sec. 214. Section 252B.5, subsection 4, Code Supplement
6 2009, is amended to read as follows:

7 4. Assistance to set off against a debtor's income tax
8 refund or rebate any support debt, which is assigned to
9 the department of human services or which the child support
10 recovery unit is attempting to collect on behalf of any
11 individual not eligible as a public assistance recipient, which
12 has accrued through written contract, subrogation, or court
13 judgment, and which is in the form of a liquidated sum due
14 and owing for the care, support, or maintenance of a child.
15 Unless the periodic payment plan provisions for a retroactive
16 modification pursuant to section 598.21C apply, the entire
17 amount of a judgment for accrued support, notwithstanding
18 compliance with a periodic payment plan or regardless of the
19 date of entry of the judgment, is due and owing as of the date
20 of entry of the judgment and is delinquent for the purposes of
21 setoff, including for setoff against a debtor's federal income
22 tax refund or other federal nontax payment. The department
23 of human services shall adopt rules pursuant to chapter
24 17A necessary to assist the department of ~~administrative~~
25 ~~services~~ management in the implementation of the child support
26 setoff as established under section ~~8A-504~~ 8.74.

27 Sec. 215. Section 261.37, subsection 7, Code 2009, is
28 amended to read as follows:

29 7. To establish an effective system for the collection of
30 delinquent loans, including the adoption of an agreement with
31 the department of ~~administrative services~~ management to set off
32 against a defaulter's income tax refund or rebate the amount
33 that is due because of a default on a guaranteed or parental
34 loan made under this division. The commission shall adopt
35 rules under chapter 17A necessary to assist the department of

1 ~~administrative services~~ management in the implementation of
2 the student loan setoff program as established under section
3 ~~8A.504~~ 8.74. The commission shall apply administrative wage
4 garnishment procedures authorized under the federal Higher
5 Education Act of 1965, as amended and codified in 20 U.S.C.
6 § 1071 et seq., for all delinquent loans, including loans
7 authorized under section 261.38, when a defaulter who is
8 financially capable of paying fails to voluntarily enter into a
9 reasonable payment agreement. In no case shall the commission
10 garnish more than the amount authorized by federal law for
11 all loans being collected by the commission, including those
12 authorized under section 261.38.

13 Sec. 216. Section 321.11A, subsection 1, paragraph c, Code
14 2009, is amended to read as follows:

15 c. The department of ~~administrative services~~ management for
16 the purpose of administering the setoff program pursuant to
17 section ~~8A.504~~ 8.74.

18 Sec. 217. Section 321.31, subsection 1, unnumbered
19 paragraph 3, Code 2009, is amended to read as follows:

20 The director shall maintain a records system of delinquent
21 accounts owed to the state using information provided through
22 the computerized data bank established in section 421.17. The
23 department and county treasurers shall use the information
24 maintained in the records system to determine if applicants
25 for renewal of registration have delinquent accounts, charges,
26 fees, loans, taxes, or other indebtedness owed to or being
27 collected by the state as provided pursuant to section
28 ~~8A.504~~ 8.74. The director, the director of the department of
29 ~~administrative services~~ management, and the director of revenue
30 shall establish procedures for updating the delinquent accounts
31 records to add and remove accounts, as applicable.

32 Sec. 218. Section 321.40, subsection 6, Code Supplement
33 2009, is amended to read as follows:

34 6. The department or the county treasurer shall refuse to
35 renew the registration of a vehicle registered to the applicant

1 if the department or the county treasurer knows that the
2 applicant has a delinquent account, charge, fee, loan, taxes,
3 or other indebtedness owed to or being collected by the state,
4 from information provided pursuant to sections ~~8A.504~~ 8.74 and
5 421.17. An applicant may contest this action by requesting a
6 contested case proceeding from the agency that referred the
7 debt for collection pursuant to section ~~8A.504~~ 8.74.

8 Sec. 219. Section 331.552, subsection 5, Code 2009, is
9 amended to read as follows:

10 5. Account for, report, and pay into the state treasury any
11 money, property, or securities received on behalf of the state
12 as provided in sections ~~8A.506 to 8A.508~~ 8.76 to 8.78.

13 Sec. 220. Section 422.12D, subsection 4, Code 2009, is
14 amended to read as follows:

15 4. The department shall adopt rules to implement this
16 section. However, before a checkoff pursuant to this section
17 shall be permitted, all liabilities on the books of the
18 department of ~~administrative services management~~ and accounts
19 identified as owing under section ~~8A.504~~ 8.74 and the political
20 contribution allowed under section 68A.601 shall be satisfied.

21 Sec. 221. Section 422.12K, subsection 2, Code Supplement
22 2009, is amended to read as follows:

23 2. The director of revenue shall draft the income tax form
24 to allow the designation of contributions to the child abuse
25 prevention program fund on the tax return. The department of
26 revenue, on or before January 31, shall transfer the total
27 amount designated on the tax return forms due in the preceding
28 calendar year to the child abuse prevention program fund.

29 However, before a checkoff pursuant to this section shall be
30 permitted, all liabilities on the books of the department of
31 ~~administrative services management~~ and accounts identified as
32 owing under section ~~8A.504~~ 8.74 and the political contribution
33 allowed under section 68A.601 shall be satisfied.

34 Sec. 222. Section 422.12L, subsection 2, Code 2009, is
35 amended to read as follows:

1 2. The director of revenue shall draft the income tax form
2 to allow the designation of contributions to the veterans trust
3 fund and to the volunteer fire fighter preparedness fund as
4 one checkoff on the tax return. The department of revenue,
5 on or before January 31, shall transfer one-half of the total
6 amount designated on the tax return forms due in the preceding
7 calendar year to the veterans trust fund and the remaining
8 one-half to the volunteer fire fighter preparedness fund.
9 However, before a checkoff pursuant to this section shall be
10 permitted, all liabilities on the books of the department of
11 ~~administrative services~~ management and accounts identified as
12 owing under section ~~8A.504~~ 8.74 and the political contribution
13 allowed under section 68A.601 shall be satisfied.

14 Sec. 223. Section 422.20, subsection 3, paragraph a, Code
15 2009, is amended to read as follows:

16 a. Unless otherwise expressly permitted by section
17 ~~8A.504~~ 8.74, section 421.17, subsections 22, 23, and 26,
18 sections 252B.9, 321.120, 421.19, 421.28, 422.72, and 452A.63,
19 and this section, a tax return, return information, or
20 investigative or audit information shall not be divulged to any
21 person or entity, other than the taxpayer, the department, or
22 internal revenue service for use in a matter unrelated to tax
23 administration.

24 Sec. 224. Section 422.72, subsection 3, paragraph a, Code
25 2009, is amended to read as follows:

26 a. Unless otherwise expressly permitted by section
27 ~~8A.504~~ 8.74, section 421.17, subsections 22, 23, and 26,
28 sections 252B.9, 321.120, 421.19, 421.28, 422.20, and 452A.63,
29 and this section, a tax return, return information, or
30 investigative or audit information shall not be divulged to any
31 person or entity, other than the taxpayer, the department, or
32 internal revenue service for use in a matter unrelated to tax
33 administration.

34 Sec. 225. Section 456A.16, unnumbered paragraph 7, Code
35 2009, is amended to read as follows:

1 The department shall adopt rules to implement this section.
2 However, before a checkoff pursuant to this section shall be
3 permitted, all liabilities on the books of the department of
4 ~~administrative services~~ management and accounts identified as
5 owing under section ~~8A.504~~ 8.74 and the political contribution
6 allowed under section 68A.601 shall be satisfied.

7 Sec. 226. Section 556.2C, subsection 1, paragraph a, Code
8 2009, is amended to read as follows:

9 a. An unpaid, outdated warrant that is canceled pursuant to
10 section ~~8A.519~~ 8.89 shall be included in a list of outstanding
11 state warrants maintained by the director of the department of
12 ~~administrative services~~ management. On or before July 1 of
13 each year, the director of the department of ~~administrative~~
14 ~~services~~ management shall provide the office of the treasurer
15 of state with a consolidated list of such outstanding warrants
16 that have not been previously reported to the office.

17 Sec. 227. Section 602.8102, subsection 58A, Code 2009, is
18 amended to read as follows:

19 58A. Assist the department of ~~administrative services~~
20 management in setting off against debtors' income tax refunds
21 or rebates under section ~~8A.504~~ 8.74, debts which are due,
22 owing, and payable to the clerk of the district court as
23 criminal fines, civil penalties, surcharges, or court costs.

24 Sec. 228. Section 602.8107, subsection 4, paragraph a, Code
25 Supplement 2009, is amended to read as follows:

26 a. This subsection does not apply to amounts collected for
27 victim restitution, the victim compensation fund, the criminal
28 penalty surcharge, sex offender civil penalty, drug abuse
29 resistance education surcharge, the law enforcement initiative
30 surcharge, county enforcement surcharge, amounts collected as
31 a result of procedures initiated under subsection 5 or under
32 section ~~8A.504~~ 8.74, or fees charged pursuant to section 356.7.

33 Sec. 229. Section 642.2, subsection 4, Code 2009, is amended
34 to read as follows:

35 4. Notwithstanding subsections 2, 3, 6, and 7, any

1 moneys owed to the child support obligor by the state, with
2 the exception of unclaimed property held by the treasurer
3 of state pursuant to chapter 556, and payments owed to the
4 child support obligor through the Iowa public employees'
5 retirement system are subject to garnishment, attachment,
6 execution, or assignment by the child support recovery unit
7 if the child support recovery unit is providing enforcement
8 services pursuant to chapter 252B. Any moneys that are
9 determined payable by the treasurer pursuant to section 556.20,
10 subsection 2, to the child support obligor shall be subject to
11 setoff pursuant to section ~~8A.504~~ 8.74, notwithstanding any
12 administrative rule pertaining to the child support recovery
13 unit limiting the amount of the offset.

14 Sec. 230. REPEAL. Sections 8A.502, 8A.503, 8A.504, 8A.506,
15 8A.507, 8A.508, 8A.509, 8A.510, 8A.511, 8A.512, 8A.513, 8A.514,
16 8A.515, 8A.516, 8A.517, 8A.518, and 8A.519, Code 2009, are
17 repealed.

18 Sec. 231. REPEAL. Section 8A.505, Code Supplement 2009, is
19 repealed.

20 Sec. 232. DEPARTMENT OF MANAGEMENT — CENTRALIZED
21 PAYROLL SYSTEM. The department of management shall examine
22 the possibility of merging all state payroll systems into
23 the centralized payroll system operated by the department.
24 The department shall consult with those entities of state
25 government not utilizing the centralized payroll system,
26 including but not limited to the state department of
27 transportation, about strategies for encouraging utilization
28 of the state's centralized payroll system and by identifying
29 those barriers preventing merging of the payroll systems.
30 The department shall provide information to the joint
31 appropriations subcommittee on administration and regulation
32 concerning efforts by the department to merge payroll systems
33 and any recommendations for legislative action to encourage, or
34 eliminate barriers to, the provision of payroll services by the
35 department to other state agencies.

1 Sec. 233. DEPARTMENT OF MANAGEMENT — PAYROLL

2 FREQUENCY. The department of management shall implement to the
3 greatest extent possible a reduction in the frequency of paying
4 state employees by paying employees through the payroll system
5 on a semimonthly instead of a biweekly basis.

6 DIVISION XV

7 ADMINISTRATION AND REGULATION APPROPRIATIONS

8 Sec. 234. DEPARTMENT OF REVENUE — EXAMINERS. There
9 is appropriated from the general fund of the state to the
10 department of revenue for the fiscal year beginning July 1,
11 2010, and ending June 30, 2011, the following amount, or so
12 much thereof as is necessary, to be used for the purposes
13 designated:

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

17	\$	325,000
18	FTEs	5.00

19 The moneys appropriated in this section shall be utilized by
20 the department to hire five additional examiners.

21 Sec. 235. DEPARTMENT OF MANAGEMENT — GRANTS ENTERPRISE
22 MANAGEMENT. There is appropriated from the general fund of
23 the state to the department of management for the fiscal year
24 beginning July 1, 2010, and ending June 30, 2011, the following
25 amount, or so much thereof as is necessary, to be used for the
26 purposes designated:

27 For the office of grants enterprise management, including
28 salaries, support, maintenance, miscellaneous purposes, and for
29 not more than the following full-time equivalent position:

30	\$	175,000
31	FTEs	1.00

32 Of the moneys appropriated in this section, \$50,000 shall
33 be used by the department of management to create and fill
34 an additional position in the office of grants enterprise
35 management.

1 DIVISION XVI
2 ELIMINATION OF STATE ENTITIES
3 ENTITIES ASSOCIATED WITH THE DEPARTMENT OF AGRICULTURE AND
4 LAND STEWARDSHIP

5 Sec. 236. Section 159.20, subsection 1, paragraph j, Code
6 Supplement 2009, is amended to read as follows:

7 *j.* Assist the office of renewable fuels and coproducts
8 ~~and the renewable fuels and coproducts advisory committee~~ in
9 administering the provisions of chapter 159A.

10 Sec. 237. Section 159A.1, subsection 3, Code 2009, is
11 amended to read as follows:

12 3. This state adopts a policy of enhancing agricultural
13 production by encouraging the development and use of fuels and
14 coproducts derived from agricultural commodities, as provided
15 in this chapter, including rules adopted by the office of
16 renewable fuels and coproducts ~~and the renewable fuels and~~
17 ~~coproducts advisory committee.~~

18 Sec. 238. Section 159A.2, subsection 2, Code 2009, is
19 amended by striking the subsection.

20 Sec. 239. Section 159A.3, subsection 2, paragraph h, Code
21 Supplement 2009, is amended by striking the paragraph.

22 Sec. 240. Section 159A.3, subsection 2, paragraph i, Code
23 Supplement 2009, is amended by striking the paragraph.

24 Sec. 241. Section 159A.3, subsection 4, Code Supplement
25 2009, is amended to read as follows:

26 4. The office and state entities, including the department,
27 ~~the committee,~~ the Iowa department of economic development,
28 the state department of transportation, the office of energy
29 independence, and the state board of regents institutions,
30 shall cooperate to implement this section.

31 Sec. 242. Section 159A.6, Code Supplement 2009, is amended
32 to read as follows:

33 **159A.6 Education, promotion, and advertising.**

34 1. The office shall ~~support~~ do all of the following:

35 a. Support education regarding, and promotion and

1 advertising of, renewable fuels and coproducts. The office
2 shall consult with the Iowa corn growers association and the
3 Iowa soybean association.

4 ~~2. b. The office shall promote~~ Promote the advantages
5 related to the use of renewable fuels as an alternative to
6 nonrenewable fuels. Promotions shall be designed to inform the
7 ultimate consumer of advantages associated with using renewable
8 fuels, and emphasize the benefits to the natural environment.
9 The promotion shall inform consumers at the businesses of
10 retail dealers of motor vehicle fuels.

11 ~~3. c. The committee shall develop~~ Develop standards for
12 decals required pursuant to section 214A.16, which shall be
13 designed to promote the advantages of using renewable fuels.
14 The standards may be incorporated within a model decal adopted
15 ~~by the committee and approved~~ by the office.

16 ~~4. d. The office shall promote~~ Promote the advantages
17 related to the use of coproducts derived from the production
18 of renewable fuels, including the use of coproducts used as
19 livestock feed or meal. Promotions shall be designed to
20 inform the potential purchasers of the advantages associated
21 with using coproducts. The office shall promote advantages
22 associated with using coproducts of ethanol production as
23 livestock feed or meal to cattle producers in this state.

24 ~~5. 2.~~ 2. The office may contract to provide all or part of
25 ~~these the~~ the services described in subsection 1.

26 Sec. 243. Section 159A.7, subsection 2, Code Supplement
27 2009, is amended to read as follows:

28 2. Moneys in the fund shall be used only to carry out
29 the provisions of this section and sections 159A.3, ~~159A.4,~~
30 ~~159A.5,~~ 159A.6, 159A.6A, and 159A.6B within the state of Iowa.

31 Sec. 244. Section 190C.1, subsection 2, Code 2009, is
32 amended by striking the subsection.

33 Sec. 245. Section 190C.2B, subsection 1, Code 2009, is
34 amended to read as follows:

35 1. The department shall implement and administer the

1 provisions of this chapter for agricultural products that have
2 been produced and handled within this state using organic
3 methods as provided in this chapter. ~~The department may~~
4 ~~consult with the council in implementing and administering this~~
5 ~~chapter.~~ The department may certify agricultural products that
6 have been produced and handled outside this state using an
7 organic method as provided in this chapter.

8 Sec. 246. Section 190C.3, subsection 2, Code 2009, is
9 amended to read as follows:

10 2. The department may request assistance from ~~the council~~
11 ~~as provided in section 190C.2A or from one or more regional~~
12 organic associations as provided in section 190C.6.

13 Sec. 247. Section 214A.1, subsection 7, Code 2009, is
14 amended by striking the subsection.

15 Sec. 248. Section 214A.1, Code 2009, is amended by adding
16 the following new subsection:

17 NEW SUBSECTION. 17A. "*Office*" means the office of renewable
18 fuels and coproducts created pursuant to section 159A.3.

19 Sec. 249. Section 214A.2, subsection 1, Code Supplement
20 2009, is amended to read as follows:

21 1. The department shall adopt rules pursuant to chapter
22 17A for carrying out this chapter. The rules may include, but
23 are not limited to, specifications relating to motor fuel,
24 including but not limited to renewable fuel such as ethanol
25 blended gasoline, biodiesel, biodiesel blended fuel, and
26 motor fuel components such as an oxygenate. In the interest
27 of uniformity, the department shall adopt by reference other
28 specifications relating to tests and standards for motor fuel
29 including renewable fuel and motor fuel components, established
30 by the United States environmental protection agency and
31 A.S.T.M. international. ~~In adopting standards for a renewable~~
32 ~~fuel, the department shall consult with the committee.~~

33 Sec. 250. Section 422.11N, subsection 4, paragraph b,
34 unnumbered paragraph 2, Code 2009, is amended to read as
35 follows:

1 If the governor finds that exigent circumstances exist, the
2 governor may reduce the applicable biofuel threshold percentage
3 by replacing it with an adjusted biofuel threshold percentage.
4 The governor shall consult with the department of revenue
5 and the office of renewable fuels and coproducts advisory
6 ~~committee established~~ pursuant to section ~~159A.4~~ 159A.3.
7 The governor shall make the adjustment by giving notice of
8 intent to issue a proclamation which shall take effect not
9 earlier than thirty-five days after publication in the Iowa
10 administrative bulletin of a notice to issue the proclamation.
11 The governor shall provide a period of notice and comment in
12 the same manner as provided in section 17A.4, subsection 1.
13 The adjusted biofuel threshold percentage shall be effective
14 for the following determination period.

15 Sec. 251. Section 469.3, subsection 2, paragraph m, Code
16 Supplement 2009, is amended to read as follows:

17 *m.* Coordinate with other state agencies regarding
18 implementation of the office of renewable fuels and coproducts
19 pursuant to section 159A.3, ~~serve on the renewable fuels~~
20 ~~and coproducts advisory committee~~, and assist in providing
21 technical assistance to new or existing renewable fuel
22 production facilities.

23 Sec. 252. REPEAL. Section 159A.4, Code Supplement 2009, is
24 repealed.

25 Sec. 253. REPEAL. Sections 159A.5, 190C.2, and 190C.2A,
26 Code 2009, are repealed.

27 Sec. 254. REPEAL. Chapter 175A, Code 2009, is repealed.

28 Sec. 255. GRAPE AND WINE DEVELOPMENT FUND. This division
29 of this Act does not affect the expenditure of moneys by the
30 department of agriculture and land stewardship to satisfy any
31 obligations or encumbrances of moneys in the grape and wine
32 development fund created in section 175A.5, if the obligations
33 or encumbrances were incurred prior to the effective date of
34 this division of this Act. Moneys credited to the grape and
35 wine development fund that are unobligated or unencumbered at

1 the close of the fiscal year ending June 30, 2010, shall be
2 transferred to the wine gallonage tax fund created in section
3 123.183 in the same manner as a reversion.

4 DIVISION XVII

5 ELIMINATION OF STATE ENTITIES

6 ENTITIES ASSOCIATED WITH THE DEPARTMENT OF NATURAL RESOURCES'

7 CONTROL OF THE NATURAL HABITAT

8 Sec. 256. 2008 Iowa Acts, chapter 1080, section 1,
9 subsection 6, is amended to read as follows:

10 6. This section is repealed on ~~July 1, 2010~~ the effective
11 date of this section of this division of this Act.

12 Sec. 257. REPEAL. 2009 Iowa Acts, chapter 144, section 49,
13 is repealed.

14 Sec. 258. EFFECTIVE UPON ENACTMENT. The following
15 provisions of this division of this Act, being deemed of
16 immediate importance, take effect upon enactment:

17 The section of this Act amending 2008 Iowa Acts, chapter
18 1080, section 1, concerning the sustainable natural resource
19 funding advisory committee.

20 The sections of this Act repealing 2009 Iowa Acts, chapter
21 144, section 49, establishing an upland game bird study
22 advisory committee.

23 DIVISION XVIII

24 ELIMINATION OF STATE ENTITIES

25 ENTITIES ASSOCIATED WITH THE DEPARTMENT OF NATURAL RESOURCES —

26 IOWA CLIMATE CHANGE ADVISORY COUNCIL

27 Sec. 259. Section 455B.104, Code Supplement 2009, is
28 amended by adding the following new subsections:

29 NEW SUBSECTION. 3. The department may periodically forward
30 recommendations to the commission designed to encourage the
31 reduction of statewide greenhouse gas emissions.

32 NEW SUBSECTION. 4. By September 1 of each year, the
33 department shall submit a report to the governor and the
34 general assembly regarding the greenhouse gas emissions in the
35 state during the previous calendar year and forecasting trends

1 in such emissions. The first submission by the department
2 shall be filed by September 1, 2011, for the calendar year
3 beginning January 1, 2010.

4 Sec. 260. Section 455B.851, Code 2009, is amended by adding
5 the following new subsection:

6 NEW SUBSECTION. 10. This section is repealed July 1, 2011.

7 Sec. 261. Section 473.7, subsection 12, paragraph b, Code
8 Supplement 2009, is amended by striking the paragraph.

9

DIVISION XIX

10

IOWA COMPREHENSIVE PETROLEUM UNDERGROUND

11

STORAGE TANK FUND BOARD

12 Sec. 262. Section 15G.201, subsection 10, Code 2009, is
13 amended by striking the subsection.

14 Sec. 263. Section 15G.202, subsection 6, Code 2009, is
15 amended to read as follows:

16 6. The infrastructure board shall meet with ~~three~~
17 ~~or more members of the underground storage tank fund~~
18 ~~board who shall represent the underground storage tank~~
19 ~~fund board~~ the department of natural resources. The
20 ~~representatives~~ department of natural resources shall
21 be available to advise the infrastructure board when the
22 infrastructure board makes decisions regarding the awarding
23 of financial incentives to a person under a renewable fuel
24 infrastructure program provided in section 15G.203 or 15G.204.

25 Sec. 264. Section 15G.203, subsection 2, Code Supplement
26 2009, is amended to read as follows:

27 2. A person may apply to the department to receive financial
28 incentives on a cost-share basis. The department shall ~~forward~~
29 ~~the applications to the underground storage tank fund board~~
30 ~~as required by that board for evaluation and recommendation.~~
31 ~~The underground storage tank fund board may rank~~ evaluate the
32 applications ~~with comments and shall,~~ make recommendations,
33 and forward them to the infrastructure board for approval or
34 disapproval. The department shall award financial incentives
35 on a cost-share basis to an eligible person whose application

1 was approved by the infrastructure board.

2 Sec. 265. Section 15G.204, subsection 1, Code 2009, is
3 amended to read as follows:

4 1. A person may apply to the department to receive financial
5 incentives on a cost-share basis. The department shall forward
6 ~~the applications to the underground storage tank fund board~~
7 ~~as required by that board for evaluation and recommendation.~~
8 ~~The underground storage tank fund board may rank~~ evaluate the
9 applications ~~with comments and shall,~~ make recommendations,
10 and forward them to the infrastructure board for approval or
11 disapproval. The department shall award financial incentives
12 on a cost-share basis to an eligible person whose application
13 was approved by the infrastructure board.

14 Sec. 266. Section 16.1, subsection 1, paragraph ad,
15 subparagraph (12), Code Supplement 2009, is amended by striking
16 the subparagraph.

17 Sec. 267. Section 68B.35, subsection 2, paragraph e, Code
18 Supplement 2009, is amended to read as follows:

19 e. Members of the state banking council, the ethics and
20 campaign disclosure board, the credit union review board, the
21 economic development board, the employment appeal board, the
22 environmental protection commission, the health facilities
23 council, the Iowa finance authority, the Iowa public employees'
24 retirement system investment board, the board of the Iowa
25 lottery authority, the natural resource commission, the
26 board of parole, ~~the petroleum underground storage tank~~
27 ~~fund board,~~ the public employment relations board, the state
28 racing and gaming commission, the state board of regents,
29 the tax review board, the transportation commission, the
30 office of consumer advocate, the utilities board, the Iowa
31 telecommunications and technology commission, and any full-time
32 members of other boards and commissions as defined under
33 section 7E.4 who receive an annual salary for their service
34 on the board or commission. The Iowa ethics and campaign
35 disclosure board shall conduct an annual review to determine

1 if members of any other board, commission, or authority should
2 file a statement and shall require the filing of a statement
3 pursuant to rules adopted pursuant to chapter 17A.

4 Sec. 268. Section 424.1, subsections 3 through 5, Code 2009,
5 are amended to read as follows:

6 3. The director of revenue shall enter into a contract or
7 agreement with the ~~board~~ department of natural resources to
8 provide assistance requested by the ~~board~~ department of natural
9 resources. Policy issues arising under this chapter or chapter
10 455G shall be determined by the ~~board~~ department of natural
11 resources, and the ~~board~~ department of natural resources shall
12 be joined as a real party in interest when a policy issue is
13 raised.

14 4. The ~~board~~ environmental protection commission shall
15 retain rulemaking authority, but may contract with the
16 department of revenue for assistance in drafting rules. The
17 ~~board~~ commission shall retain contested case jurisdiction over
18 any challenge to the diminution rate or cost factor. The
19 department of revenue shall conduct all other contested cases
20 and be responsible for other agency action in connection with
21 the environmental protection charge imposed under this chapter.

22 5. The ~~board~~ department of natural resources shall
23 reimburse the department of revenue by contract for the
24 reasonable cost of administration of the environmental
25 protection charge imposed under this chapter and for other
26 duties delegated to the department of revenue or to the
27 director of revenue by the ~~board~~ department of natural
28 resources.

29 Sec. 269. Section 424.2, subsection 1, Code 2009, is amended
30 by striking the subsection.

31 Sec. 270. Section 424.3, subsection 5, Code Supplement
32 2009, is amended to read as follows:

33 5. The cost factor is an amount per gallon of
34 diminution determined by the ~~board~~ department of natural
35 resources pursuant to this subsection. The ~~board~~ department

1 of natural resources, after public hearing, shall determine,
2 or shall adjust, the cost factor to the greater of either an
3 amount reasonably calculated to generate an annual average
4 revenue, year to year, of seventeen million dollars from the
5 charge, excluding penalties and interest, or ten dollars. The
6 ~~board~~ department of natural resources may determine or adjust
7 the cost factor at any time but shall at minimum determine the
8 cost factor at least once each fiscal year.

9 Sec. 271. Section 424.5, subsections 1 and 5, Code 2009, are
10 amended to read as follows:

11 1. It is unlawful for any person to deposit petroleum into
12 a tank in this state, unless a depositor permit has been issued
13 to that person under this section. A depositor shall file with
14 the department an application for a permit. An application
15 for a permit shall be made upon a form prescribed by the
16 ~~board~~ department of natural resources and shall set forth the
17 name under which the applicant transacts or intends to transact
18 business, the location or locations of the applicant's place
19 of business, and any other information as the ~~board~~ department
20 of natural resources may require. The application shall
21 be signed by the owner if a natural person; in the case of
22 an association or partnership, by a member or partner; in
23 the case of a corporation, by an executive officer or some
24 person specifically authorized by the corporation to sign the
25 application, to which shall be attached the written evidence of
26 the person's authority.

27 5. If the holder of a permit fails to comply with any
28 of the provisions of this chapter or any order or rule of
29 the department, ~~or~~ rule of the environmental protection
30 commission, or order of the ~~board~~ department of natural
31 resources pursuant to this chapter, or is substantially
32 delinquent in the payment of a tax or charge administered by
33 the department or the interest or penalty on the tax or charge,
34 the director may revoke the permit.

35 Sec. 272. Section 424.6, subsection 1, unnumbered paragraph

1 2, Code 2009, is amended to read as follows:

2 The department shall permit a credit against the charge due
3 from a person operating an eligible underground bulk storage
4 facility equal to the total volume of petroleum transferred or
5 sold from a tank in bulk quantities and delivered to a person
6 for deposit in a tank which is exempt, deferred, or excluded
7 pursuant to this subsection, multiplied by the diminution rate
8 multiplied by the cost factor, subject to rules adopted by the
9 ~~board~~ environmental protection commission. "*Bulk quantities*" as
10 used in this paragraph means at least a portion of a standard
11 tanker truck load. "*Eligible underground bulk storage facility*"
12 means an underground bulk storage facility in operation on or
13 before January 1, 1990.

14 Sec. 273. Section 424.6, subsection 6, Code 2009, is amended
15 to read as follows:

16 6. The ~~board~~ department of natural resources may waive
17 the requirement for an exemption certificate for one or more
18 classes of exempt, deferred, or excluded tanks, if in the
19 ~~board's~~ department of natural resources' judgment an exemption
20 certificate is not required for effective and efficient
21 collection of the charge. If an exemption certificate is not
22 required for a class pursuant to this subsection, the depositor
23 shall maintain and file such records and information as may be
24 required by the director regarding deposits into a tank subject
25 to the waiver.

26 Sec. 274. Section 424.11, subsection 1, paragraph b, Code
27 Supplement 2009, is amended to read as follows:

28 b. The environmental protection charge lien shall attach at
29 the time the charge becomes due and payable and shall continue
30 for ten years from the time the lien attaches unless sooner
31 released or otherwise discharged. The lien may be extended,
32 within ten years from the date the lien attaches, by filing
33 for record a notice with the appropriate county official of
34 the appropriate county and from the time of such filing, the
35 lien shall be extended to the property in such county for ten

1 years, unless sooner released or otherwise discharged, with no
2 limit on the number of extensions. The director shall charge
3 off any account whose lien is allowed to lapse and may charge
4 off any account and release the corresponding lien before the
5 lien has lapsed if the director determines under uniform rules
6 adopted by the ~~board~~ environmental protection commission that
7 the account is uncollectible or collection costs involved would
8 not warrant collection of the amount due.

9 Sec. 275. Section 424.15, unnumbered paragraph 2, Code
10 2009, is amended to read as follows:

11 Refunds may be made only from the unallocated or uncommitted
12 moneys in the road use tax fund, and are limited by the
13 total amount budgeted by the ~~board~~ department of natural
14 resources for charge refunds.

15 Sec. 276. Section 424.16, subsections 1 and 2, Code
16 Supplement 2009, are amended to read as follows:

17 1. *a.* The ~~board~~ department of natural resources shall
18 notify each person who has previously filed an environmental
19 protection charge return, and any other person known to the
20 ~~board~~ department of natural resources who will owe the charge
21 at any address obtainable for that person, at least thirty days
22 in advance of the start of any calendar quarter during which an
23 administrative change in the cost factor, pursuant to section
24 424.3, subsection 5, becomes effective.

25 *b.* Notice shall be provided by mailing a notice of the
26 change to the address listed on the person's last return.
27 The mailing of the notice is presumptive evidence of the
28 receipt of the notice by the person to whom addressed. The
29 ~~board~~ department of natural resources shall also publish the
30 same notice at least twice in a paper of general circulation
31 within the state at least thirty days in advance of the first
32 day of the calendar quarter during which a change in paragraph
33 "a" becomes effective.

34 2. A notice authorized or required under this section may
35 be given by mailing the notice to the person for whom it is

1 intended, addressed to that person at the address given in the
2 last return filed by the person pursuant to this chapter, or if
3 no return has been filed, then to any address obtainable. The
4 mailing of the notice is presumptive evidence of the receipt
5 of the notice by the person to whom addressed. Any period
6 of time which is determined according to this chapter by the
7 giving of notice commences to run from the date of mailing of
8 the notice. Neither mailed notice or notice by publication
9 is required for the initial determination and imposition of
10 the charge. The ~~board~~ department of natural resources shall
11 undertake to provide reasonable notice of the environmental
12 protection charge and procedures, as in the ~~board's~~ department
13 of natural resources' sole discretion it deems appropriate,
14 provided that the actual charge and procedures are published in
15 the Iowa administrative bulletin prior to the effective date
16 of the charge.

17 Sec. 277. Section 427B.20, subsection 1, paragraph a, Code
18 Supplement 2009, is amended to read as follows:

19 a. *"Actual portion of the costs paid by the owner or operator*
20 *of an underground storage tank in connection with a remedial*
21 *action for which the Iowa comprehensive petroleum underground*
22 *storage tank fund shares in the cost of corrective action"* means
23 the amount determined by the ~~fund's board~~ department of natural
24 resources, or the ~~board's~~ designee of the department of natural
25 resources, as the administrator of the Iowa comprehensive
26 petroleum underground storage tank fund, and for which the
27 owner or operator was not reimbursed from any other source.

28 Sec. 278. Section 455B.471, subsection 1, Code 2009, is
29 amended by striking the subsection.

30 Sec. 279. Section 455B.474, subsection 1, paragraph f,
31 subparagraphs (9) and (10), Code Supplement 2009, are amended
32 to read as follows:

33 (9) Replacement or upgrade of a tank on a site classified
34 as a high or low risk site shall be equipped with a secondary
35 containment system with monitoring of the space between

1 the primary and secondary containment structures or other
2 ~~board~~ department approved tank system or methodology.

3 (10) The commission ~~and the board~~ shall ~~cooperate to~~ ensure
4 that remedial measures required by the corrective action
5 rules adopted pursuant to this paragraph are reasonably
6 cost-effective and shall, to the fullest extent possible, avoid
7 duplicating and conflicting requirements.

8 Sec. 280. Section 455B.474, subsection 9, paragraph d, Code
9 Supplement 2009, is amended to read as follows:

10 *d.* The certification of groundwater professionals shall not
11 impose liability on ~~the board~~, the department, or the fund for
12 any claim or cause of action of any nature, based on the action
13 or inaction of a groundwater professional certified pursuant
14 to this subsection.

15 Sec. 281. Section 455B.477, subsection 7, Code 2009, is
16 amended to read as follows:

17 7. The civil penalties or other damages or moneys recovered
18 by the state or the petroleum underground storage tank fund
19 in connection with a petroleum underground storage tank under
20 this part of this division or chapter 455G shall be credited to
21 the fund created in section 455G.3 and allocated between fund
22 accounts according to the fund budget. Any federal moneys,
23 including but not limited to federal underground storage tank
24 trust fund moneys, received by the state or the department of
25 natural resources in connection with a release occurring on
26 or after May 5, 1989, or received generally for underground
27 storage tank programs on or after May 5, 1989, shall be
28 credited to the fund created in section 455G.3 and allocated
29 between fund accounts according to the fund budget, unless
30 such use would be contrary to federal law. ~~The department~~
31 ~~shall cooperate with the board of the Iowa comprehensive~~
32 ~~petroleum underground storage tank fund to maximize the state's~~
33 ~~eligibility for and receipt of federal funds for underground~~
34 ~~storage tank related purposes.~~

35 Sec. 282. Section 455B.479, Code 2009, is amended to read

1 as follows:

2 **455B.479 Storage tank management fee.**

3 An owner or operator of an underground storage tank shall
4 pay an annual storage tank management fee of sixty-five
5 dollars per tank of over one thousand one hundred gallons
6 capacity. ~~Twenty-three percent of the~~ The fees collected
7 shall be deposited in the storage tank management account of
8 the groundwater protection fund. ~~Seventy-seven percent of the~~
9 ~~fees collected shall be deposited in the Iowa comprehensive~~
10 ~~petroleum underground storage tank fund created in chapter~~
11 ~~455G.~~

12 Sec. 283. Section 455E.11, subsection 2, paragraph d, Code
13 Supplement 2009, is amended to read as follows:

14 *d.* A storage tank management account. All fees
15 collected pursuant to section 455B.473, subsection 5, and
16 section 455B.479, shall be deposited in the storage tank
17 management account, ~~except those moneys deposited into the~~
18 ~~Iowa comprehensive petroleum underground storage tank fund~~
19 ~~pursuant to section 455B.479.~~ Funds. Moneys deposited in the
20 account shall be expended for the following purposes:

21 (1) One thousand dollars is appropriated annually to the
22 ~~Iowa~~ department of public health to carry out departmental
23 duties under section 135.11, subsections 19 and 20, and section
24 139A.21.

25 (2) ~~Twenty-three percent of the proceeds of the fees~~
26 ~~imposed pursuant to section 455B.473, subsection 5, and~~
27 ~~section 455B.479 shall be deposited in the account annually,~~
28 ~~up to a maximum of three hundred fifty thousand dollars. If~~
29 ~~twenty-three percent of the proceeds exceeds three hundred~~
30 ~~fifty thousand dollars, the excess shall be deposited into the~~
31 ~~fund created in section 455G.3. Three hundred fifty thousand~~
32 ~~dollars is~~ The moneys remaining in the account after the
33 appropriation in subparagraph (1) are appropriated from the
34 storage tank management account to the department of natural
35 resources for the administration of a state storage tank

1 program pursuant to chapter 455B, division IV, part 8, and for
2 programs which reduce the potential for harm to the environment
3 and the public health from storage tanks.

4 ~~(3) The remaining funds in the account are appropriated~~
5 ~~annually to the Iowa comprehensive petroleum underground~~
6 ~~storage tank fund.~~

7 Sec. 284. Section 455G.1, subsection 2, paragraph c, Code
8 Supplement 2009, is amended to read as follows:

9 c. If and when federal law changes, the ~~department~~
10 ~~of natural resources~~ commission shall adopt by rule
11 such additional requirements, exemptions, deferrals, or
12 exclusions as required by federal law. It is expected that
13 certain classes of tanks currently exempted or excluded by
14 federal regulation will be regulated by the United States
15 environmental protection agency in the future. A tank
16 which is not required by federal law to maintain proof of
17 financial responsibility shall not be subject to ~~department~~
18 ~~of natural resources~~ commission rules on proof of financial
19 responsibility.

20 Sec. 285. Section 455G.2, subsection 1, Code 2009, is
21 amended by striking the subsection.

22 Sec. 286. Section 455G.2, subsections 2, 5, 6, and 12, Code
23 2009, are amended to read as follows:

24 2. ~~"Board" means the Iowa comprehensive petroleum~~
25 ~~underground storage tank fund board.~~

26 5. "*Community remediation*" means a program of coordinated
27 testing, planning, or remediation, involving two or more tank
28 sites potentially connected with a continuous contaminated
29 area, pursuant to rules adopted by the ~~board~~ commission. A
30 community remediation does not expand the scope of coverage
31 otherwise available or relieve liability otherwise imposed
32 under state or federal law.

33 6. "*Corrective action*" means an action taken to minimize,
34 eliminate, or clean up a release to protect the public
35 health and welfare or the environment. Corrective action

1 includes, but is not limited to, excavation of an underground
2 storage tank for the purposes of repairing a leak or removal
3 of a tank, removal of contaminated soil, and cleansing of
4 groundwaters or surface waters. Corrective action does
5 not include replacement of an underground storage tank or
6 other capital improvements to the tank. Corrective action
7 specifically excludes third-party liability. Corrective action
8 includes the expenses incurred to prepare a site cleanup report
9 for approval by the department of ~~natural resources~~ detailing
10 the planned response to a release or suspected release, but not
11 necessarily all actions proposed to be taken by a site cleanup
12 report.

13 12. "Insurance" includes any form of financial assistance
14 or showing of financial responsibility sufficient to comply
15 with the federal Resource Conservation and Recovery Act or the
16 ~~Iowa department of natural resources'~~ department's underground
17 storage tank financial responsibility rules.

18 Sec. 287. Section 455G.2, subsection 3, Code 2009, is
19 amended to read as follows:

20 3. "Bond" means a bond, note, or other obligation issued by
21 the ~~authority~~ treasurer of state for the fund and the purposes
22 of this chapter.

23 Sec. 288. Section 455G.2, Code 2009, is amended by adding
24 the following new subsections:

25 NEW SUBSECTION. 4A. "Commission" means the environmental
26 protection commission created pursuant to section 455A.6.

27 NEW SUBSECTION. 6A. "Department" means the department of
28 natural resources created pursuant to section 455A.2.

29 Sec. 289. Section 455G.3, subsections 1, 2, and 5, Code
30 2009, are amended to read as follows:

31 1. The Iowa comprehensive petroleum underground storage
32 tank fund is created as a separate fund in the state treasury,
33 and any funds remaining in the fund at the end of each fiscal
34 year shall not revert to the general fund but shall remain
35 in the Iowa comprehensive petroleum underground storage tank

1 fund. Interest or other income earned by the fund shall
2 be deposited in the fund. The fund shall include moneys
3 credited to the fund under this section, section 321.145,
4 subsection 2, paragraph "a", and sections 455G.8 and 455G.9,
5 and section 455G.11, Code 2003, and other funds which by
6 law may be credited to the fund. The moneys in the fund are
7 appropriated to and for the purposes of the ~~board~~ department as
8 provided in this chapter. Amounts in the fund shall not be
9 subject to appropriation for any other purpose by the general
10 assembly, but shall be used only for the purposes set forth
11 in this chapter. The ~~treasurer of state~~ department shall act
12 as custodian of the fund and disburse amounts contained in
13 it as directed by the ~~board~~ department including automatic
14 disbursements of funds as received pursuant to the terms of
15 bond indentures and documents and security provisions to
16 trustees and custodians. The ~~treasurer of state~~ department is
17 authorized to invest the funds deposited in the fund at
18 the direction of the ~~board~~ department and subject to any
19 limitations contained in any applicable bond proceedings.
20 The income from such investment shall be credited to and
21 deposited in the fund. The fund shall be administered by
22 the ~~board~~ department which shall make expenditures from the
23 fund consistent with the purposes of the programs set out in
24 this chapter without further appropriation. The fund may be
25 divided into different accounts with different depositories as
26 determined by the ~~board~~ department and to fulfill the purposes
27 of this chapter.

28 2. The ~~board~~ department shall assist Iowa's owners and
29 operators of petroleum underground storage tanks in complying
30 with federal environmental protection agency technical and
31 financial responsibility regulations by establishment of the
32 Iowa comprehensive petroleum underground storage tank fund.
33 The ~~authority~~ treasurer of state may issue its bonds, or series
34 of bonds, to assist the ~~board~~ department, as provided in this
35 chapter.

1 5. For purposes of payment of refunds of the environmental
2 protection charge under section 424.15 by the department
3 of revenue, the ~~treasurer of state~~ department of natural
4 resources shall allocate to the department of administrative
5 services the total amount budgeted by the ~~fund's~~
6 ~~board~~ department of natural resources for environmental
7 protection charge refunds. Any unused funds shall be remitted
8 to the ~~treasurer of state~~ department of natural resources.

9 Sec. 290. Section 455G.4, Code Supplement 2009, is amended
10 to read as follows:

11 **455G.4 Governing board Duties.**

12 ~~1. Members of the board.~~

13 ~~a. The Iowa comprehensive petroleum underground storage tank~~
14 ~~fund board is established consisting of the following members:~~

15 ~~(1) The director of the department of natural resources, or~~
16 ~~the director's designee.~~

17 ~~(2) The treasurer of state, or the treasurer's designee.~~

18 ~~(3) The commissioner of insurance, or the commissioner's~~
19 ~~designee.~~

20 ~~(4) Two public members appointed by the governor and~~
21 ~~confirmed by the senate to staggered four-year terms, except~~
22 ~~that, of the first members appointed, one public member shall~~
23 ~~be appointed for a term of two years and one for a term of four~~
24 ~~years. A public member shall have experience, knowledge, and~~
25 ~~expertise of the subject matter embraced within this chapter.~~
26 ~~Two public members shall be appointed with experience in~~
27 ~~either, or both, financial markets or insurance.~~

28 ~~(5) Two owners or operators appointed by the governor.~~

29 ~~One of the owners or operators appointed pursuant to this~~
30 ~~subparagraph shall have been a petroleum systems insured~~
31 ~~through the underground storage tank insurance fund as it~~
32 ~~existed on June 30, 2004, or a successor to the underground~~
33 ~~storage tank insurance fund and shall have been an insured~~
34 ~~through the insurance account of the comprehensive petroleum~~
35 ~~underground storage tank fund on or before October 26, 1990.~~

1 ~~One of the owners or operators appointed pursuant to this~~
2 ~~subparagraph shall be self-insured.~~

3 ~~(6) The director of the legislative services agency, or~~
4 ~~the director's designee. The director under this subparagraph~~
5 ~~shall not participate as a voting member of the board.~~

6 ~~b. A public member appointed pursuant to paragraph "a",~~
7 ~~subparagraph (4), shall not have a conflict of interest. For~~
8 ~~purposes of this section, a "conflict of interest" means an~~
9 ~~affiliation, within the twelve months before the member's~~
10 ~~appointment, with the regulated tank community, or with a~~
11 ~~person or property and casualty insurer offering competitive~~
12 ~~insurance or other means of financial assurance or which~~
13 ~~previously offered environmental hazard insurance for a member~~
14 ~~of the regulated tank community.~~

15 ~~c. The filling of positions reserved for public~~
16 ~~representatives, vacancies, membership terms, payment of~~
17 ~~compensation and expenses, and removal of members are governed~~
18 ~~by chapter 69. Members of the board are entitled to receive~~
19 ~~reimbursement of actual expenses incurred in the discharge of~~
20 ~~their duties within the limits of funds appropriated to the~~
21 ~~board or made available to the fund. Each member of the board~~
22 ~~may also be eligible to receive compensation as provided in~~
23 ~~section 7E.6. The members shall elect a voting chairperson of~~
24 ~~the board from among the members of the board.~~

25 ~~2. Department cooperation with board. The director of~~
26 ~~the department of natural resources shall cooperate with the~~
27 ~~board in the implementation of this part so as to minimize~~
28 ~~unnecessary duplication of effort, reporting, or paperwork and~~
29 ~~maximize environmental protection.~~

30 ~~3. Rules and emergency rules.~~

31 1. ~~a.~~ The board commission shall adopt rules regarding
32 its practice and procedures, develop underwriting standards,
33 establish procedures for investigating and settling claims made
34 against the fund, and otherwise implement and administer this
35 chapter.

1 *b.* Rules necessary for the implementation and collection of
2 the environmental protection charge shall be adopted.

3 *c.* Rules to facilitate and encourage the use of community
4 remediation whenever possible shall be adopted.

5 *d.* The ~~board~~ commission shall adopt rules relating to
6 appeal procedures which shall require ~~the administrator to~~
7 ~~deliver~~ notice of appeal to be delivered to the affected
8 parties within fifteen days of receipt of notice, require
9 that the hearing be held within one hundred eighty days of
10 the filing of the petition unless good cause is shown for
11 the delay, and require that a final decision be issued no
12 later than one hundred twenty days following the close of the
13 hearing. The time restrictions in this paragraph may be waived
14 by mutual agreement of the parties.

15 ~~4. *Public bid.*~~

16 2. All contracts entered into by the ~~board~~ department,
17 including contracts relating to community remediation, shall be
18 awarded on a competitive basis to the maximum extent practical.
19 In those situations where it is determined that public
20 bidding is not practical, the basis for the determination of
21 impracticability shall be documented by the ~~board~~ department or
22 its designee. ~~This subsection applies only to contracts~~
23 ~~entered into on or after July 1, 1992.~~

24 ~~5. *Contract approval.*~~

25 3. a. The ~~board~~ commission shall approve any contract
26 entered into pursuant to this chapter if the cost of the
27 contract exceeds seventy-five thousand dollars.

28 *b.* A listing of all contracts entered into pursuant to this
29 chapter shall be presented at each ~~board~~ commission meeting
30 and shall be made available to the public. The listing shall
31 state the interested parties to the contract, the amount of the
32 contract, and the subject matter of the contract.

33 *c.* The ~~board~~ commission shall be required to review and
34 approve or disapprove the ~~administrator's~~ department's failure
35 to approve a contract under section 455G.12A. Review by the

1 ~~board~~ commission shall not be required for cancellation or
2 replacement of a contract for a site included in a community
3 remediation project or when an emergency situation exists.

4 ~~6.—Reporting.~~

5 4. Beginning July 2003, the ~~board~~ department shall submit
6 a written report quarterly to the legislative council, the
7 chairperson and ranking member of the committee on environment
8 and energy independence in the senate, and the chairperson
9 and ranking member of the committee on environmental
10 protection in the house of representatives regarding changes
11 in the status of the program including but not limited to
12 the number of open claims by claim type; the number of new
13 claims submitted and the eligibility status of each claim;
14 a summary of the risk classification of open claims; the
15 status of all claims at high-risk sites including the number
16 of corrective action design reports submitted, approved, and
17 implemented during the reporting period; total moneys reserved
18 on open claims and total moneys paid on open claims; and a
19 summary of budgets approved and invoices paid for high-risk
20 site activities including a breakdown by corrective action
21 design report, construction and equipment, implementation,
22 operation and maintenance, monitoring, over excavation, free
23 product recovery, site reclassification, reporting and other
24 expenses, or a similar breakdown. In each report submitted
25 by the ~~board~~ department, the ~~board~~ department shall include
26 an estimated timeline to complete corrective action at all
27 currently eligible high-risk sites where a corrective action
28 design report has been submitted by a claimant and approved
29 during the reporting period. The timeline shall include the
30 projected year when a no further action designation will be
31 obtained based upon the corrective action activities approved
32 or anticipated at each claimant site. The timeline shall be
33 broken down in annual increments with the number or percentage
34 of sites projected to be completed for each time period. The
35 report shall identify and report steps taken to expedite

1 corrective action and eliminate the state's liability for open
2 claims.

3 Sec. 291. Section 455G.5, Code 2009, is amended to read as
4 follows:

5 **455G.5 Independent contractors to be retained by**
6 **board department.**

7 ~~The board shall administer the fund. A contract entered~~
8 ~~into on or after July 1, 1992, to retain a person to act as the~~
9 ~~administrator of the fund shall be subject to public bid. All~~
10 ~~other contracts to retain a person under this section shall be~~
11 ~~in compliance with the public bidding requirements of section~~
12 ~~455G.4, subsection 4.~~

13 The board department may enter into a contract or an
14 agreement authorized under chapter 28E with a private agency
15 or person, ~~the department of natural resources, the Iowa~~
16 ~~finance authority,~~ the department of administrative services,
17 the department of revenue, other departments, agencies, or
18 governmental subdivisions of this state, another state, or
19 the United States, in connection with its administration and
20 implementation of this chapter or chapter 424 or 455B.

21 The board department may reimburse a contractor, public
22 or private, retained pursuant to this section for expenses
23 incurred in the execution of a contract or agreement.
24 Reimbursable expenses include, by way of example, but not
25 exclusion, the costs of collecting the environmental protection
26 charge or administering specific delegated duties or powers of
27 the board department.

28 Sec. 292. Section 455G.6, unnumbered paragraph 1, Code
29 Supplement 2009, is amended to read as follows:

30 In administering the fund, the board department has all of
31 the general powers reasonably necessary and convenient to carry
32 out its purposes and duties and may do any of the following,
33 subject to express limitations contained in this chapter:

34 Sec. 293. Section 455G.6, subsections 1, 7, 8, 9, 10, 12,
35 15, 16, and 17, Code Supplement 2009, are amended to read as

1 follows:

2 1. Guarantee secured and unsecured loans, and enter into
3 agreements for corrective action, acquisition and construction
4 of tank improvements, and provide for the insurance program.
5 The loan guarantees may be made to a person or entity owning
6 or operating a tank. The ~~board~~ department may take any action
7 which is reasonable and lawful to protect its security and to
8 avoid losses from its loan guarantees.

9 7. The ~~board~~ department may contract with the
10 authority treasurer of state for the authority treasurer of
11 state to issue bonds and do all things necessary with respect
12 to the purposes of the fund, as set out in the contract between
13 the ~~board~~ department and the authority treasurer of state.
14 The ~~board~~ department may delegate to the authority treasurer
15 of state and the authority treasurer of state shall then
16 have all of the powers of the ~~board~~ department which are
17 necessary to issue and secure bonds and carry out the
18 purposes of the fund, to the extent provided in the contract
19 between the ~~board~~ department and the authority treasurer
20 of state. The authority treasurer of state may issue the
21 authority's treasurer of state's bonds in principal amounts
22 which, in the opinion of the ~~board~~ department, are necessary to
23 provide sufficient funds for the fund, the payment of interest
24 on the bonds, the establishment of reserves to secure the
25 bonds, the costs of issuance of the bonds, other expenditures
26 of the authority treasurer of state incident to and necessary
27 or convenient to carry out the bond issue for the fund, and
28 all other expenditures of the ~~board~~ department necessary or
29 convenient to administer the fund. The bonds are investment
30 securities and negotiable instruments within the meaning of and
31 for purposes of the uniform commercial code, chapter 554.
32 8. Bonds issued under this section are payable solely
33 and only out of the moneys, assets, or revenues of the fund,
34 all of which may be deposited with trustees or depositories
35 in accordance with bond or security documents and pledged

1 by the ~~board~~ department to the payment thereof, and are not
2 an indebtedness of this state ~~or the authority~~, or a charge
3 against the general credit or general fund of the state ~~or the~~
4 ~~authority~~, and the state shall not be liable for any financial
5 undertakings with respect to the fund. Bonds issued under
6 this chapter shall contain on their face a statement that the
7 bonds do not constitute an indebtedness of the state ~~or the~~
8 ~~authority~~.

9 9. The proceeds of bonds issued by the authority treasurer
10 of state and not required for immediate disbursement may be
11 deposited with a trustee or depository as provided in the
12 bond documents and invested in any investment approved by
13 the authority treasurer of state and specified in the trust
14 indenture, resolution, or other instrument pursuant to which
15 the bonds are issued without regard to any limitation otherwise
16 provided by law.

17 10. The bonds shall be:

18 a. In a form, issued in denominations, executed in a manner,
19 and payable over terms and with rights of redemption, and be
20 subject to such other terms and conditions as prescribed in the
21 trust indenture, resolution, or other instrument authorizing
22 their issuance.

23 b. Negotiable instruments under the laws of the state and
24 may be sold at prices, at public or private sale, and in a
25 manner, as prescribed by the authority treasurer of state.
26 Chapters 73A, 74, 74A and 75 do not apply to their sale or
27 issuance of the bonds.

28 c. Subject to the terms, conditions, and covenants providing
29 for the payment of the principal, redemption premiums, if
30 any, interest, and other terms, conditions, covenants, and
31 protective provisions safeguarding payment, not inconsistent
32 with this chapter and as determined by the trust indenture,
33 resolution, or other instrument authorizing their issuance.

34 12. Bonds must be authorized by a trust indenture,
35 resolution, or other instrument of the authority treasurer of

1 state, approved by the ~~board~~ department. However, a trust
2 indenture, resolution, or other instrument authorizing the
3 issuance of bonds may delegate to an officer of the issuer the
4 power to negotiate and fix the details of an issue of bonds.

5 15. a. Subject to the terms of any bond documents, moneys
6 in the fund or fund accounts may be expended for ~~administration~~
7 ~~expenses~~, civil penalties, moneys paid under an agreement,
8 stipulation, or settlement, for the costs associated with sites
9 within a community remediation project, for costs related to
10 contracts entered into with a state agency or university, costs
11 for activities relating to litigation, or for the costs of any
12 other activities as the ~~board~~ department may determine are
13 necessary and convenient to facilitate compliance with and
14 to implement the intent of federal laws and regulations and
15 this chapter. ~~For purposes of this chapter, administration~~
16 ~~expenses include expenses incurred by the underground storage~~
17 ~~tank section of the department of natural resources in relation~~
18 ~~to tanks regulated under this chapter.~~ Moneys in the fund
19 or fund accounts shall not be expended by the department for
20 administrative expenses.

21 b. The authority granted under this subsection which allows
22 the ~~board~~ department to expend fund moneys on an activity
23 the ~~board~~ department determines is necessary and convenient
24 to facilitate compliance with and to implement the intent of
25 federal laws and regulations and this chapter, shall only be
26 used in accordance with the following:

27 (1) Prior ~~board~~ department approval shall be required
28 before expenditure of moneys pursuant to this authority shall
29 be made.

30 (2) If the expenditure of fund moneys pursuant to this
31 authority would result in the ~~board~~ department establishing
32 a policy which would substantially affect the operation
33 of the program, rules shall be adopted by the
34 commission pursuant to chapter 17A prior to the ~~board~~
35 ~~or the administrator~~ department taking any action pursuant to

1 this proposed policy.

2 16. The ~~board shall cooperate with the~~ department of
3 ~~natural resources,~~ in the implementation and administration
4 of this chapter ~~to,~~ shall assure that in combination with
5 existing state statutes and rules governing underground storage
6 tanks, the state will be, and continue to be, recognized by
7 the federal government as having an *"approved state account"*
8 under the federal Resource Conservation and Recovery Act,
9 especially by compliance with the Act's subtitle I financial
10 responsibility requirements as enacted in the federal Superfund
11 Amendments and Reauthorization Act of 1986 and the financial
12 responsibility regulations adopted by the United States
13 environmental protection agency at 40 C.F.R. pts. 280 and 281.
14 Whenever possible this chapter shall be interpreted to further
15 the purposes of, and to comply, and not to conflict, with such
16 federal requirements.

17 17. The ~~board~~ commission may adopt rules pursuant to
18 chapter 17A providing for the transfer of all or a portion
19 of the liabilities of the ~~board~~ department under this
20 chapter. Notwithstanding other provisions to the contrary,
21 the ~~board~~ department, upon such transfer, shall not maintain
22 any duty to reimburse claimants under this chapter for those
23 liabilities transferred.

24 Sec. 294. Section 455G.7, Code Supplement 2009, is amended
25 to read as follows:

26 **455G.7 Security for bonds — capital reserve fund —**
27 **irrevocable contracts.**

28 1. For the purpose of securing one or more issues of
29 bonds for the fund, the ~~authority~~ treasurer of state, with
30 the approval of the ~~board~~ department, may authorize the
31 establishment of one or more special funds, called *"capital*
32 *reserve funds"*. The ~~authority~~ treasurer of state may pay
33 into the capital reserve funds the proceeds of the sale of
34 its bonds and other money which may be made available to
35 the ~~authority~~ treasurer of state from other sources for the

1 purposes of the capital reserve funds. Except as provided in
2 this section, money in a capital reserve fund shall be used
3 only as required for any of the following:

4 a. The payment of the principal of and interest on bonds or
5 of the sinking fund payments with respect to those bonds.

6 b. The purchase or redemption of the bonds.

7 c. The payment of a redemption premium required to be paid
8 when the bonds are redeemed before maturity.

9 However, money in a capital reserve fund shall not be
10 withdrawn if the withdrawal would reduce the amount in the
11 capital reserve fund to less than the capital reserve fund
12 requirement, except for the purpose of making payment, when
13 due, of principal, interest, redemption premiums on the bonds,
14 and making sinking fund payments when other money pledged to
15 the payment of the bonds is not available for the payments.
16 Income or interest earned by, or increment to, a capital
17 reserve fund from the investment of all or part of the capital
18 reserve fund may be transferred by the authority treasurer of
19 state to other accounts of the fund if the transfer does not
20 reduce the amount of the capital reserve fund below the capital
21 reserve fund requirement.

22 2. If the authority treasurer of state decides to issue
23 bonds secured by a capital reserve fund, the bonds shall not be
24 issued if the amount in the capital reserve fund is less than
25 the capital reserve fund requirement, unless at the time of
26 issuance of the bonds the authority treasurer of state deposits
27 in the capital reserve fund from the proceeds of the bonds to
28 be issued or from other sources, an amount which, together with
29 the amount then in the capital reserve fund, is not less than
30 the capital reserve fund requirement.

31 3. In computing the amount of a capital reserve fund for the
32 purpose of this section, securities in which all or a portion
33 of the capital reserve fund is invested shall be valued by a
34 reasonable method established by the authority treasurer of
35 state. Valuation shall include the amount of interest earned

1 or accrued as of the date of valuation.

2 4. In this section, "*capital reserve fund requirement*" means
3 the amount required to be on deposit in the capital reserve
4 fund as of the date of computation.

5 5. To assure maintenance of the capital reserve funds,
6 the ~~authority~~ treasurer of state shall, on or before July 1
7 of each calendar year, make and deliver to the governor the
8 ~~authority's~~ treasurer of state's certificate stating the sum,
9 if any, required to restore each capital reserve fund to the
10 capital reserve fund requirement for that fund. Within thirty
11 days after the beginning of the session of the general assembly
12 next following the delivery of the certificate, the governor
13 may submit to both houses printed copies of a budget including
14 the sum, if any, required to restore each capital reserve fund
15 to the capital reserve fund requirement for that fund. Any
16 sums appropriated by the general assembly and paid to the
17 ~~authority~~ treasurer of state pursuant to this section shall be
18 deposited in the applicable capital reserve fund.

19 6. All amounts paid by the state pursuant to this section
20 shall be considered advances by the state and, subject to the
21 rights of the holders of any bonds of the ~~authority~~ treasurer
22 of state that have previously been issued or will be issued,
23 shall be repaid to the state without interest from all
24 available revenues of the fund in excess of amounts required
25 for the payment of bonds of the ~~authority~~ treasurer of state,
26 the capital reserve fund, and operating expenses.

27 7. If any amount deposited in a capital reserve fund is
28 withdrawn for payment of principal, premium, or interest on
29 the bonds or sinking fund payments with respect to bonds
30 thus reducing the amount of that fund to less than the
31 capital reserve fund requirement, the ~~authority~~ treasurer of
32 state shall immediately notify the governor and the general
33 assembly of this event and shall take steps to restore the
34 capital reserve fund to the capital reserve fund requirement
35 for that fund from any amounts designated as being available

1 for such purpose.

2 Sec. 295. Section 455G.8, unnumbered paragraph 1, Code
3 2009, is amended to read as follows:

4 Revenue for the fund shall include, but is not limited
5 to, the following, which shall be deposited with the
6 ~~board~~ department or its designee as provided by any bond or
7 security documents and credited to the fund:

8 Sec. 296. Section 455G.8, subsection 2, Code 2009, is
9 amended to read as follows:

10 2. *Statutory allocations fund.* The moneys credited from the
11 statutory allocations fund under section 321.145, subsection
12 2, paragraph "a", shall be allocated, consistent with this
13 chapter, among the fund's accounts, for debt service and other
14 fund expenses, according to the fund budget, resolution, trust
15 agreement, or other instrument prepared or entered into by
16 the ~~board~~ department or authority treasurer of state under
17 direction of the ~~board~~ department.

18 Sec. 297. Section 455G.8, subsection 3, Code 2009, is
19 amended by striking the subsection.

20 Sec. 298. Section 455G.9, subsection 1, paragraph a,
21 subparagraph (1), unnumbered paragraph 1, Code 2009, is amended
22 to read as follows:

23 Corrective action for an eligible release reported to the
24 department of ~~natural resources~~ on or after July 1, 1987, but
25 prior to May 5, 1989. Third-party liability is specifically
26 excluded from remedial account coverage. For a claim for a
27 release under this subparagraph, the remedial program shall pay
28 in accordance with subsection 4. For a release to be eligible
29 for coverage under this subparagraph the following conditions
30 must be satisfied:

31 Sec. 299. Section 455G.9, subsection 1, paragraph a,
32 subparagraph (1), subparagraph division (c), Code 2009, is
33 amended to read as follows:

34 (c) The claim for coverage pursuant to this subparagraph
35 must have been filed with the ~~board~~ department prior to January

1 31, 1990, except that cities and counties must have filed their
2 claim ~~with the board~~ by September 1, 1990.

3 Sec. 300. Section 455G.9, subsection 1, paragraph a,
4 subparagraph (1), subparagraph division (d), Code 2009, is
5 amended to read as follows:

6 (d) The owner or operator at the time the release was
7 reported to the department ~~of natural resources~~ must have been
8 in compliance with then current monitoring requirements, if
9 any, or must have been in the process of compliance efforts
10 with anticipated requirements, including installation of
11 monitoring devices, a new tank, tank improvements or retrofit,
12 or any combination.

13 Sec. 301. Section 455G.9, subsection 1, paragraph a,
14 subparagraph (2), Code 2009, is amended to read as follows:

15 (2) Corrective action, up to one million dollars total,
16 and subject to prioritization rules as established pursuant to
17 section 455G.12A, for a release reported to the department ~~of~~
18 ~~natural resources~~ after May 5, 1989, and on or before October
19 26, 1990. Third-party liability is specifically excluded
20 from remedial account coverage. Corrective action coverage
21 provided pursuant to this paragraph may be aggregated with
22 other financial assurance mechanisms as permitted by federal
23 law to satisfy required aggregate and per occurrence limits
24 of financial responsibility for both corrective action and
25 third-party liability, if the owner's or operator's effective
26 financial responsibility compliance date is prior to October
27 26, 1990. School districts who reported a release to the
28 department ~~of natural resources~~ prior to December 1, 1990,
29 shall have until July 1, 1991, to report a claim ~~to the~~
30 ~~board~~ for remedial coverage under this subparagraph.

31 Sec. 302. Section 455G.9, subsection 1, paragraph a,
32 subparagraph (3), unnumbered paragraph 1, Code 2009, is amended
33 to read as follows:

34 Corrective action for an eligible release reported to
35 the department ~~of natural resources~~ on or after January 1,

1 1984, but prior to July 1, 1987. Third-party liability is
2 specifically excluded from remedial account coverage. For
3 a claim for a release under this subparagraph, the remedial
4 program shall pay in accordance with subsection 4. For a
5 release to be eligible for coverage under this subparagraph the
6 following conditions must be satisfied:

7 Sec. 303. Section 455G.9, subsection 1, paragraph a,
8 subparagraph (3), subparagraph division (d), Code 2009, is
9 amended to read as follows:

10 (d) The claim for coverage pursuant to this subparagraph
11 must have been filed ~~with the board~~ prior to September 1, 1990.

12 Sec. 304. Section 455G.9, subsection 1, paragraph a,
13 subparagraph (3), subparagraph division (e), Code 2009, is
14 amended to read as follows:

15 (e) The owner or operator at the time the release was
16 reported to the department ~~of natural resources~~ must have been
17 in compliance with then current monitoring requirements, if
18 any, or must have been in the process of compliance efforts
19 with anticipated requirements, including installation of
20 monitoring devices, a new tank, tank improvements or retrofit,
21 or any combination.

22 Sec. 305. Section 455G.9, subsection 1, paragraph a,
23 subparagraph (4), Code 2009, is amended to read as follows:

24 (4) One hundred percent of the costs of corrective
25 action for a release reported to the department ~~of natural~~
26 ~~resources~~ on or before July 1, 1991, if the owner or operator
27 is not a governmental entity and is a not-for-profit
28 organization exempt from federal income taxation under section
29 501(c)(3) of the Internal Revenue Code with a net annual income
30 of twenty-five thousand dollars or less for the year 1990, and
31 if the tank which is the subject of the corrective action is a
32 registered tank and is under one thousand one hundred gallons
33 capacity.

34 Sec. 306. Section 455G.9, subsection 1, paragraphs b, c, e,
35 and f, Code 2009, are amended to read as follows:

1 *b.* Corrective action and third-party liability for a
2 release discovered on or after January 24, 1989, for which a
3 responsible owner or operator able to pay cannot be found and
4 for which the federal underground storage tank trust fund or
5 other federal moneys do not provide coverage. For the purposes
6 of this section property shall not be deeded or quitclaimed
7 to the state or ~~board~~ department in lieu of cleanup.
8 Additionally, the ability to pay shall be determined after a
9 claim has been filed. The ~~board~~ department is not liable for
10 any cost where either the responsible owner or operator, or
11 both, have a net worth greater than fifteen thousand dollars,
12 or where the responsible party can be determined. Third-party
13 liability specifically excludes any claim, cause of action,
14 or suit, for personal injury including, but not limited
15 to, loss of use or of private enjoyment, mental anguish,
16 false imprisonment, wrongful entry or eviction, humiliation,
17 discrimination, or malicious prosecution.

18 *c.* Corrective action and third-party liability for a tank
19 owned or operated by a financial institution eligible to
20 participate in the remedial account under section 455G.16 if
21 the prior owner or operator is unable to pay, if so authorized
22 by the ~~board~~ department as part of a condition or incentive
23 for financial institution participation in the fund pursuant
24 to section 455G.16. Third-party liability specifically
25 excludes any claim, cause of action, or suit, for personal
26 injury including, but not limited to, loss of use or of
27 private enjoyment, mental anguish, false imprisonment, wrongful
28 entry or eviction, humiliation, discrimination, or malicious
29 prosecution.

30 *e.* Corrective action for a release reported to the
31 department of ~~natural resources~~ after May 5, 1989, and on
32 or before October 26, 1990, in connection with a tank owned
33 or operated by a state agency or department which elects to
34 participate in the remedial account pursuant to this paragraph.
35 A state agency or department which does not receive a standing

1 unlimited appropriation which may be used to pay for the
2 costs of a corrective action may opt, with the approval of
3 the ~~board~~ department, to participate in the remedial account.
4 As a condition of opting to participate in the remedial
5 account, the agency or department shall pay all registration
6 fees, storage tank management fees, environmental protection
7 charges, and all other charges and fees upon all tanks owned
8 or operated by the agency or department in the same manner
9 as if the agency or department were a person required to
10 maintain financial responsibility. Once an agency has opted
11 to participate in the remedial program, it cannot opt out,
12 and shall continue to pay all charges and fees upon all tanks
13 owned or operated by the agency or department so long as the
14 charges or fees are imposed on similarly situated tanks of a
15 person required to maintain financial responsibility. The
16 ~~board~~ commission shall by rule adopted pursuant to chapter
17 17A provide the terms and conditions for a state agency or
18 department to opt to participate in the remedial account. A
19 state agency or department which opts to participate in the
20 remedial account shall be subject to the minimum copayment
21 schedule of subsection 4, as if the state agency or department
22 were a person required to maintain financial responsibility.

23 *f.* One hundred percent of the costs up to twenty thousand
24 dollars incurred by the ~~board~~ department under section
25 455G.12A, subsection 2, unnumbered paragraph 2, for site
26 cleanup reports. Costs of a site cleanup report which
27 exceed twenty thousand dollars shall be considered a cost of
28 corrective action and the amount shall be included in the
29 calculations for corrective action cost copayments under
30 subsection 4. The ~~board~~ department shall have the discretion
31 to authorize a site cleanup report payment in excess of twenty
32 thousand dollars if the site is participating in community
33 remediation.

34 Sec. 307. Section 455G.9, subsection 1, paragraph g,
35 subparagraph (4), Code 2009, is amended to read as follows:

1 (4) The release was reported ~~to the board~~ by October 26,
2 1991.

3 Sec. 308. Section 455G.9, subsection 1, paragraphs i, k, and
4 l, Code 2009, are amended to read as follows:

5 *i.* Notwithstanding section 455G.1, subsection 2, corrective
6 action, for a release which was tested prior to October 26,
7 1990, and for which the site was issued a no-further-action
8 letter by the department ~~of natural resources~~ and which was
9 later determined, due to sale of the property or removal of a
10 nonoperating tank, to require remediation which was reported
11 ~~to the administrator~~ by October 26, 1992, in an amount as
12 specified in subsection 4. In order to qualify for benefits
13 under this paragraph, the applicant must not have operated a
14 tank on the property during the period of time for which the
15 applicant owned the property and the applicant must not be a
16 financial institution.

17 *k.* ~~Pursuant to an agreement between the board and the~~
18 ~~department of natural resources, assessment~~ Assessment and
19 corrective action arising out of releases at sites for which
20 a no further action certificate has been issued pursuant to
21 section 455B.474, when the department determines that an
22 unreasonable risk to public health and safety may still exist.
23 ~~At a minimum, the agreement shall address eligible costs,~~
24 ~~contracting for services, and conditions under which sites may~~
25 ~~be reevaluated.~~

26 *l.* Costs for the permanent closure of an underground storage
27 tank system that was in place on the date an eligible claim
28 was submitted under paragraph "a". Reimbursement is limited
29 to costs approved by the ~~board~~ department prior to the closure
30 activities.

31 Sec. 309. Section 455G.9, subsections 2, 3, 5, 7, and 10,
32 Code 2009, are amended to read as follows:

33 *2. Remedial account funding.* The remedial account
34 shall be funded by that portion of the proceeds of the use
35 tax imposed under chapter 423, subchapter III, and other

1 moneys and revenues budgeted to the remedial account by the
2 ~~board~~ department.

3 3. *Trust fund to be established.* When the remedial account
4 has accumulated sufficient capital to provide dependable
5 income to cover the expenses of expected future releases or
6 expected future losses for which no responsible owner is
7 available, the excess capital shall be transferred to a trust
8 fund administered by the ~~board~~ department and created for that
9 purpose.

10 5. *Recovery of gain on sale of property.* If an owner
11 or operator ceases to own or operate a tank site for which
12 remedial account benefits were received within ten years of
13 the receipt of any account benefit and sells or transfers a
14 property interest in the tank site for an amount which exceeds
15 one hundred twenty percent of the precorrective action value,
16 adjusted for equipment and capital improvements, the owner or
17 operator shall refund to the remedial account an amount equal
18 to ninety percent of the amount in excess of one hundred twenty
19 percent of the precorrective action value up to a maximum of
20 the expenses incurred by the remedial account associated with
21 the tank site plus interest, equal to the interest for the
22 most recent twelve-month period for the most recent bond issue
23 for the fund, on the expenses incurred, compounded annually.
24 An owner or operator under this subsection shall notify the
25 ~~board~~ department of the sale or transfer of the property
26 interest in the tank site. Expenses incurred by the fund are a
27 lien upon the property recordable and collectible in the same
28 manner as the lien provided for in section 424.11 at the time
29 of sale or transfer, subject to the terms of this section.

30 This subsection shall not apply if the sale or transfer
31 is pursuant to a power of eminent domain, or benefits. When
32 federal cleanup funds are recovered, the funds are to be
33 deposited to the remedial account of the fund and used solely
34 for the purpose of future cleanup activities.

35 7. *Expenses of cleanup not required.* When an owner or

1 operator who is eligible for benefits under this chapter is
2 allowed by the department ~~of natural resources~~ to monitor in
3 place, the expenses incurred for cleanup beyond the level
4 required by the department ~~of natural resources~~ are not covered
5 under any of the accounts established under the fund. The
6 cleanup expenses incurred for work completed beyond what is
7 required is the responsibility of the person contracting for
8 the excess cleanup.

9 10. *Expenses incurred by governmental subdivisions.* The
10 ~~board~~ commission may adopt rules for reimbursement for
11 reasonable expenses incurred by a governmental subdivision
12 for treating, handling, or disposing, as required by the
13 department, of petroleum-contaminated soil and groundwater
14 encountered in a public right-of-way during installation,
15 maintenance, or repair of a public improvement. The
16 ~~board~~ department may seek full recovery from a responsible
17 party liable for the release for such expenses and for
18 all other costs and reasonable attorney fees and costs of
19 litigation for which moneys are expended by the fund. Any
20 expense described in this subsection incurred by the fund
21 constitutes a lien upon the property from which the release
22 occurred. A lien shall be recorded and an expense shall be
23 collected in the same manner as provided in section 424.11.

24 Sec. 310. Section 455G.12, Code 2009, is amended to read as
25 follows:

26 **455G.12 Board Commission authority for prioritization.**

27 If the ~~board~~ commission determines that, within the realm
28 of sound business judgment and practice, prioritization of
29 assistance is necessary in light of funds available for loan
30 guarantees or insurance coverage, the ~~board~~ commission may
31 develop rules for assistance or coverage prioritization based
32 upon adherence or planned adherence of the owner or operator
33 to higher than minimum environmental protection and safety
34 compliance considerations.

35 Prior to the adoption of prioritization rules, the

1 ~~board~~ commission shall at minimum review the following issues:

2 1. The positive environmental impact of assistance
3 prioritization.

4 2. The economic feasibility, including the availability of
5 private financing, for an owner or operator to obtain priority
6 status.

7 3. Any negative impact on Iowa's rural petroleum
8 distribution network which could result from prioritization.

9 4. Any similar prioritization systems in use by the private
10 financing or insurance markets in this state, including terms,
11 conditions, or exclusions.

12 5. The intent of this chapter that the ~~board~~ commission
13 shall maximize the availability of reasonably priced,
14 financially sound insurance coverage or loan guarantee
15 assistance.

16 Sec. 311. Section 455G.12A, Code 2009, is amended to read
17 as follows:

18 **455G.12A Cost containment authority.**

19 1. *Validity of contracts.* A contract in which one of the
20 parties to the contract is an owner or operator of a petroleum
21 underground storage tank, for goods or services which may be
22 payable or reimbursable from the fund, is invalid unless and
23 until the ~~administrator~~ department has approved the contract
24 as fair and equitable to the tank owner or operator, and found
25 that the contract terms are within the range of usual and
26 customary rates for similar or equivalent goods or services
27 within the state, and found that the goods or services are
28 necessary for the owner or operator to comply with fund or
29 regulatory standards. An owner or operator may appoint the
30 ~~administrator~~ department as an agent for the purposes of
31 negotiating contracts with suppliers of goods or services
32 compensable by the fund. The ~~administrator~~ department may
33 select another contractor for goods or services other than
34 the one offered by the owner or operator, if the scope of the
35 proposed work or actual work of the offered contractor does not

1 reflect the quality of workmanship required, or the costs are
2 determined to be excessive.

3 2. *Contract approval.* In the course of review and
4 approval of a contract pursuant to this section, the
5 ~~administrator~~ department may require an owner or operator
6 to obtain and submit three bids, provided that the
7 ~~administrator~~ department coordinates bid submission with the
8 department. The ~~administrator~~ department may require specific
9 terms and conditions in a contract subject to approval.

10 The ~~board~~ department shall have authority to contract for
11 site cleanup reports. The ~~board's~~ department's responsibility
12 for site cleanup reports is limited to those site cleanup
13 reports subject to approval by the department ~~of natural~~
14 ~~resources~~ and required in connection with the remediation of a
15 release which is eligible for benefits under section 455G.9.
16 The site cleanup report shall address existing and available
17 remedial technologies and the costs associated with the use
18 of each technology. The ~~board~~ department shall not have the
19 authority to affect a contract which has been given written
20 approval under this section.

21 3. *Exclusive contracts.* The ~~administrator~~ department may
22 enter into a contract or an exclusive contract with the
23 supplier of goods or services required by a class of tank
24 owners or operators in connection with an expense payable or
25 reimbursable from the fund, to supply a specified good or
26 service for a gross maximum price, fixed rate, on an exclusive
27 basis, or subject to another contract term or condition
28 reasonably calculated to obtain goods or services for the
29 fund or for tank owners and operators at a reasonable cost.
30 A contract may provide for direct payment from the fund to a
31 supplier.

32 The ~~administrator~~ department may retain, ~~subject to board~~
33 ~~approval,~~ an independent person to assist in the review of work
34 required in connection with a release or tank system for which
35 fund benefits are sought, and to establish prevailing cost of

1 goods and services needed. Nothing in this section is intended
2 to preempt the regulatory authority of the department.

3 4. *Prior approval by ~~administrator~~ department.* Unless
4 emergency conditions exist, a contractor performing services
5 pursuant to this section shall have the budget for the
6 work approved by the ~~administrator~~ department prior to
7 commencement of the work. No expense incurred which
8 is above the budgeted amount shall be paid unless the
9 ~~administrator~~ department approves such expense prior to its
10 being incurred. All invoices or bills shall be submitted
11 with appropriate documentation as deemed necessary by the
12 ~~board~~ department, no later than thirty days after the work has
13 been performed. Neither the ~~board~~ department nor an owner or
14 operator is responsible for payment for work incurred which has
15 not been previously approved by the ~~board~~ department.

16 Sec. 312. Section 455G.13, subsection 1, Code 2009, is
17 amended to read as follows:

18 1. *Full recovery sought from owner.* The ~~board~~ department
19 shall seek full recovery from the owner, operator, or other
20 potentially responsible party liable for the released petroleum
21 which is the subject of a corrective action, for which the fund
22 expends moneys for corrective action or third-party liability,
23 and for all other costs, including reasonable attorney fees and
24 costs of litigation for which moneys are expended by the fund
25 in connection with the release. When federal cleanup funds
26 are recovered, the funds are to be deposited to the remedial
27 account of the fund and used solely for the purpose of future
28 cleanup activities.

29 Sec. 313. Section 455G.13, subsection 2, paragraph a, Code
30 2009, is amended to read as follows:

31 a. The ~~board or the~~ department of ~~natural resources~~ shall
32 not seek recovery for expenses in connection with corrective
33 action for a release from an owner or operator eligible for
34 assistance under the remedial account except for any unpaid
35 portion of the deductible or copayment. This section does

1 not affect any authorization of the department ~~of natural~~
2 ~~resources~~ to impose or collect civil or administrative fines
3 or penalties or fees. The remedial account shall not be held
4 liable for any third-party liability.

5 Sec. 314. Section 455G.13, subsection 3, Code 2009, is
6 amended to read as follows:

7 3. *Owner or operator not in compliance, subject to full*
8 *and total cost recovery.* Notwithstanding subsection 2, the
9 liability of an owner or operator shall be the full and total
10 costs of corrective action and bodily injury or property damage
11 to third parties, as specified in subsection 1, if the owner
12 or operator has not complied with the financial responsibility
13 or other underground storage tank rules requirements of the
14 ~~department of natural resources or with this chapter and rules~~
15 adopted under this chapter.

16 Sec. 315. Section 455G.13, subsection 4, paragraph a, Code
17 2009, is amended to read as follows:

18 a. Failed, without sufficient cause, to respond to a release
19 of petroleum from the tank upon, or in accordance with, a
20 notice issued by the director of the department ~~of natural~~
21 ~~resources~~.

22 Sec. 316. Section 455G.13, subsections 5, 6, 8, 9, 10, and
23 12, Code 2009, are amended to read as follows:

24 5. *Lien on tank site.* Any amount for which an owner or
25 operator is liable to the fund, if not paid when due, by
26 statute, rule, or contract, or determination of liability by
27 the ~~board or department of natural resources~~ after hearing,
28 shall constitute a lien upon the real property where the tank,
29 which was the subject of corrective action, is situated, and
30 the liability shall be collected in the same manner as the
31 environmental protection charge pursuant to section 424.11.

32 6. *Joinder of parties.* The department ~~of natural~~
33 ~~resources~~ has standing in any case or contested action related
34 to the fund or a tank to assert any claim that the department
35 may have regarding the tank at issue in the case or contested

1 action, upon motion and sufficient showing by a party to a cost
2 recovery or subrogation action provided for under this section,
3 the court or the administrative law judge shall join to the
4 action any potentially responsible party who may be liable for
5 costs and expenditures of the type recoverable pursuant to this
6 section.

7 8. *Third-party contracts not binding on ~~board~~ department,*
8 *proceedings against responsible party.* An insurance,
9 indemnification, hold harmless, conveyance, or similar
10 risk-sharing or risk-shifting agreement shall not be effective
11 to transfer any liability for costs recoverable under
12 this section. The fund, ~~board,~~ or department of ~~natural~~
13 ~~resources~~ may proceed directly against the owner or operator or
14 other allegedly responsible party. This section does not bar
15 any agreement to insure, hold harmless, or indemnify a party to
16 the agreement for any costs or expenditures under this chapter,
17 and does not modify rights between the parties to an agreement,
18 except to the extent the agreement shifts liability to an
19 owner or operator eligible for assistance under the remedial
20 account for any damages or other expenses in connection with
21 a corrective action for which another potentially responsible
22 party is or may be liable. Any such provision is null and void
23 and of no force or effect.

24 9. *Later proceedings permitted against other parties.* The
25 entry of judgment against a party to the action does not bar
26 a future action by the ~~board or the~~ department of ~~natural~~
27 ~~resources~~ against another person who is later alleged to be
28 or discovered to be liable for costs and expenditures paid by
29 the fund. Notwithstanding section 668.5 no other potentially
30 responsible party may seek contribution or any other recovery
31 from an owner or operator eligible for assistance under the
32 remedial account for damages or other expenses in connection
33 with corrective action for a release for which the potentially
34 responsible party is or may be liable. Subsequent successful
35 proceedings against another party shall not modify or reduce

1 the liability of a party against whom judgment has been
2 previously entered.

3 10. *Claims against potentially responsible parties.* Upon
4 payment by the fund for corrective action or third-party
5 liability pursuant to this chapter, the rights of the claimant
6 to recover payment from any potentially responsible party, are
7 assumed by the ~~board~~ department to the extent paid by the fund.
8 A claimant is precluded from receiving double compensation for
9 the same injury.

10 In an action brought pursuant to this chapter seeking
11 damages for corrective action or third-party liability, the
12 court shall permit evidence and argument as to the replacement
13 or indemnification of actual economic losses incurred or to be
14 incurred in the future by the claimant by reason of insurance
15 benefits, governmental benefits or programs, or from any other
16 source.

17 A claimant may elect to permit the ~~board~~ department to pursue
18 the claimant's cause of action for any injury not compensated
19 by the fund against any potentially responsible party, provided
20 the attorney general determines such representation would
21 not be a conflict of interest. If a claimant so elects, the
22 ~~board's~~ department's litigation expenses shall be shared on a
23 pro rata basis with the claimant, but the claimant's share of
24 litigation expenses is payable exclusively from any share of
25 the settlement or judgment payable to the claimant.

26 12. *Recovery or subrogation — installers and*
27 *inspectors.* Notwithstanding any other provision contained in
28 this chapter, the ~~board~~ department or a person insured under
29 the underground storage tank insurance fund established in
30 section 455G.11, Code 2003, has no right of recovery or right
31 of subrogation against an installer or an inspector who was
32 insured by the underground storage tank insurance fund for the
33 tank giving rise to the liability other than for recovery of
34 any deductibles paid.

35 Sec. 317. Section 455G.16, unnumbered paragraph 1, Code

1 2009, is amended to read as follows:

2 The ~~board~~ department may impose conditions on the
3 participation of a financial institution in the fund.
4 Conditions shall be reasonably intended to increase the
5 quantity of private capital available for loans to tank owners
6 or operators who are small businesses within the meaning of
7 section 455G.2. Additionally, the ~~board~~ department may offer
8 incentives to financial institutions meeting conditions imposed
9 by the ~~board~~ department. Incentives may include extended
10 fund coverage of corrective action or third-party liability
11 expenses, waiver of copayment or deductible requirements, or
12 other benefits not offered to other participants, if reasonably
13 intended to increase the quantity of private capital available
14 for loans by an amount greater than the increased costs of the
15 incentives to the fund.

16 Sec. 318. Section 455G.20, Code 2009, is amended to read as
17 follows:

18 **455G.20 Final approval.**

19 Notwithstanding any other provision to the contrary, the
20 department of ~~natural resources~~ shall have final approval for a
21 determination as to when remediation shall begin on a site.

22 Sec. 319. Section 455G.21, subsection 1, Code 2009, is
23 amended to read as follows:

24 1. A marketability fund is created as a separate fund in
25 the state treasury under the control of the ~~board~~ department.
26 The ~~board~~ department shall administer the marketability
27 fund. Notwithstanding section 8.33, moneys remaining in
28 the marketability fund at the end of each fiscal year shall
29 not revert to the general fund but shall remain in the
30 marketability fund. The marketability fund shall include,
31 notwithstanding section 12C.7, interest earned by the
32 marketability fund or other income specifically allocated to
33 the marketability fund.

34 Sec. 320. Section 455G.21, subsection 2, paragraph a, Code
35 2009, is amended to read as follows:

1 a. The innocent landowners fund shall be established as a
2 separate fund in the state treasury under the control of the
3 ~~board~~ department. The innocent landowners fund shall include
4 any moneys recovered pursuant to cost recovery enforcement
5 under section 455G.13. Notwithstanding section 455G.1,
6 subsection 2, benefits for the costs of corrective action may
7 be provided to the owner of a petroleum-contaminated property,
8 or an owner or operator of an underground storage tank located
9 on the property, who is not otherwise eligible to receive
10 benefits under section 455G.9 due to the date on which the
11 release causing the contamination was reported or the date
12 the claim was filed. An owner of a petroleum-contaminated
13 property, or an owner or operator of an underground storage
14 tank located on the property, shall be eligible for payment
15 of corrective action costs subject to copayment requirements
16 under section 455G.9, subsection 4. The ~~board~~ commission may
17 adopt rules conditioning receipt of benefits under this
18 paragraph to those petroleum-contaminated properties which
19 present a higher degree of risk to the public health and
20 safety or the environment and may adopt rules providing for
21 denial of benefits under this paragraph to a person who did
22 not make a good faith attempt to comply with the provisions of
23 this chapter. This paragraph does not confer a legal right
24 to an owner of petroleum-contaminated property, or an owner
25 or operator of an underground storage tank located on the
26 property, for receipt of benefits under this paragraph.

27 Sec. 321. REPEAL. Section 16.151, Code 2009, is repealed.

28 Sec. 322. REPEAL. 1989 Iowa Acts, chapter 131, section 63,
29 is repealed.

30 Sec. 323. REPEAL. 2009 Iowa Acts, chapter 184, section 39,
31 is repealed.

32 Sec. 324. APPROPRIATION — GENERAL FUND. There is
33 appropriated from the Iowa comprehensive petroleum underground
34 storage tank fund to the general fund of the state for the
35 fiscal year beginning July 1, 2010, and ending June 30, 2011,

1 the following amount:

2 \$ 800,000

3 Sec. 325. APPROPRIATION — DEPARTMENT OF NATURAL
4 RESOURCES. There is appropriated from the Iowa comprehensive
5 petroleum underground storage tank fund to the department
6 of natural resources for the fiscal year beginning July 1,
7 2010, and ending June 30, 2011, the following amount, or so
8 much thereof as is necessary, to be used for the purposes
9 designated:

10 For administering the Iowa comprehensive petroleum
11 underground storage tank fund, including salaries, support,
12 maintenance, miscellaneous purposes, and for not more than the
13 following full-time equivalent positions:

14 \$ 700,000

15 FTEs 8.00

16 Sec. 326. TRANSITION PROVISIONS.

17 1. This division of this Act and the transfer of
18 administrative duties to the department of natural resources
19 shall not constitute grounds for rescission or modification
20 of any contracts entered into by or on behalf of the Iowa
21 comprehensive petroleum underground storage tank fund board.

22 2. Any rule, regulation, form, order, or directive
23 promulgated by the Iowa comprehensive petroleum underground
24 storage tank fund board and in effect on the effective date
25 of this division of this Act shall continue in full force and
26 effect until amended, repealed, or supplemented by affirmative
27 action of the environmental protection commission under the
28 duties and powers of the commission as established in this
29 division of this Act and under the procedure established in
30 subsection 3.

31 Any license or permit issued by Iowa comprehensive petroleum
32 underground storage tank fund board and in effect on the
33 effective date of this division of this Act shall continue in
34 full force and effect until expiration or renewal.

35 3. In regard to updating references and format in the Iowa

1 administrative code in order to correspond to the restructuring
2 as established in this division of this Act, the administrative
3 rules coordinator and the administrative rules review
4 committee, in consultation with the administrative code editor,
5 shall jointly develop a schedule for the necessary updating of
6 the Iowa administrative code.

7 4. Any cause of action or statute of limitation relating
8 to the Iowa comprehensive petroleum underground storage tank
9 fund board shall not be affected as a result of the transfer
10 and such cause or statute of limitation shall apply to the
11 successor department or commission.

12 5. Any replacement of signs, logos, stationery, insignia,
13 uniforms, and related items that is made due to the effect of
14 this division of this Act should be done as part of the normal
15 replacement cycle for such items.

16 DIVISION XX

17 ECONOMIC DEVELOPMENT — COMMITTEES AND COUNCILS

18 Sec. 327. Section 15.108, subsection 7, paragraph h, Code
19 2009, is amended by striking the paragraph.

20 Sec. 328. Section 15G.115, subsections 2 and 3, Code
21 Supplement 2009, are amended to read as follows:

22 2. *a.* Each application from a business for financial
23 assistance under the grow Iowa values financial assistance
24 program shall be reviewed by the due diligence committee
25 established by the board pursuant to section 15.103, subsection
26 6. The due diligence committee shall make a recommendation on
27 each application to the board.

28 ~~*b.* Each application from a business for financial assistance~~
29 ~~under the value-added agriculture component of the grow Iowa~~
30 ~~values financial assistance program shall be reviewed by the~~
31 ~~agricultural products advisory council established in section~~
32 ~~15.203, which shall make a recommendation on each application~~
33 ~~to the board.~~

34 ~~*c.*~~ *b.* Each application for financial assistance from funds
35 allocated by the department for deposit in the innovation

1 and commercialization development fund pursuant to section
2 15G.111, subsection 10, shall be reviewed by the technology
3 commercialization committee established in section 15.116,
4 which shall make a recommendation on each application to the
5 board.

6 3. In overseeing the administration of the grow Iowa values
7 fund and grow Iowa values financial assistance program pursuant
8 to this chapter, the board shall do all of the following:

9 a. At the first scheduled meeting of the board after the
10 start of a new fiscal year, take final action on all of the
11 following:

12 (1) The department's recommendations for the annual fiscal
13 year allocation of moneys in the fund, as provided in section
14 15G.111, subsection 4. The board may adjust the allocation of
15 moneys during the fiscal year as necessary.

16 (2) The department's recommendations for the allocation
17 of moneys among the program components referred to in section
18 15G.112, subsection 1, paragraph "b". The board may adjust the
19 allocation of moneys during the fiscal year as necessary.

20 b. Consider the recommendation of the due diligence
21 ~~committee and the agricultural products advisory council~~ on
22 each application for financial assistance, as described in
23 subsection 2, and take final action on each application.

24 c. Take final action on the required plans for proposed
25 expenditures submitted by the entities receiving moneys
26 allocated under section 15G.111, subsections 5 through 8.

27 d. Take final action on any rules recommended by the
28 department for the implementation of the provisions of this
29 chapter.

30 Sec. 329. REPEAL. Section 15.114, Code 2009, is repealed.

31 Sec. 330. REPEAL. Section 15.203, Code Supplement 2009, is
32 repealed.

33 DIVISION XXI

34 CONSOLIDATION OF HOUSING PROGRAMS

35 Sec. 331. NEW SECTION. 16.41 Shelter assistance fund.

1 1. A shelter assistance fund is created as a revolving
2 fund in the state treasury under the control of the authority
3 consisting of any moneys appropriated by the general assembly
4 and received under section 428A.8 for purposes of the
5 rehabilitation, expansion, or costs of operations of group home
6 shelters for the homeless and domestic violence shelters.

7 2. Of the moneys in the fund, not less than five hundred
8 forty-six thousand dollars shall be spent annually on homeless
9 shelter projects.

10 3. Notwithstanding section 8.33, all moneys in the shelter
11 assistance fund which remain unexpended or unobligated at the
12 close of the fiscal year shall not revert to the general fund
13 of the state but shall remain available for expenditure for
14 subsequent fiscal years.

15 Sec. 332. Section 428A.8, subsection 2, unnumbered
16 paragraph 1, Code 2009, is amended to read as follows:

17 The treasurer of state shall deposit or transfer the
18 receipts paid the treasurer of state pursuant to subsection
19 1 to either the general fund of the state, the housing trust
20 fund created in section 16.181, or the shelter assistance fund
21 created in section ~~15.349~~ 16.41 as follows:

22 Sec. 333. REPEAL. Section 15.349, Code 2009, is repealed.

23 Sec. 334. DEPARTMENTAL PROGRAM REVIEW — HOUSING PROGRAMS.

24 1. The department of economic development and the Iowa
25 finance authority shall conduct a joint review of programs
26 administered by the agencies that relate to housing, including
27 all such federal programs. The joint review of programs shall
28 include a review of all federal moneys received and spent on
29 housing programs. The agencies shall identify all programs
30 that are duplicative of another program and all programs that
31 have purposes similar to that of another program.

32 2. The agencies shall produce a report on how best to
33 transfer all responsibilities for housing-related programs from
34 the department of economic development to the Iowa finance
35 authority.

1 3. By September 1, 2010, the agencies shall submit a joint
2 written report to the governor, the department of management,
3 and the general assembly consisting of the information required
4 under this section, a complete list of programs reviewed
5 pursuant to this section, and any other relevant information.

6 DIVISION XXII

7 AREA EDUCATION AGENCIES

8 Sec. 335. Section 256.9, Code Supplement 2009, is amended by
9 adding the following new subsection:

10 NEW SUBSECTION. 59. Provide guidance and standards to area
11 education agencies for federal and state education initiatives
12 which the area education agencies must implement statewide.

13 Sec. 336. Section 273.2, Code Supplement 2009, is amended by
14 adding the following new subsections:

15 NEW SUBSECTION. 8. The area education agency board shall
16 collaborate with the department of education to provide a
17 statewide infrastructure for educational data to create cost
18 efficiencies, provide storage and disaster mitigation, and
19 improve interconnectivity between schools and school districts.
20 In addition, the area education agency boards shall work
21 with the department to provide systemwide coordination in
22 the implementation of the statewide longitudinal data system
23 consistent with the federal American Recovery and Reinvestment
24 Act of 2009. The area education agencies shall provide support
25 to school districts' information technology infrastructure
26 that is consistent with the statewide infrastructure for the
27 educational data collaborative.

28 NEW SUBSECTION. 9. The area education agency boards shall
29 jointly develop a three-year statewide strategic plan that
30 supports goals adopted by the state board of education pursuant
31 to section 256.7, subsection 4, and the accreditation standards
32 established pursuant to section 256.11; establish performance
33 goals; and clearly identify the statewide efforts to improve
34 student learning and create efficiencies in management
35 operations for area education agencies and school districts.

1 The statewide strategic plan shall be approved by the state
2 board of education. The area education agency boards shall
3 jointly provide the state board with annual updates on the
4 performance measures.

5 Sec. 337. Section 273.8, subsection 1, Code Supplement
6 2009, is amended to read as follows:

7 1. *Board of directors.* The board of directors of an area
8 education agency shall consist of ~~not less than five nor more~~
9 ~~than nine~~ eleven members, each a resident of and elected in
10 the manner provided in this section from a director district
11 that is approximately equal in population to the other director
12 districts in the area education agency. An area education
13 agency shall consist of five director districts. Each
14 director shall serve a four-year term which commences at the
15 organization meeting.

16 Sec. 338. Section 273.8, subsection 2, paragraphs b and c,
17 Code Supplement 2009, are amended to read as follows:

18 *b.* ~~A candidate~~ Candidates for election to the area education
19 agency board shall be nominated by the boards of directors of
20 the school districts located within the boundaries of the area
21 education agency. Each school district board shall file a
22 statement of candidacy for each candidate nominated with the
23 area education agency secretary not later than August 15 of
24 the odd-numbered year, on forms prescribed by the department
25 of education. The statement of candidacy shall include the
26 candidate's name, address, and school district. The list of
27 candidates shall be sent by the secretary of the area education
28 agency in ballot form by certified mail to the presidents
29 of the boards of directors of all school districts within
30 the director district not later than September 1. In order
31 for the ballot to be counted, the ballot must be received in
32 the secretary's office by the end of the normal business day
33 on September 30 or be clearly postmarked by an officially
34 authorized postal service not later than September 29 and
35 received by the secretary not later than noon on the first

1 Monday following September 30.

2 c. The board of each separate school district that is
3 located entirely or partially inside an area education agency
4 director district shall cast a vote for director of the area
5 education agency board based upon the ratio that the population
6 of the school district, or portion of the school district, in
7 the director district bears to the total population in the
8 director district. The population of each school district or
9 portion shall be determined by the department of education.

10 The A member of the area education agency board to be elected
11 may be a member of a local school district board of directors
12 and shall be an elector and a resident of the director
13 district, ~~but shall not be a school district employee.~~

14 (1) The school district boards of each director district
15 shall jointly elect two members to the eleven-member board
16 of directors of the area education agency. One of the two
17 members elected in each director district shall meet one of the
18 following criteria, on a rotating basis with all of the other
19 director districts, as coordinated by the department:

20 (a) A superintendent.

21 (b) A principal.

22 (c) A teacher who does not hold a special education license
23 or endorsement.

24 (d) A special education teacher.

25 (e) A parent or guardian of a child requiring special
26 education who has an individualized education program and is
27 receiving special education services from an area education
28 agency.

29 (2) The eleventh member of the board of directors of the
30 area education agency shall be elected by the authorities in
31 charge of the accredited nonpublic schools located within the
32 boundaries of the area education agency.

33 (3) Notwithstanding paragraph "b", the initial terms of the
34 directors shall be determined by lot, one for two years, and
35 two for four years.

1 Sec. 339. Section 273.8, subsection 3, Code Supplement
2 2009, is amended to read as follows:

3 3. *Director district convention.* If no ~~candidate~~
4 ~~files statement of candidacy is filed~~ with the area education
5 agency secretary by the deadline specified in subsection 2,
6 or a vacancy occurs, or the statements of candidacy filed do
7 not meet the specifications of subsection 2, paragraph "c",
8 subparagraph (1), subparagraph subdivisions (a) through (e), or
9 if otherwise required as provided in section 273.23, subsection
10 3, a director district convention, attended by members of the
11 boards of directors of the local school districts located
12 within the director district, shall be called to elect a
13 board member for that director district in accordance with
14 the intent of this section. The convention location shall
15 be determined by the area education agency administrator.
16 Notice of the time, date, and place of a director district
17 convention shall be published by the area education agency
18 administrator in at least one newspaper of general circulation
19 in the director district at least thirty days prior to the
20 day of the convention. The cost of publication shall be
21 paid by the area education agency. A candidate for election
22 to the area education agency board shall file a statement
23 of candidacy with the area education agency secretary at
24 least ten days prior to the date of the director district
25 convention on forms prescribed by the department of education,
26 or nominations may be made at the convention by a delegate from
27 a board of directors of a school district located within the
28 director district. A statement of candidacy shall include the
29 candidate's name, address, and school district. Delegates to
30 director district conventions shall not be bound by a school
31 board or any school board member to pledge their votes to any
32 candidate prior to the date of the convention.

33 Sec. 340. Section 273.8, subsection 6, Code Supplement
34 2009, is amended by striking the subsection.

35 Sec. 341. Section 273.10, subsection 2, Code Supplement

1 2009, is amended to read as follows:

2 2. Prior to a visit to an area education agency, the
3 accreditation team shall have access to that area education
4 agency's program audit report filed with the department. After
5 a visit to an area education agency, the accreditation team
6 shall determine whether the accreditation standards for a
7 program, including but not limited to standards established
8 pursuant to section 256.9, subsection 59, have been met and
9 shall make a report to the director and the state board,
10 together with a recommendation as to whether the programs of
11 the area education agency should receive initial accreditation
12 or remain accredited. The accreditation team shall report
13 strengths and weaknesses, if any, for each accreditation
14 standard and shall advise the area education agency of
15 available resources and technical assistance to further enhance
16 the strengths and improve areas of weakness. An area education
17 agency may respond to the accreditation team's report.

18 Sec. 342. Section 273.11, subsection 2, Code 2009, is
19 amended by adding the following new paragraph:

20 NEW PARAGRAPH. *j.* Support for early childhood service
21 coordination for families and children to meet health, safety,
22 and learning needs.

23 Sec. 343. Section 273.23, subsection 1, Code 2009, is
24 amended to read as follows:

25 1. A petition filed under section 273.21 shall state the
26 number of directors on the initial board which shall be ~~either~~
27 ~~seven or nine~~ eleven directors. The petition shall specify
28 the number of directors to be retained from each area, and
29 those numbers shall be proportionate to the populations of the
30 agencies. If the proportionate balance of directors among the
31 affected agencies specified in the plan is affected by school
32 districts petitioning to be excluded from the reorganization,
33 or if the proposal specified in the plan does not comply with
34 the requirement for proportionate representation, the state
35 board shall modify the proposal. However, all area education

1 agencies affected shall retain at least one member.

2 Sec. 344. Section 280.20, subsection 3, Code 2009, is
3 amended by striking the subsection.

4 Sec. 345. REPEAL. Chapter 280A, Code and Code Supplement
5 2009, is repealed.

6 Sec. 346. REPEAL. Section 256.32, Code 2009, is repealed.

7 Sec. 347. DEPARTMENT OF EDUCATION STUDY OF AREA EDUCATION
8 AGENCY FUNDING AND SERVICES. The department of education shall
9 conduct a study of the current area education agency funding
10 system and develop alternative proposals for funding the area
11 education agency system, including but not limited to proposals
12 for a line item appropriation and funding that does not rely
13 on per pupil allocations based on school district enrollments,
14 and for a change in the process by which state and property
15 tax-generated funds flow to the area education agencies. The
16 department shall submit its findings and recommendations in a
17 report to the general assembly by December 15, 2010.

18 Sec. 348. EFFECTIVE AND APPLICABILITY DATE PROVISIONS. The
19 sections of this division of this Act amending sections 273.8,
20 273.10, and 273.23 take effect January 1, 2011, and apply to
21 elections for the boards of directors of area education agency
22 boards in which the boundaries for the director districts are
23 drawn using official population figures from the 2010 federal
24 decennial census.

25 DIVISION XXIII

26 EARLY CHILDHOOD IOWA INITIATIVE

27 Sec. 349. NEW SECTION. 256I.1 Definitions.

28 For the purposes of this chapter, unless the context
29 otherwise requires:

30 1. "Department" means the department of education.

31 2. "Desired results" means the set of desired results for
32 improving the quality of life in this state for young children
33 and their families identified in section 256I.2.

34 3. "Early care", "early care services", or "early care
35 system" means the programs, services, support, or other

1 assistance made available to a parent or other person who is
2 involved with addressing the education, health, and human
3 services needs of a child from zero through age five. *“Early*
4 *care”*, *“early care services”*, or *“early care system”* includes
5 but is not limited to public and private efforts and formal and
6 informal settings.

7 4. *“Early childhood Iowa area”* means a geographic area
8 designated in accordance with this chapter.

9 5. *“Early childhood Iowa area board”* or *“area board”*
10 means the board for an early childhood Iowa area created in
11 accordance with this chapter.

12 6. *“Early childhood Iowa state council”* or *“state council”*
13 means the early childhood Iowa state council created in section
14 256I.3.

15 7. *“State board”* means the state board of education
16 established in section 256.3.

17 Sec. 350. NEW SECTION. **256I.2 Desired results — purpose**
18 **and scope.**

19 1. The early childhood Iowa initiative is intended to
20 implement a comprehensive system providing statewide early care
21 services and other support for young children from zero through
22 age five. It is intended that through the early childhood Iowa
23 initiative every community and school district in Iowa will
24 develop the capacity and commitment for using local, informed
25 decision making to achieve the following set of desired results
26 for improving the quality of life in this state for young
27 children and their families:

- 28 a. Healthy children.
- 29 b. Children ready to succeed in school.
- 30 c. Safe and supportive communities.
- 31 d. Secure and nurturing families.
- 32 e. Secure and nurturing early learning environments.

33 2. The purpose of creating the early childhood Iowa
34 initiative is to empower individuals, communities, and state
35 level partners to achieve the desired results. The desired

1 results will be achieved as private and public entities work
2 collaboratively. This initiative creates a partnership between
3 communities and state level partners to support children zero
4 through age five and their families. The role of the the
5 state board and the department, in collaboration with area
6 boards, and other state and local government agencies is to
7 provide support, leadership, and facilitation of the growth of
8 individual, community, and state responsibility in addressing
9 the desired results.

10 3. To achieve the desired results, the initiative's primary
11 focus shall be on the efforts of the state and communities to
12 work together to improve the efficiency and effectiveness of
13 early care, education, health, and human services provided to
14 families with children from zero through age five.

15 4. The state board shall adopt rules in accordance with
16 chapter 17A as necessary to implement this chapter.

17 Sec. 351. NEW SECTION. **256I.3 Early childhood Iowa state**
18 **council created.**

19 1. The early childhood Iowa state council is created to
20 promote the provision of early care, education, health, and
21 human services to families with children from zero through age
22 five. The state council shall serve as an advisory body to the
23 state board and the department.

24 2. a. The state council shall consist of nine voting
25 members with three citizen members and six state agency
26 members. A citizen member shall not be an elected official,
27 public employee, or paid staff member of an agency receiving
28 funding through the early childhood Iowa initiative. The six
29 state agency members shall be the directors or their designee
30 of the following departments: economic development, education,
31 human rights, human services, public health, and workforce
32 development. The designees of state agency directors shall
33 be selected on an annual basis. The citizen members shall
34 be appointed by the governor, subject to confirmation by the
35 senate.

1 *b.* The governor's citizen member appointees shall be
2 selected from individuals nominated by early childhood Iowa
3 area boards, school boards, or area education agencies. The
4 term of office of the citizen members is three years. A
5 citizen member vacancy on the state council shall be filled in
6 the same manner as the original appointment for the balance of
7 the unexpired term.

8 3. Citizen members shall be reimbursed for actual and
9 necessary expenses incurred in performance of their duties.
10 Citizen members shall be paid a per diem as specified in
11 section 7E.6.

12 4. In addition to the voting members, the state council
13 shall include four members of the general assembly with not
14 more than one member from each chamber being from the same
15 political party. The two senators shall be appointed one each
16 by the majority leader of the senate and by the minority leader
17 of the senate. The two representatives shall be appointed one
18 each by the speaker of the house of representatives and by the
19 minority leader of the house of representatives. Legislative
20 members shall serve in an ex officio, nonvoting capacity. A
21 legislative member is eligible for per diem and expenses as
22 provided in section 2.10.

23 5. The governor shall select a chairperson from the state
24 council's voting members. The state council may select other
25 officers from the voting members as determined to be necessary
26 by the state council. The state council shall meet regularly
27 as determined by the state council, upon the call of the state
28 council's chairperson, or upon the call of a majority of voting
29 members. The council shall meet at least quarterly.

30 6. Staffing for the state council shall be provided by the
31 department.

32 Sec. 352. NEW SECTION. 256I.4 Early childhood Iowa state
33 council, department, and state board of education duties.

34 The state council shall perform the following duties:

35 1. Assist the department in providing oversight of early

1 childhood Iowa areas.

2 2. Assist the department in managing and coordinating the
3 provision of grant funding and other moneys made available to
4 early childhood Iowa areas by combining all or portions of
5 appropriations or other revenues as authorized by law.

6 3. Provide recommendations for use by the state board
7 in approving the boundaries for the early childhood Iowa
8 areas throughout the state and any proposed changes to the
9 boundaries.

10 4. Assist the state board and department in developing a
11 strategic plan for a comprehensive system of early childhood
12 services and other support. The strategic plan shall be
13 annually updated and disseminated to the public. Specific
14 items to be addressed in the strategic plan shall include but
15 are not limited to all of the following:

16 a. Provisions to strengthen the state structure including
17 interagency levels of collaboration, coordination, and
18 integration.

19 b. Provisions for building public-private partnerships.

20 c. Provisions to support consolidating, blending, and
21 redistributing state-administered funding streams and the
22 coordination of federal funding streams. The strategic
23 plan shall also address integration of services provided
24 through area boards, school districts, other state and local
25 commissions, committees, and other bodies with overlapping
26 and similar purposes which contribute to redundancy and
27 fragmentation in early childhood services and other support
28 programs provided to the public.

29 d. Provisions for improving the efficiency of working with
30 federally mandated bodies.

31 e. Identification of indicators that measure the success of
32 the various strategies that impact communities, families, and
33 children. The indicators shall be developed with input from
34 area boards and early childhood stakeholders.

35 5. Provide input for use by the state board in adopting

1 common performance measures and data for services, programs,
2 and activities provided by area boards. Data from common
3 performance measures shall be incorporated in the annual
4 reporting required of the state board and the department.

5 6. Provide input for use by the department and by the state
6 board in adopting a levels of excellence rating system. The
7 rating system shall be incorporated in the review and approval
8 process utilized for area boards and the areas being served.
9 The rating system and process shall allow for flexibility
10 and creativity of area boards in implementing area board
11 responsibilities and provide authority for the area boards to
12 support the communities in the areas served. The levels of
13 excellence rating system shall utilize a tiered approach for
14 recognizing the performance of an area board. The system shall
15 provide for action to address poor performing areas as well as
16 higher performing areas. If an area board achieves the highest
17 rating level, the state board shall allow special flexibility
18 provisions in regard to the funding appropriated or allocated
19 for that area board. The state board may determine how often
20 area boards are reviewed under the system.

21 7. Develop guidelines for recommended insurance or other
22 liability coverage and take other actions to assist area boards
23 in acquiring such coverage at a reasonable cost. Moneys
24 expended by an area board to acquire necessary insurance or
25 other liability coverage shall be considered an administrative
26 cost.

27 8. Promote the alignment of state agencies involved
28 with early childhood services with the strategic plan for a
29 comprehensive system of early childhood services and other
30 support.

31 9. Work with the bureau of early childhood services
32 in building public-private partnerships for promoting the
33 comprehensive system of early childhood services and other
34 support.

35 10. Support the coordination of information concerning

1 early childhood services and other support on the department's
2 internet site.

3 Sec. 353. NEW SECTION. 256I.5 Bureau of early childhood
4 services.

5 In consultation with the state council, the department shall
6 establish a bureau of early childhood services. The functions
7 of the bureau shall include but are not limited to all of the
8 following:

9 1. Develop a definition of at-risk children for the purposes
10 of this chapter. The definition shall include income, family
11 structure, the child's level of development, and availability
12 or accessibility for the child of a head start or other child
13 care program as criteria.

14 2. Establish minimum guidelines for comprehensive early
15 care and early child development services for at-risk children
16 from zero through age five. The guidelines shall reflect
17 current research findings on the necessary components for
18 cost-effective child development services.

19 3. At least biennially, develop an inventory of child
20 development services provided to at-risk children from zero
21 through age five in this state and identify the number of
22 children receiving and not receiving these services, the types
23 of programs under which the services are received, the degree
24 to which each program meets the department's minimum guidelines
25 for a comprehensive program, and the reasons children not
26 receiving the services are not being served. The bureau is
27 not required to conduct independent research in developing the
28 inventory, but shall determine information needs necessary to
29 provide a more complete inventory.

30 4. a. Subject to the availability of funds appropriated
31 or otherwise available for the purpose of providing child
32 development services, award grants for programs that provide
33 new or additional child development services to at-risk
34 children.

35 b. In awarding program grants to an agency or individual,

1 the bureau shall consider the following:

2 (1) The quality of the staff and staff background in child
3 development services.

4 (2) The degree to which the program is or will be integrated
5 with existing community resources and has the support of the
6 local community.

7 (3) The ability of the program to provide for child care
8 in addition to child development services for families needing
9 full-day child care.

10 (4) A staff-to-children ratio within the guidelines
11 established under subsection 2, but not less than one staff
12 member per eight children.

13 (5) The degree to which the program involves and works with
14 the parents, and includes home visits, instruction for parents
15 on parenting skills, on enhancement of skills in providing for
16 their children's learning and development, and the physical,
17 mental, and emotional development of children, and experiential
18 education.

19 (6) The manner in which health, medical, dental, and
20 nutrition services are incorporated into the program.

21 (7) The degree to which the program complements existing
22 programs and services for at-risk children from zero through
23 age five available in the area, including other child care
24 services, services provided through the school district, and
25 services available through area education agencies and early
26 childhood Iowa areas.

27 (8) The degree to which the program can be monitored and
28 evaluated to determine its ability to meet its goals.

29 (9) The provision of transportation or other auxiliary
30 services that may be necessary for families to participate in
31 the program.

32 (10) The provision of staff training and development, and
33 staff compensation sufficient to assure continuity.

34 c. Program grants funded under this subsection may integrate
35 children not meeting at-risk criteria into the program and

1 shall establish a fee for participation in the program in the
2 manner provided in section 279.49, but grant funds shall not be
3 used to pay the costs for those children.

4 5. *a.* Encourage the submission of grant requests from all
5 potential providers of early care and early childhood services
6 and shall be flexible in evaluating grants, recognizing that
7 different types of programs may be suitable for different
8 locations in the state. However, requests for grants must
9 contain a procedure for evaluating the effectiveness of
10 the program and accounting procedures for monitoring the
11 expenditure of grant moneys.

12 *b.* The bureau shall seek to use performance-based measures
13 to evaluate programs. Not more than five percent of any state
14 funds appropriated for child development purposes may be used
15 for administration and evaluation.

16 6. Subject to a decision by the state board to initiate the
17 programs, develop criteria for and award grants under section
18 279.51, subsection 2.

19 7. Work to align the early childhood programs and other
20 support addressed by this chapter with the federally funded
21 early childhood programs and the statewide preschool program
22 for four-year-old children implemented pursuant to chapter
23 256C.

24 8. Work with area boards, school districts, area education
25 agencies, and other state agencies to provide leadership for
26 development of the comprehensive early childhood system. The
27 leadership functions shall include but are not limited to all
28 of the following:

29 *a.* Develop and keep current memoranda of understanding
30 between the state agencies represented on the state council to
31 promote development and integration of the comprehensive early
32 childhood system and to clarify the roles and responsibilities
33 of those agencies.

34 9. The center shall work with the state and area boards to
35 provide leadership for comprehensive system development. The

1 center shall also do all of the following:

2 *a.* Enter into memoranda of agreement with the departments of
3 economic development, education, human rights, human services,
4 public health, and workforce development to formalize the
5 respective departments' commitments to collaborating with and
6 integrating a comprehensive early care, education, health,
7 and human services system. Items addressed in the memoranda
8 shall include but are not limited to data sharing and providing
9 staffing to the technical assistance team.

10 *b.* Work with private businesses, foundations, and nonprofit
11 organizations to develop sustained funding.

12 *c.* Maintain the internet site in accordance with section
13 256I.10.

14 *d.* Provide technical support to the state and area boards
15 and to the early childhood Iowa areas through staffing services
16 made available through the state agencies that serve on the
17 state council.

18 *e.* Develop, collect, disseminate, and provide guidance for
19 common performance measures for the programs receiving funding
20 under the auspices of the area boards.

21 *f.* If a disagreement arises within an early childhood Iowa
22 area regarding the interests represented on the area's board,
23 board decisions, or other disputes that cannot be locally
24 resolved, upon request, provide technical assistance to assist
25 the area in resolving the disagreement.

26 *g.* Adopt a system of program and fiscal accountability
27 and transparency for early childhood services programming. The
28 bureau shall ensure that early childhood Iowa areas and boards
29 are accountable for the expectations and requirements of this
30 chapter and any administrative rules adopted to support the
31 implementation of this chapter.

32 *h.* In collaboration with the state council, develop a
33 resource directory of parent involvement programs to assist
34 district and early childhood Iowa areas in planning family
35 support programs.

1 shall be performed under the authority of an early childhood
2 Iowa area board. The membership of an area board shall
3 consist of elected officials in the area and citizen members
4 who reside in the area. A citizen member shall not be an
5 employee of or otherwise represent education, health, or
6 human services agencies or be a paid staff member of an
7 agency receiving funding through the early childhood Iowa
8 initiative. In addition, the membership of an area board shall
9 include representation from education, health, human services,
10 business, and faith interests, and at least one parent,
11 grandparent, or guardian of a child from zero through age five.
12 The education, health, and human services agencies represented
13 on an area board may receive funding from the area board.

14 *b.* Terms of office of area board members shall be not more
15 than three years and the terms shall be staggered.

16 2. An area board may designate an advisory council
17 consisting of persons employed by or otherwise paid to
18 represent an entity listed in subsection 1 or other provider
19 of service.

20 3. An area board shall elect a chairperson from among the
21 members who are citizens or elected officials.

22 4. An area board is a unit of local government for purposes
23 of chapter 670, relating to tort liability of governmental
24 subdivisions. For purposes of implementing a formal
25 organizational structure, an area board may utilize recommended
26 guidelines and bylaws established for this purpose by the state
27 board or the department.

28 5. All meetings of an area board or any committee or other
29 body established by an area board at which public business
30 is discussed or formal action taken shall comply with the
31 requirements of chapter 21. An area board shall maintain its
32 records in accordance with chapter 22.

33 Sec. 356. NEW SECTION. 256I.8 **Early childhood Iowa area**
34 **board duties.**

35 1. An early childhood Iowa area board shall do all of the

1 following:

2 *a.* Designate an area education agency to be the fiscal
3 agent for grant moneys or other moneys administered by the area
4 board.

5 *b.* Administer early childhood Iowa grant moneys available
6 from the state to the area board as provided by law and other
7 federal, state, local, and private moneys made available to
8 the area board. Eligibility for receipt of early childhood
9 Iowa grant moneys shall be limited to those early childhood
10 area boards that have developed an approved community plan in
11 accordance with this chapter. An early childhood area board
12 may apply to the department for any private moneys received
13 by the early childhood Iowa initiative outside of a state
14 appropriation.

15 *c.* Develop a comprehensive community plan for providing
16 services for children from zero through age five. At a
17 minimum, the plan shall do all of the following:

18 (1) Describe community and area needs for children from zero
19 through age five as identified through ongoing assessments.

20 (2) Describe the current and desired levels of community
21 and area coordination of services for children from zero
22 through age five, including the involvement and specific
23 responsibilities of all related organizations and entities.

24 (3) Identify all federal, state, local, and private funding
25 sources including funding estimates available in the early
26 childhood Iowa area that will be used to provide services to
27 children from zero through age five.

28 (4) Describe how funding sources will be used
29 collaboratively and the degree to which the sources can be
30 combined to provide necessary services to young children and
31 their families.

32 (5) Identify the desired results and the community-wide
33 indicators the area board expects to address through
34 implementation of the comprehensive community plan. The
35 plan shall identify community-specific and state-specific,

1 quantifiable performance measures to be reported in the area
2 board's annual report and how the community plan integrates
3 with the strategic plan developed by the state board and the
4 department.

5 (6) Describe the current status of support services to
6 prevent the spread of infectious diseases, prevent child
7 injuries, develop health emergency protocols, help with
8 medication, and care for children with special health needs
9 that are being provided to child care facilities registered or
10 licensed under chapter 237A within the early childhood Iowa
11 area.

12 d. Submit an annual report on the effectiveness of the
13 community plan in addressing school readiness and children's
14 health and safety needs to the department and to the
15 local stakeholders. The annual report shall indicate the
16 effectiveness of the area board in addressing state and locally
17 determined goals and performance indicators.

18 e. Function as a coordinating body for services offered
19 by different entities directed to similar purposes within the
20 area.

21 f. Assume other responsibilities established by law or
22 administrative rule.

23 2. An area board may do any of the following:

24 a. Designate one or more committees to assist with area
25 board functions.

26 b. Utilize community bodies for input to the area board and
27 implementation of services.

28 Sec. 357. NEW SECTION. 256I.9 Family support programs.

29 1. a. The board of directors of each school district may
30 develop, offer, and promote a program which provides outreach
31 and incentives for the voluntary participation of expectant
32 parents and parents of children in the period of life from zero
33 through age five, who reside within district boundaries, in
34 educational family support and parent education experiences
35 designed to assist parents in learning about the health needs

1 and physical, mental, social, and emotional development of
2 their children. The program shall be offered in a flexible
3 manner to accommodate the varying schedules, meeting place
4 requirements, and other needs of working parents. The program
5 shall include home visitation. A board may contract with
6 another school district or public or private nonprofit agency
7 for provision of the approved program or program site.

8 *b.* A family support program shall meet multicultural gender
9 fair guidelines. The program shall encourage parents to be
10 aware of practices that may affect equitable development of
11 children. The program shall include parents in the planning,
12 implementation, and evaluation of the program. A program
13 shall be designed to meet the needs of the residents of the
14 participating district and may use unique approaches to provide
15 for those needs. The goals of a family support program shall
16 include but are not limited to the following:

17 (1) Family involvement as a key component of school
18 improvement with an emphasis on communication and active family
19 participation in family support programming.

20 (2) Family participation in the planning and
21 decision-making process for the program and encouragement of
22 long-term parental involvement in their children's education.

23 (3) Meeting the educational and developmental needs of
24 expectant parents and parents of young children.

25 (4) Developmentally appropriate activities for children
26 that include those skills necessary for adaptation to both the
27 home and school environments.

28 (5) Addressing the health needs and social development of
29 young children.

30 2. The department shall develop guidelines for family
31 support programs. Program components may include but are not
32 limited to all of the following:

33 *a.* Instruction, techniques, and materials designed to
34 educate parents about the physical, mental, character, and
35 emotional development of children.

1 *b.* Instruction, techniques, and materials designed to
2 enhance the skills of parents in assisting in their children's
3 learning and development.

4 *c.* Assistance to parents about learning experiences for both
5 children and parents.

6 *d.* Activities, such as developmental screenings, designed to
7 detect children's physical, mental, emotional, or behavioral
8 problems that may cause learning problems and referrals to
9 appropriate agencies, authorities, or service providers.

10 *e.* Activities and materials designed to encourage parents'
11 and children's self-esteem and to enhance parenting skills and
12 both parents' and children's appreciation of the benefits of
13 education.

14 *f.* Information on related community resources, programs, or
15 activities.

16 *g.* Role modeling and mentoring techniques for families
17 of children who meet one or more of the criteria established
18 for the definition of at-risk children by the bureau of early
19 childhood services.

20 3. Family support programs shall be provided by family
21 support program educators who have completed a minimum of
22 thirty clock hours of an approved family support preservice
23 or in-service training program and meet one of the following
24 requirements:

25 *a.* The family support program educator is licensed in
26 elementary education, early childhood education, early
27 childhood special education, home economics, or consumer
28 and homemaking education, or is licensed or certified in
29 occupational child care services and has demonstrated an
30 ability to work with young children and their parents.

31 *b.* The family support program educator has achieved child
32 development associate recognition in early childhood education,
33 has completed programming in child development and nursing, and
34 has demonstrated an ability to work with young children and
35 their parents.

1 *c.* The family support program educator has completed sixty
2 college credit hours and possesses two years of experience in a
3 program working with young children and their parents.

4 *d.* The family support program educator possesses five years
5 of experience in a program working with young children and
6 their parents.

7 4. Each district shall maintain a separate account within
8 the district budget for moneys allocated for family support
9 programs. A district may receive moneys from state and federal
10 sources, and may solicit funds from private sources, for
11 deposit into the account.

12 5. A district shall coordinate a family support program with
13 district special education and vocational education programs
14 and with any related services or programs provided by other
15 state, federal, or private nonprofit agencies.

16 Sec. 358. NEW SECTION. 256I.10 School ready children grant
17 program.

18 1. The department shall develop and promote a school ready
19 children grant program which shall provide for all of the
20 following components:

21 *a.* Identify the performance measures that will be used to
22 assess the effectiveness of the school ready children grants.

23 *b.* Identify guidelines and a process to be used for
24 determining the readiness of an early childhood Iowa area board
25 for administering a school ready children grant.

26 *c.* Provide for technical assistance concerning funding
27 sources, program design, and other pertinent areas.

28 2. The department shall provide maximum flexibility to
29 grantees for the use of the grant moneys included in a school
30 ready children grant.

31 3. A school ready children grant shall, to the extent
32 possible, be used to support programs that meet quality
33 standards identified in administrative rule adopted by the
34 state board. At a minimum, a grant shall be used to provide all
35 of the following:

1 *a.* Preschool services provided on a voluntary basis to
2 children deemed at risk.

3 *b.* Family support services and parent education programs
4 promoted to parents of children from zero through age five.
5 Family support services shall include but are not limited to
6 home visitation.

7 *c.* Other services to support the strategic plan developed by
8 the state board and department.

9 4. *a.* A school ready children grant shall be awarded to
10 an area board annually, as funding is available. Receipt of
11 continued funding is subject to submission of the required
12 annual report and the department's determination that the area
13 board is measuring, through the use of performance measures
14 and community-wide indicators developed by the department with
15 input from area boards, progress toward and is achieving the
16 desired results and other results identified in the community
17 plan. Each area board shall participate in the levels of
18 excellence rating system to measure the area's success. If the
19 use of performance measures and community-wide indicators does
20 not show that an area board has made progress toward achieving
21 the results identified in the community plan, the department
22 may request a plan of corrective action, withhold any increase
23 in funding, or withdraw grant funding.

24 *b.* The department shall distribute school ready children
25 grant moneys to area boards with approved comprehensive
26 community plans based upon a determination of an early
27 childhood Iowa area's readiness to effectively utilize the
28 grant moneys. The grant moneys shall be adjusted for other
29 federal and state grant moneys to be received by the area for
30 services to children from zero through age five.

31 *c.* An area board's readiness shall be determined by
32 evidence of successful collaboration among public and private
33 early care, education, health, and human services interests
34 in the area or a documented program design that supports a
35 strong likelihood of a successful collaboration between these

1 interests. Other criteria which may be used by the department
2 to determine readiness and evaluate the funding flexibility for
3 an area include one or more of the following:

4 (1) The levels of excellence rating received by the area.

5 (2) Experience or other evidence of the area's capacity to
6 successfully implement the services in the area's community
7 plan.

8 (3) Local public and private funding and other resources
9 committed to implementation of the community plan.

10 (4) The adequacy of plans for commitment of local funding
11 and other resources for implementation of the community plan.

12 d. The provisions for distribution of school ready children
13 grant moneys shall be determined by the department.

14 e. The amount of school ready children grant funding an area
15 board may carry forward from one fiscal year to the succeeding
16 fiscal year shall not exceed twenty percent of the grant amount
17 for the fiscal year. All of the school ready children grant
18 funds received by an area board for a fiscal year which remain
19 unencumbered or unobligated at the close of a fiscal year shall
20 be carried forward to the succeeding fiscal year. However, the
21 grant amount for the succeeding fiscal year shall be reduced
22 by the amount in excess of twenty percent of the grant amount
23 received for the fiscal year.

24 Sec. 359. NEW SECTION. 256I.11 Early childhood Iowa
25 internet site.

26 1. The department shall provide for the operation of an
27 internet site for purposes of widely distributing information
28 regarding early care, education, health, and human services
29 and other information provided by the departments represented
30 on the state council and the public and private agencies
31 addressing the comprehensive system for such services.

32 2. Information provided on the internet site shall include
33 but is not limited to all of the following:

34 a. Information about the early childhood Iowa initiative for
35 state and local use.

1 *b.* A link to a special internet site directed to parents,
2 including parent-specific information on early care, education,
3 health, and human services and links to other resources
4 available on the internet and from other sources.

5 *c.* Program standards for early care, education, health, and
6 human services that have been approved by state agencies.

7 3. The department shall provide information regarding the
8 extent and frequency of usage of the internet site or sites in
9 the department's annual reporting to the governor and general
10 assembly.

11 Sec. 360. NEW SECTION. 256I.12 Early childhood Iowa fund.

12 1. An early childhood Iowa fund is created in the state
13 treasury. The moneys credited to the fund are not subject to
14 section 8.33 and moneys in the fund shall not be transferred,
15 used, obligated, appropriated, or otherwise encumbered except
16 as provided by law. Notwithstanding section 12C.7, subsection
17 2, interest or earnings on moneys deposited in the fund shall
18 be credited to the fund.

19 2. A school ready children grants account is created in the
20 fund under the authority of the director of the department of
21 education. Moneys credited to the account shall be distributed
22 by the department in the form of grants to early childhood Iowa
23 areas pursuant to criteria established by the department in
24 accordance with law.

25 3. Unless a different amount is authorized by law, up
26 to five percent of the school ready children grant moneys
27 distributed to an area board may be used by the area board for
28 administrative costs.

29 4. *a.* An early childhood programs grants account is
30 created in the fund under the authority of the director of
31 the department of education. Moneys credited to the account
32 under the auspices of the department of human services are
33 appropriated to and shall be distributed by the department
34 of education in the form of grants to early childhood Iowa
35 areas pursuant to criteria established by the department in

1 accordance with law. The criteria shall include but are not
2 limited to a requirement that an early childhood Iowa area must
3 be designated by the department in order to be eligible to
4 receive an early childhood programs grant.

5 *b.* The maximum funding amount an early childhood Iowa area
6 is eligible to receive from the early childhood programs grant
7 account for a fiscal year shall be determined by applying
8 the area's percentage of the state's average monthly family
9 investment program population in the preceding fiscal year to
10 the total amount credited to the account for the fiscal year.

11 *c.* An early childhood Iowa area receiving funding from
12 the early childhood programs grant account shall comply with
13 any federal reporting requirements associated with the use
14 of that funding and other results and reporting requirements
15 established by the department. The bureau on early childhood
16 services shall provide technical assistance in identifying and
17 meeting the federal requirements. The availability of funding
18 provided from the account is subject to changes in federal
19 requirements and amendments to Iowa law.

20 *d.* The moneys distributed from the early childhood programs
21 grant account shall be used by early childhood Iowa areas
22 for the purposes of enhancing quality child care capacity in
23 support of parent capability to obtain or retain employment.
24 The moneys shall be used with a primary emphasis on low-income
25 families and children from zero to age five. Moneys shall be
26 provided in a flexible manner and shall be used to implement
27 strategies identified by the early childhood Iowa area to
28 achieve such purposes. The department of education may use a
29 portion of the funding appropriated to the department under
30 this subsection for provision of technical assistance and
31 other support to the early childhood Iowa areas developing and
32 implementing strategies with grant moneys distributed from the
33 account.

34 *e.* Moneys from a federal block grant that are credited
35 to the early childhood programs grant account but are not

1 distributed to an early childhood Iowa area or otherwise remain
2 unobligated or unexpended at the end of the fiscal year shall
3 revert to the fund created in section 8.41 to be available for
4 appropriation by the general assembly in a subsequent fiscal
5 year.

6 5. A first years first account is created in the fund under
7 the authority of the department of education. The account
8 shall consist of gift or grant moneys obtained from any source,
9 including but not limited to the federal government. Moneys
10 credited to the account are appropriated to the department to
11 be used for the early childhood-related purposes for which the
12 moneys were received.

13 Sec. 361. NEW SECTION. 256I.13 Annual reporting.

14 By January 30 of each year, the department shall submit
15 an annual report to the governor and general assembly that
16 includes but is not limited to all of the following:

17 1. Any updates to the strategic plan developed under this
18 chapter.

19 2. The status and results of the early childhood Iowa
20 initiative's efforts to engage the public regarding early
21 childhood services, and other needs of children zero through
22 age five.

23 3. The status and results of the efforts to develop and
24 promote private sector involvement with the early childhood
25 services system.

26 4. The status of the early childhood Iowa initiative and the
27 overall early childhood services system in achieving the set
28 of desired results.

29 5. The data and common performance measures addressed by
30 the strategic plan, which shall include but is not limited to
31 funding amounts.

32 6. The indicators addressed by the strategic plan along with
33 associated data trends and their sources.

34 Sec. 362. Section 135.106, subsection 3, Code 2009, is
35 amended to read as follows:

1 3. It is the intent of the general assembly to provide
 2 communities with the discretion and authority to redesign
 3 existing local programs and services targeted at and assisting
 4 families expecting babies and families with children who
 5 are newborn through five years of age. The Iowa department
 6 of public health, department of human services, department
 7 of education, and other state agencies and programs, as
 8 appropriate, shall provide technical assistance and support
 9 to communities desiring to redesign their local programs and
 10 shall facilitate the consolidation of existing state funding
 11 appropriated and made available to the community for family
 12 support services. Funds which are consolidated in accordance
 13 with this subsection shall be used to support the redesigned
 14 service delivery system. In redesigning services, communities
 15 are encouraged to implement a single uniform family risk
 16 assessment mechanism and shall demonstrate the potential for
 17 improved outcomes for children and families. Requests by local
 18 communities for the redesigning of services shall be submitted
 19 to the Iowa department of public health, department of human
 20 services, and department of education, and are subject to the
 21 approval of the ~~Iowa empowerment board in consultation with~~
 22 ~~the departments, based on the practices utilized with community~~
 23 ~~empowerment~~ early childhood Iowa areas under chapter 28 256I.

24 Sec. 363. Section 135.119, subsection 2, paragraph d, Code
 25 Supplement 2009, is amended to read as follows:

26 *d.* The program plan shall incorporate a multiyear,
 27 collaborative approach for implementation of the plan. The
 28 plan shall address how to involve those who regularly work
 29 with parents and persons responsible for the care of a
 30 child, including but not limited to child abuse prevention
 31 programs, child care resource and referral programs, child
 32 care providers, family support programs, programs receiving
 33 funding through the ~~community empowerment~~ early childhood
 34 Iowa initiative, public and private schools, health care
 35 providers, local health departments, birth centers, and

1 birthing hospitals.

2 Sec. 364. Section 135.159, subsection 3, paragraph i, Code
3 Supplement 2009, is amended to read as follows:

4 *i.* For children, coordinate with and integrate guidelines,
5 data, and information from existing newborn and child health
6 programs and entities, including but not limited to the healthy
7 opportunities for parents to experience success – healthy
8 families Iowa program, the ~~community empowerment program~~ early
9 childhood Iowa initiative, the center for congenital and
10 inherited disorders screening and health care programs,
11 standards of care for pediatric health guidelines, the office
12 of multicultural health established in section 135.12, the oral
13 health bureau established in section 135.15, and other similar
14 programs and services.

15 Sec. 365. Section 142A.4, subsection 8, Code Supplement
16 2009, is amended to read as follows:

17 8. Assist with the linkage of the initiative with child
18 welfare and juvenile justice decategorization projects,
19 education programming, ~~community empowerment~~ early childhood
20 Iowa areas, and other programs and services directed to youth
21 at the state and community level.

22 Sec. 366. Section 142A.8, subsection 2, Code 2009, is
23 amended to read as follows:

24 2. A community partnership area shall encompass a
25 county or multicounty area, school district or multischool
26 district area, economic development enterprise zone that
27 meets the requirements of an urban or rural enterprise
28 community under ~~Title Tit.~~ Tit. XIII of the federal Omnibus Budget
29 Reconciliation Act of 1993, or ~~community empowerment~~ early
30 childhood Iowa area, in accordance with criteria adopted by
31 the commission for appropriate population levels and size of
32 geographic areas.

33 Sec. 367. Section 216A.140, subsection 5, paragraph j, Code
34 Supplement 2009, is amended to read as follows:

35 *j.* ~~Office of community empowerment in the department of~~

1 ~~management~~ Bureau on early childhood services in the department
2 of education.

3 Sec. 368. Section 217.42, subsection 1, Code 2009, is
4 amended to read as follows:

5 1. The organizational structure to deliver the department's
6 field services shall be based upon service areas. The service
7 areas shall serve as a basis for providing field services to
8 persons residing in the counties comprising the service area.
9 The service areas shall be those designated by the department
10 effective January 1, 2002. In determining the service areas,
11 the department shall consider other geographic service areas
12 including but not limited to judicial districts and ~~community~~
13 ~~empowerment~~ early childhood Iowa areas. The department shall
14 consult with the county boards of supervisors in a service
15 area with respect to the selection of the service area manager
16 responsible for the service area who is initially selected for
17 the service area designated effective January 1, 2002, and any
18 service area manager selected for the service area thereafter.
19 Following establishment of the service areas effective January
20 1, 2002, if a county seeks to change the boundaries of a
21 service area, the change shall only take place if the change is
22 mutually agreeable to the department and all affected counties.
23 If it is necessary for the department to significantly modify
24 its field operations or the composition of a designated service
25 area, or if it is necessary for the department to change the
26 number of offices operating less than full-time, the department
27 shall consult with the affected counties prior to implementing
28 such action.

29 Sec. 369. Section 232.188, subsection 4, paragraph c, Code
30 2009, is amended to read as follows:

31 c. A decategorization governance board shall coordinate
32 the project's planning and budgeting activities with the
33 departmental service area manager for the county or counties
34 comprising the project area and the ~~community-empowerment~~ early
35 childhood Iowa area board or boards for the ~~community~~

1 ~~empowerment~~ early childhood Iowa area or areas within which the
2 decategorization project is located.

3 Sec. 370. Section 237A.21, subsection 3, paragraph n, Code
4 Supplement 2009, is amended to read as follows:

5 n. One designee of the ~~community empowerment office of the~~
6 ~~department of management~~ bureau on early childhood services in
7 the department of education.

8 Sec. 371. Section 237A.21, subsection 3, paragraph q, Code
9 Supplement 2009, is amended to read as follows:

10 q. One person who represents the early childhood Iowa
11 state council created in section ~~135.173~~ 256I.3.

12 Sec. 372. Section 237A.22, subsection 1, paragraph j, Code
13 Supplement 2009, is amended to read as follows:

14 j. Advise and assist the ~~early childhood Iowa council~~ state
15 board of education and department of education in developing
16 the strategic plan required pursuant to section ~~135.173~~ 256I.4.

17 Sec. 373. Section 237A.26, subsection 8, Code 2009, is
18 amended to read as follows:

19 8. For purposes of improving the quality and consistency
20 of data collection, consultation, and other support to child
21 care home and child development home providers, a resource and
22 referral services agency grantee shall coordinate and assist
23 with publicly and privately funded efforts administered at
24 the community level to provide the support. The support and
25 efforts addressed by a grantee may include but are not limited
26 to community-funded child care home and child development home
27 consultants. Community members involved with the assistance
28 may include but are not limited to the efforts of a ~~community~~
29 ~~empowerment~~ an early childhood Iowa area board under chapter
30 ~~28~~ 256I, and of community representatives of education, health,
31 human services, business, faith, and public interests.

32 Sec. 374. Section 237A.30, subsection 1, Code 2009, is
33 amended to read as follows:

34 1. The department shall work with the ~~community empowerment~~
35 ~~office of the department of management~~ bureau on early

1 childhood services in the department of education established
2 in section ~~28.3~~ 256I.5 and the state child care advisory
3 council in designing and implementing a voluntary quality
4 rating system for each provider type of child care facility.

5 Sec. 375. Section 256.9, subsection 29, Code Supplement
6 2009, is amended to read as follows:

7 29. Develop, in conjunction with the ~~child-development~~
8 ~~coordinating~~ early childhood Iowa state council or other
9 similar agency, child-to-staff ratio recommendations and
10 standards for at-risk programs based on national literature and
11 test results and Iowa longitudinal test results.

12 Sec. 376. Section 256.9, subsection 32, paragraph b, Code
13 Supplement 2009, is amended to read as follows:

14 b. Standards and materials developed shall include
15 materials which employ developmentally appropriate practices
16 and incorporate substantial parental involvement. The
17 materials and standards shall include alternative teaching
18 approaches including collaborative teaching and alternative
19 dispute resolution training. The department shall consult
20 with the ~~child-development-coordinating~~ early childhood Iowa
21 state council, the state child care advisory council, the
22 department of human services, the state board of regents center
23 for early developmental education, the area education agencies,
24 the department of child development in the college of family
25 and consumer sciences at Iowa state university of science and
26 technology, the early childhood elementary division of the
27 college of education at the university of Iowa, and the college
28 of education at the university of northern Iowa, in developing
29 these standards and materials.

30 Sec. 377. Section 256C.3, subsection 3, paragraph e, Code
31 2009, is amended to read as follows:

32 e. Collaboration with participating families, early care
33 providers, and community partners including but not limited to
34 ~~community-empowerment~~ early childhood Iowa area boards, head
35 start programs, shared visions and other programs provided

1 ~~under the auspices of the child development coordinating early~~
2 ~~childhood Iowa state council chapter 256I~~, licensed child care
3 centers, registered child development homes, area education
4 agencies, child care resource and referral services provided
5 under section 237A.26, early childhood special education
6 programs, services funded by Title Tit. I of the federal
7 Elementary and Secondary Education Act of 1965, and family
8 support programs.

9 Sec. 378. Section 256C.3, subsection 4, paragraph a, Code
10 2009, is amended to read as follows:

11 a. Methods of demonstrating community readiness to
12 implement high-quality instruction in a local program
13 shall be identified. The potential provider shall submit
14 a collaborative program proposal that demonstrates the
15 involvement of multiple community stakeholders including
16 but not limited to, and only as applicable, parents, the
17 school district, accredited nonpublic schools and faith-based
18 representatives, the area education agency, the ~~community~~
19 ~~empowerment~~ early childhood Iowa area board, representatives
20 of business, head start programs, shared visions and other
21 programs provided under ~~the auspices of the child development~~
22 ~~coordinating early childhood Iowa state council chapter 256I~~,
23 center-based and home-based providers of child care services,
24 human services, public health, and economic development
25 programs. The methods may include but are not limited to a
26 school district providing evidence of a public hearing on the
27 proposed programming and written documentation of collaboration
28 agreements between the school district, existing community
29 providers, and other community stakeholders addressing
30 operational procedures and other critical measures.

31 Sec. 379. Section 256C.4, subsection 2, paragraph b, Code
32 2009, is amended to read as follows:

33 b. The enrollment count of eligible students shall not
34 include a child who is included in the enrollment count
35 determined under section 257.6 or a child who is served by

1 a program already receiving state or federal funds for the
2 purpose of the provision of four-year-old preschool programming
3 while the child is being served by the program. Such preschool
4 programming includes but is not limited to ~~child development~~
5 ~~assistance programs provided under chapter 256A~~, special
6 education programs provided under section 256B.9, school ready
7 children grant programs and other programs provided under
8 chapter ~~28~~ 256I, and federal head start programs and the
9 services funded by Title Tit. I of the federal Elementary and
10 Secondary Education Act of 1965.

11 Sec. 380. Section 262.71, subsection 10, Code 2009, is
12 amended to read as follows:

13 10. The ~~child development coordinating~~ early childhood Iowa
14 state council.

15 Sec. 381. Section 273.2, subsection 5, unnumbered paragraph
16 1, Code Supplement 2009, is amended to read as follows:

17 The area education agency board may provide for the
18 following programs and services to local school districts, and
19 at the request of local school districts to providers of ~~child~~
20 ~~development~~ early childhood services who have received grants
21 under chapter ~~256A~~ from the ~~child development coordinating~~
22 ~~council~~ 256I, within the limits of funds available:

23 Sec. 382. Section 279.51, subsection 1, paragraphs b and d,
24 Code 2009, are amended to read as follows:

25 *b.* For the fiscal year beginning July 1, 2007, and for each
26 succeeding fiscal year, eight million five hundred thirty-six
27 thousand seven hundred forty dollars of the funds appropriated
28 shall be allocated to the ~~child development coordinating~~
29 ~~council established in chapter 256A~~ for the purposes set out
30 in subsection 2 of this section and early care and child
31 development programs under section 256A.3 256I.5.

32 *d.* Notwithstanding ~~section 256A.3, subsection 6~~, any
33 provision to the contrary, of the amount appropriated in this
34 subsection for the fiscal year beginning July 1, 2007, and
35 for each succeeding fiscal year, up to two hundred eighty-two

1 thousand six hundred dollars may be used for administrative
2 costs.

3 Sec. 383. Section 279.51, subsection 2, paragraph a, Code
4 2009, is amended to read as follows:

5 a. To continue funding for programs previously funded
6 by grants awarded under section 256A.3, Code 2009, and to
7 provide additional early care and child development grants
8 under ~~section 256A.3~~ chapter 256I. The ~~council~~ department
9 of education shall seek to provide grants on the basis of
10 the location within the state of children meeting at-risk
11 definitions.

12 Sec. 384. Section 279.51, subsection 2, paragraph b,
13 unnumbered paragraph 1, Code 2009, is amended to read as
14 follows:

15 At the discretion of the ~~child development coordinating~~
16 ~~council~~ department of education, award grants for the
17 following:

18 Sec. 385. Section 279.60, Code 2009, is amended to read as
19 follows:

20 **279.60 Kindergarten assessment — access to data — reports.**

21 Each school district shall administer the dynamic indicators
22 of basic early literacy skills kindergarten benchmark
23 assessment or other kindergarten benchmark assessment adopted
24 by the department of education ~~in consultation with the Iowa~~
25 ~~empowerment board~~ to every kindergarten student enrolled in
26 the district not later than the date specified in section
27 257.6, subsection 1. The school district shall also collect
28 information from each parent, guardian, or legal custodian of a
29 kindergarten student enrolled in the district, including but
30 not limited to whether the student attended preschool, factors
31 identified by the ~~early care staff~~ bureau on early childhood
32 services pursuant to section ~~28.3~~ 256I.5, and other demographic
33 factors. Each school district shall report the results
34 of the assessment and the preschool information collected
35 to the department of education in the manner prescribed

1 by the department not later than January 1 of that school
2 year. The ~~early care staff designated pursuant to section~~
3 ~~28.3~~ bureau on early childhood services in the department of
4 education shall have access to the raw data. The department
5 shall review the information submitted pursuant to this section
6 and shall submit its findings and recommendations annually
7 in a report to the governor, the general assembly, the early
8 childhood Iowa empowerment state board council, and the
9 ~~community empowerment~~ early childhood Iowa area boards.

10 Sec. 386. Section 915.35, subsection 4, paragraph b, Code
11 Supplement 2009, is amended to read as follows:

12 b. A child protection assistance team may also consult
13 with or include juvenile court officers, medical and mental
14 health professionals, physicians or other hospital-based health
15 professionals, court-appointed special advocates, guardians ad
16 litem, and members of a multidisciplinary team created by the
17 department of human services for child abuse investigations. A
18 child protection assistance team may work cooperatively with
19 the ~~local community empowerment~~ early childhood Iowa area
20 board established under ~~section 28.6~~ chapter 256I. The child
21 protection assistance team shall work with the department
22 of human services in accordance with section 232.71B,
23 subsection 3, in developing the protocols for prioritizing
24 the actions taken in response to child abuse reports and for
25 law enforcement agencies working jointly with the department
26 at the local level in processes for child abuse reports. The
27 department of justice may provide training and other assistance
28 to support the activities of a child protection assistance
29 team.

30 Sec. 387. REPEALS.

- 31 1. Chapter 28, Code and Code Supplement 2009, is repealed.
- 32 2. Section 135.173, Code Supplement 2009, is repealed.
- 33 3. Section 135.174, Code 2009, is repealed.
- 34 4. Chapter 256A, Code 2009, is repealed.

35 Sec. 388. IMPLEMENTATION OF ACT. Section 25B.2, subsection

1 3, shall not apply to this division of this Act.

2 Sec. 389. TRANSITION.

3 1. Effective on or after July 1, 2010, as determined by
4 the department of education in consultation with the early
5 childhood Iowa state council created pursuant to this division
6 of this Act, the designations granted by the Iowa empowerment
7 board to community empowerment areas and community empowerment
8 area boards under chapter 28, Code 2009, are withdrawn.
9 However, subject to the approval of the department of education
10 in accordance with the area board designation criteria
11 established by this division of this Act, all or a portion of
12 the membership of a community empowerment area board may be
13 redesignated to serve as the membership of the initial early
14 childhood Iowa area board for the relevant early childhood
15 Iowa area to be served. Subject to rules to be adopted by the
16 state board of education addressing redesignation of community
17 empowerment areas as early childhood Iowa areas, existing
18 multicounty community empowerment area boards may choose to be
19 redefined as early childhood Iowa area boards.

20 2. Effective on or after July 1, 2010, as determined by
21 the department of education in consultation with the early
22 childhood Iowa state council, any school ready children
23 grant or other state or federal funds in the possession
24 of a community empowerment area remaining unobligated or
25 unexpended shall be returned to the department of education.
26 The department shall credit funds received to the school ready
27 children grant account or other corresponding account of the
28 early childhood Iowa fund. The moneys credited shall be
29 redisseminated to an early childhood Iowa area or areas that
30 correspond geographically to the boundaries of the community
31 empowerment area that returned the funds.

32 3. Until the state board of education has adopted
33 administrative rules to implement the provisions of chapter
34 256I, as enacted by this division of this Act, the department
35 of education shall apply the relevant rules adopted to

1 implement the community empowerment initiative under chapter
2 28, Code 2009, in place of the state agency or agencies
3 designated to administer the relevant rules. The state board
4 shall also adopt rules addressing transition of contracts
5 entered into by community empowerment area boards that include
6 provisions in effect on or after July 1, 2010.

7 DIVISION XXIV

8 REGISTRATION OF POSTSECONDARY SCHOOLS

9 Sec. 390. Section 261.2, subsection 7, paragraph b, Code
10 Supplement 2009, is amended to read as follows:

11 ~~b. The commission may require a school seeking registration~~
12 ~~under chapter 261B to provide copies of its application to the~~
13 ~~Iowa coordinating council for post-high school education. The~~
14 ~~commission may consider comments from the council that are~~
15 ~~received by the commission within ninety days of the filing of~~
16 ~~the application. However, if the council meets to consider~~
17 ~~comments for submission to the commission, the meeting shall be~~
18 ~~open to the public and subject to the provisions of chapter 21.~~
19 ~~The commission shall post an application on the commission's~~
20 ~~internet site and shall render a decision on an application for~~
21 ~~registration within one hundred eighty days of the filing of~~
22 ~~the application.~~

23 Sec. 391. REPEAL. Section 261B.10, Code Supplement 2009,
24 is repealed.

25 DIVISION XXV

26 HEALTH AND HUMAN SERVICES PROGRAM EFFICIENCIES

27 Sec. 392. DIRECTIVE FOR INCREASED EFFICIENCIES IN HUMAN
28 SERVICES PROGRAMS. The department of human services shall
29 develop and implement strategies to increase efficiencies by
30 reducing paperwork, decreasing staff time, and providing more
31 streamlined services to the public relative to programs under
32 the purview of the department. Such strategies may include
33 but are not limited to simplifying and reducing duplication in
34 eligibility determinations among programs by utilizing the same
35 eligibility processes across programs to the extent allowed by

1 federal law. The department shall provide a progress report
2 to the joint appropriations subcommittee on health and human
3 services on an annual basis.

4 Sec. 393. PHARMACEUTICAL IMPROVEMENTS. The department
5 of human services, department of public health, department
6 of corrections, department of management, and any
7 other appropriate agency shall review the provision of
8 pharmaceuticals to populations they serve and programs under
9 their respective purview to determine efficiencies in the
10 purchase of pharmaceuticals. The departments shall develop
11 strategies to implement efficiencies and reduce costs to the
12 state, and shall determine any changes in state law or approval
13 from the federal government necessary to implement any strategy
14 identified.

15 DIVISION XXVI

16 HOSPITAL LICENSING BOARD

17 Sec. 394. Section 135B.5, subsection 1, Code 2009, is
18 amended to read as follows:

19 1. Upon receipt of an application for license and the
20 license fee, the department shall issue a license if the
21 applicant and hospital facilities comply with this chapter
22 and the rules of the department. Each licensee shall receive
23 annual reapproval upon payment of five hundred dollars and
24 upon filing of an application form which is available from the
25 department. ~~The annual licensure fee shall be dedicated to~~
26 ~~support and provide educational programs on regulatory issues~~
27 ~~for hospitals licensed under this chapter in consultation~~
28 ~~with the hospital licensing board.~~ Licenses shall be either
29 general or restricted in form. Each license shall be issued
30 only for the premises and persons or governmental units named
31 in the application and is not transferable or assignable except
32 with the written approval of the department. Licenses shall
33 be posted in a conspicuous place on the licensed premises as
34 prescribed by rule of the department.

35 Sec. 395. Section 135B.7, subsection 1, paragraph a, Code

1 money or property which is requested or demanded.

2 2. "*Employer*" means any natural person, corporation, firm,
3 association, organization, partnership, business, trust, or
4 state-affiliated entity involved in a nongovernmental function,
5 including state universities and state hospitals.

6 3. *a.* "*Knowing*" or "*knowingly*" means that a person, with
7 respect to information, does any of the following:

8 (1) Has actual knowledge of the information.

9 (2) Acts in deliberate ignorance of the truth or falsity of
10 the information.

11 (3) Acts in reckless disregard of the truth or falsity of
12 the information.

13 *b.* "*Knowing*" or "*knowingly*" with respect to information does
14 not require proof of specific intent to defraud.

15 4. "*Qui tam plaintiff*" means a private plaintiff who brings
16 an action under this chapter on behalf of the state.

17 Sec. 400. NEW SECTION. 685.2 Acts subjecting person to
18 treble damages, costs, and civil penalties — exceptions.

19 1. A person who commits any of the following acts is liable
20 to the state for three times the amount of damages which the
21 state sustains because of the act of that person. A person who
22 commits any of the following acts shall also be liable to the
23 state for the costs of a civil action brought to recover any of
24 those penalties or damages, and shall be liable to the state
25 for a civil penalty of not less than five thousand dollars and
26 not more than ten thousand dollars for each violation:

27 *a.* Knowingly presents or causes to be presented to any
28 employee, officer, or agent of the state, or to any contractor,
29 grantee, or other recipient of state funds, a false or
30 fraudulent claim for payment or approval.

31 *b.* Knowingly makes, uses, or causes to be made or used, a
32 false record or statement to get a false or fraudulent claim
33 paid or approved.

34 *c.* Conspires to defraud the state by getting a false claim
35 allowed or paid, or conspires to defraud the state by knowingly

1 making, using, or causing to be made or used, a false record or
2 statement to conceal, avoid, or decrease an obligation to pay
3 or transmit money or property to the state.

4 *d.* Has possession, custody, or control of public property or
5 money used or to be used by the state and knowingly delivers or
6 causes to be delivered less property than the amount for which
7 the person receives a certificate or receipt.

8 *e.* Is authorized to make or deliver a document certifying
9 receipt of property used or to be used by the state and
10 knowingly makes or delivers a receipt that falsely represents
11 the property used or to be used.

12 *f.* Knowingly buys, or receives as a pledge of an obligation
13 or debt, public property from any person who lawfully may not
14 sell or pledge the property.

15 *g.* Knowingly makes, uses, or causes to be made or used, a
16 false record or statement to conceal, avoid, or decrease an
17 obligation to pay or transmit money or property to the state.

18 *h.* Is a beneficiary of an inadvertent submission of a false
19 claim to any employee, officer, or agent of the state, or to
20 any contractor, grantee, or other recipient of state funds,
21 subsequently discovers the falsity of the claim, and fails
22 to disclose the false claim to the attorney general within a
23 reasonable time after discovery of the false claim.

24 2. Notwithstanding subsection 1, the court may assess
25 not less than two times the amount of damages which the
26 state sustains because of the act of the person described in
27 subsection 1, and no civil penalty, if the court finds all of
28 the following:

29 *a.* The person committing the violation furnished the
30 attorney general with all information known to that person
31 about the violation within thirty days after the date on which
32 the person first obtained the information.

33 *b.* The person fully cooperated with any investigation by the
34 attorney general.

35 *c.* At the time the person furnished the attorney general

1 with information about the violation, a criminal prosecution,
2 civil action, or administrative action had not commenced
3 with respect to the violation, and the person did not have
4 actual knowledge of the existence of an investigation into the
5 violation.

6 3. This section shall not apply to claims, records, or
7 statements made under Title X relating to state revenue and
8 taxation.

9 Sec. 401. NEW SECTION. 685.3 Investigations and
10 prosecutions — powers of prosecuting authority — civil actions
11 by individuals as qui tam plaintiffs and as private citizens —
12 jurisdiction of courts.

13 1. The attorney general shall diligently investigate a
14 violation under section 685.2. If the attorney general finds
15 that a person has violated or is violating section 685.2, the
16 attorney general may bring a civil action under this section
17 against that person.

18 2. *a.* A person may bring a civil action for a violation of
19 this chapter for the person and for the state in the name of
20 the state. The person bringing the action shall be referred
21 to as the qui tam plaintiff. Once filed, the action may be
22 dismissed only with the written consent of the court, taking
23 into account the best interest of the parties involved and the
24 public purposes behind this chapter.

25 *b.* A copy of the complaint and written disclosure of
26 substantially all material evidence and information the
27 person possesses shall be served on the attorney general. The
28 complaint shall also be filed in camera, shall remain under
29 seal for at least sixty days, and shall not be served on the
30 defendant until the court so orders. The attorney general may
31 elect to intervene and proceed with the action within sixty
32 days after the attorney general receives both the complaint and
33 the material evidence and the information.

34 *c.* The attorney general may, for good cause shown, move the
35 court for extensions of the time during which the complaint

1 remains under seal under paragraph "b". Any such motions may be
2 supported by affidavits or other submissions in camera. The
3 defendant shall not be required to respond to any complaint
4 filed under this section until after the complaint is unsealed
5 and served upon the defendant pursuant to rules of civil
6 procedure.

7 d. Before the expiration of the sixty-day period or any
8 extensions obtained under paragraph "c", the attorney general
9 shall do one of the following:

10 (1) Proceed with the action, in which case the action shall
11 be conducted by the attorney general.

12 (2) Notify the court that the attorney general declines to
13 take over the action, in which case the person bringing the
14 action shall have the right to conduct the action.

15 e. When a person brings a valid action under this section,
16 no person other than the attorney general may intervene or
17 bring a related action based on the facts underlying the
18 pending action.

19 3. a. If the attorney general proceeds with the action,
20 the attorney general shall have the primary responsibility for
21 prosecuting the action, and shall not be bound by an act of
22 the person bringing the action. Such person shall have the
23 right to continue as a party to the action, subject to the
24 limitations specified in paragraph "b".

25 b. (1) The attorney general may move to dismiss the action
26 for good cause notwithstanding the objections of the qui tam
27 plaintiff if the qui tam plaintiff has been notified by the
28 attorney general of the filing of the motion and the court has
29 provided the qui tam plaintiff with an opportunity to oppose
30 the motion and present evidence at a hearing.

31 (2) The attorney general may settle the action with the
32 defendant notwithstanding the objections of the qui tam
33 plaintiff if the court determines, after a hearing providing
34 the qui tam plaintiff an opportunity to present evidence, that
35 the proposed settlement is fair, adequate, and reasonable under

1 all of the circumstances.

2 (3) Upon a showing by the attorney general that unrestricted
3 participation during the course of the litigation by the
4 person initiating the action would interfere with or unduly
5 delay the attorney general's prosecution of the case, or would
6 be repetitious, irrelevant, or for purposes of harassment,
7 the court may, in its discretion, impose limitations on the
8 person's participation, including but not limited to any of the
9 following:

10 (a) Limiting the number of witnesses the person may call.

11 (b) Limiting the length of the testimony of such witnesses.

12 (c) Limiting the person's cross-examination of witnesses.

13 (d) Otherwise limiting the participation by the person in
14 the litigation.

15 (4) Upon a showing by the defendant that unrestricted
16 participation during the course of the litigation by the person
17 initiating the action would be for purposes of harassment or
18 would cause the defendant undue burden or unnecessary expense,
19 the court may limit the participation by the person in the
20 litigation.

21 *c.* If the attorney general elects not to proceed with the
22 action, the person who initiated the action shall have the
23 right to conduct the action. If the attorney general requests,
24 the attorney general shall be served with copies of all
25 pleadings filed in the action and shall be supplied with copies
26 of all deposition transcripts at the state's expense. When a
27 person proceeds with the action, the court, without limiting
28 the status and rights of the person initiating the action, may
29 permit the attorney general to intervene at a later date upon a
30 showing of good cause.

31 *d.* Whether or not the attorney general proceeds with the
32 action, upon a showing by the attorney general that certain
33 actions of discovery by the person initiating the action
34 would interfere with the attorney general's investigation or
35 prosecution of a criminal or civil matter arising out of the

1 same facts, the court may stay such discovery for a period of
2 not more than sixty days. Such a showing shall be conducted
3 in camera. The court may extend the sixty-day period upon
4 a further showing in camera that the attorney general has
5 pursued the criminal or civil investigation or proceedings
6 with reasonable diligence and any proposed discovery in the
7 civil action will interfere with the ongoing criminal or civil
8 investigation or proceedings.

9 e. Notwithstanding subsection 2, the attorney general may
10 elect to pursue the state's claim through any alternate remedy
11 available to the state, including any administrative proceeding
12 to determine a civil penalty. If any such alternate remedy
13 is pursued in another proceeding, the person initiating the
14 action shall have the same rights in such proceeding as such
15 person would have had if the action had continued under this
16 section. Any finding of fact or conclusion of law made in
17 such other proceeding that has become final with respect to
18 a party who is also a party to an action under this section,
19 shall be conclusive as to all such parties to an action under
20 this section. For purposes of this paragraph, a finding or
21 conclusion is final if it has been finally determined on appeal
22 to the appropriate court of the state, if all time for filing
23 such an appeal with respect to the finding or conclusion has
24 expired, or if the finding or conclusion is not subject to
25 judicial review.

26 4. a. (1) If the attorney general proceeds with an action
27 brought by a person under subsection 2, the person shall,
28 subject to subparagraph (2), receive at least fifteen percent
29 but not more than twenty-five percent of the proceeds of the
30 action or settlement of the claim, which includes damages,
31 civil penalties, payments for costs of compliance, and any
32 other economic benefit realized by the state or federal
33 government as a result of the action, depending upon the
34 extent to which the person substantially contributed to the
35 prosecution of the action.

1 (2) If the action is one which the court finds to be
2 based primarily on disclosures of specific information, other
3 than information provided by the person bringing the action,
4 relating to allegations or transactions specifically in a
5 criminal, civil, or administrative hearing, or in a legislative
6 or administrative report, hearing, audit, or investigation, or
7 from the news media, the court may award an amount the court
8 considers appropriate, but in no case more than ten percent
9 of the proceeds, taking into account the significance of the
10 information and the role of the person bringing the action in
11 advancing the case to litigation.

12 (3) Any payment to a person under subparagraph (1) or (2)
13 shall be made from the proceeds. Any such person shall also
14 receive an amount for reasonable expenses which the appropriate
15 court finds to have been necessarily incurred, plus reasonable
16 attorney fees and costs. All such expenses, fees, and costs
17 shall be awarded against the defendant.

18 *b.* If the attorney general does not proceed with an action
19 under this section, the person bringing the action or settling
20 the claim shall receive an amount which the court decides is
21 reasonable for collecting the civil penalty and damages. The
22 amount shall be not less than twenty-five percent and not more
23 than thirty percent of the proceeds of the action or settlement
24 and shall be paid out of such proceeds, which includes damages,
25 civil penalties, payments for costs of compliance, and any
26 other economic benefit realized by the state or federal
27 government as a result of the action. Such person shall also
28 receive an amount for reasonable expenses which the appropriate
29 court finds to have been necessarily incurred, plus reasonable
30 attorney fees and costs. All such expenses, fees, and costs
31 shall be awarded against the defendant.

32 *c.* Whether or not the attorney general proceeds with the
33 action, if the court finds that the action was brought by a
34 person who planned and initiated the violation of section
35 685.2 upon which the action was brought, the court may, to the

1 extent the court considers appropriate, reduce the share of
2 the proceeds of the action which the person would otherwise
3 receive under paragraph "a" or "b", taking into account the
4 role of that person in advancing the case to litigation and any
5 relevant circumstances pertaining to the violation. If the
6 person bringing the action is convicted of criminal conduct
7 arising from the person's role in the violation of section
8 685.2, the person shall be dismissed from the civil action and
9 shall not receive any share of the proceeds of the action.
10 Such dismissal shall not prejudice the right of the attorney
11 general to continue the action.

12 *d.* If the attorney general does not proceed with the action
13 and the person bringing the action conducts the action, the
14 court may award to the defendant reasonable attorney fees and
15 expenses if the defendant prevails in the action and the court
16 finds that the claim of the person bringing the action was
17 clearly frivolous, clearly vexatious, or brought primarily for
18 purposes of harassment.

19 5. *a.* A court shall not have jurisdiction over an action
20 brought under subsection 2 against a member of the general
21 assembly, a member of the judiciary, or an executive branch
22 official if the action is based on evidence or information
23 known to the attorney general when the action was brought.

24 *b.* A person shall not bring an action under subsection 2
25 which is based upon allegations or transactions which are the
26 subject of a civil suit or an administrative civil penalty
27 proceeding in which the state is already a party.

28 *c.* Upon motion of the attorney general, the court may in
29 consideration of all the equities, dismiss a qui tam plaintiff
30 if the elements of the actionable false claims alleged in the
31 qui tam complaint have been publicly disclosed specifically
32 in the news media or in a publicly disseminated governmental
33 report, at the time the complaint is filed.

34 *d.* The state is not liable for expenses which a person
35 incurs in bringing an action under this section.

1 6. Any employee who is discharged, demoted, suspended,
2 threatened, harassed, or in any other manner discriminated
3 against in the terms and conditions of employment by the
4 person's employer because of lawful acts performed by the
5 employee on behalf of the employee or others in furtherance
6 of an action under this section, including investigation for,
7 initiation of, testimony for, or assistance in an action filed
8 or to be filed under this section, shall be entitled to all
9 relief necessary to make the employee whole. Such relief
10 shall include reinstatement with the same seniority status
11 such employee would have had but for the discrimination, two
12 times the amount of back pay, interest on the back pay, and
13 compensation for any special damages sustained as a result of
14 the discrimination, including litigation costs and reasonable
15 attorney fees. An employee may bring an action in the
16 appropriate court of the state for the relief provided in this
17 subsection.

18 Sec. 402. NEW SECTION. 685.4 Limitation of actions —
19 burden of proof.

20 1. A civil action under section 685.3 shall not be brought
21 more than ten years after the date on which the violation was
22 committed.

23 2. A civil action under section 685.3 may be brought based
24 on activity prior to January 1, 2007, if the limitations period
25 pursuant to subsection 1 has not lapsed.

26 3. In any action brought under section 685.3, the attorney
27 general or the qui tam plaintiff shall be required to prove all
28 essential elements of the cause of action, including damages,
29 by a preponderance of the evidence.

30 4. Notwithstanding any other provision of law, a guilty
31 verdict rendered in a criminal proceeding charging false
32 statements or fraud, whether upon a verdict after trial or upon
33 a plea of guilty or nolo contendere, shall estop the defendant
34 from denying the essential elements of the offense in any
35 action which involves the same transaction as in the criminal

1 proceeding and which is brought under section 685.3, subsection
2 1, 2, or 3.

3 Sec. 403. NEW SECTION. **685.5 Remedies under other laws —**
4 **application.**

5 1. The provisions of this chapter are not exclusive, and the
6 remedies provided for in this chapter shall be in addition to
7 any other remedies provided for in any other law or available
8 under common law.

9 2. This chapter shall be liberally construed and applied
10 to promote the public interest. This chapter shall also
11 be construed and applied in a manner that reflects the
12 congressional intent behind the federal False Claims Act,
13 31 U.S.C. § 3729-3733, including the legislative history
14 underlying the 1986 amendments to the federal False Claims Act.

15 Sec. 404. NEW SECTION. **685.6 Venue.**

16 An action brought under this chapter may be brought in any
17 judicial district in which the defendant or, in the case of
18 multiple defendants, any one defendant can be found, resides,
19 transacts business, or in which any act proscribed under this
20 chapter occurred. A summons as required by the rules of civil
21 procedure shall be issued by the appropriate district court and
22 service at any place within or outside the United States.

23 Sec. 405. DEPARTMENT OF JUSTICE - FALSE CLAIMS ACT
24 ENFORCEMENT. There is appropriated from the general fund of
25 the state to the department of justice for the fiscal year
26 beginning July 1, 2010, and ending June 30, 2011, the following
27 amount, or so much thereof as is necessary, to be used for the
28 purposes designated:

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

32	\$	60,000
33	FTEs	1.00

34 The moneys appropriated in this section shall be utilized by
35 the department to perform the duties required of the department

1 under chapter 685, the false claims act, as enacted by this
2 division of this Act.

3 Sec. 406. EFFECTIVE UPON ENACTMENT AND RETROACTIVE
4 APPLICABILITY. This division of this Act, being deemed of
5 immediate importance, takes effect upon enactment and applies
6 retroactively to January 1, 2007.

7 DIVISION XXIX

8 MEDICAID PRESCRIPTION DRUGS

9 Sec. 407. Section 249A.20A, subsection 4, Code 2009, is
10 amended to read as follows:

11 4. With the exception of drugs prescribed for the treatment
12 of human immunodeficiency virus or acquired immune deficiency
13 syndrome, transplantation, or cancer ~~and drugs prescribed~~
14 ~~for mental illness~~ with the exception of drugs and drug
15 compounds that do not have a significant variation in a
16 therapeutic profile or side effect profile within a therapeutic
17 class, prescribing and dispensing of prescription drugs not
18 included on the preferred drug list shall be subject to prior
19 authorization.

20 Sec. 408. MEDICAID NONPREFERRED DRUG LIST PRESCRIBING.

21 1. The department shall adopt rules pursuant to chapter 17A
22 to restrict physicians and other prescribers to prescribing
23 not more than a 72-hour or three-day supply of a prescription
24 drug not included on the medical assistance preferred drug list
25 while seeking approval to continue prescribing the medication.

26 2. Notwithstanding subsection 1, the department shall
27 adopt rules pursuant to chapter 17A to restrict a physician or
28 other prescriber prescribing a chemically unique mental health
29 prescription drug to prescribing not more than a seven-day
30 supply of the prescription drug while requesting approval to
31 continue to prescribe the medication. The rules shall provide
32 that if an approval or disapproval is not received by the
33 physician or other prescriber within 48 hours of the request,
34 the request is deemed approved.

35 Sec. 409. MEDICAID MENTAL HEALTH MEDICATIONS. The

1 department shall adopt rules pursuant to chapter 17A to require
2 that unless the manufacturer of a chemically unique mental
3 health prescription drug enters into a contract to provide the
4 state with a supplemental rebate, the drug may be placed on
5 the nonpreferred drug list and subject to prior authorization
6 before a medical assistance program recipient is able to obtain
7 the drug. The department shall consult with the national
8 alliance on mental illness, Iowa chapter, and other mental
9 health patient organizations in the development of the rules
10 and the development of associated formularies. The rules shall
11 provide that a medical assistance program recipient whose
12 drug regimen is established prior to January 1, 2011, on a
13 chemically unique mental health prescription drug that would
14 otherwise be placed on the nonpreferred drug list and subject
15 to prior authorization under this section, shall be exempt from
16 the restrictions of this section. The department shall not
17 adopt rules under this section by emergency rulemaking pursuant
18 to section 17A.4, subsection 3, and section 17A.5, subsection
19 2, paragraph "b". The rules adopted pursuant to this section
20 shall not take effect prior to January 1, 2011.

21 DIVISION XXX

22 MEDICAID DISEASE MANAGEMENT

23 Sec. 410. MEDICAID DISEASE MANAGEMENT FOR CHILDREN. The
24 department of human services shall design and implement a
25 disease management program for children to address the most
26 prevalent chronic diseases among children in Iowa. The program
27 may include technology-based disease management, in-person or
28 telephonic care management, self-management strategies, and
29 health literacy education and training.

30 DIVISION XXXI

31 MEDICAID HOME AND COMMUNITY-BASED SERVICES WAIVER PAYMENTS

32 Sec. 411. MEDICAID HOME AND COMMUNITY-BASED SERVICES WAIVER
33 PAYMENTS — REVIEW. The department of human services shall
34 evaluate payment records and determine the proper mechanism
35 to trigger a review of payments for services provided under a

1 home and community-based services waiver that are in excess of
2 the median amount for payments through the waivers. Following
3 development of the trigger mechanism, the department shall
4 require advance approval for services for which payment is
5 projected to exceed the median.

6 DIVISION XXXII

7 DIVESTITURE — MEDICAID PROGRAM

8 Sec. 412. Section 249F.1, subsection 2, paragraph a, Code
9 2009, is amended to read as follows:

10 a. *“Transfer of assets”* means any transfer or assignment
11 of a legal or equitable interest in property, as defined in
12 section 702.14, from a transferor to a transferee for less than
13 fair consideration, made while the transferor is receiving
14 medical assistance or within five years prior to application
15 for medical assistance by the transferor. Any such transfer
16 or assignment is presumed to be made with the intent, on the
17 part of the transferee; transferor; or another person acting
18 on behalf of a transferor who is an actual or implied agent,
19 guardian, attorney-in-fact, or person acting as a fiduciary,
20 of enabling the transferor to obtain or maintain eligibility
21 for medical assistance or of impacting the recovery or payment
22 of a medical assistance debt. This presumption is rebuttable
23 only by clear and convincing evidence that the transferor’s
24 eligibility or potential eligibility for medical assistance or
25 the impact on the recovery or payment of a medical assistance
26 debt was no part of the ~~transferee’s~~ reason of the transferee;
27 transferor; or other person acting on behalf of a transferor
28 who is an actual or implied agent, guardian, attorney-in-fact,
29 or person acting as a fiduciary for making or accepting the
30 transfer or assignment. A transfer of assets includes a
31 transfer of an interest in the transferor’s home, domicile, or
32 land appertaining to such home or domicile while the transferor
33 is receiving medical assistance, unless otherwise exempt under
34 paragraph “b”.

35 Sec. 413. Section 249F.1, subsection 2, paragraph b,

1 subparagraph (6), Code 2009, is amended to read as follows:

2 (6) Transfers of assets that would, at the time of the
3 transferor's application for medical assistance, have been
4 exempt from consideration as a resource if retained by the
5 transferor, pursuant to 42 U.S.C. § 1382b(a), as implemented
6 by regulations adopted by the secretary of the United States
7 department of health and human services, excluding the home and
8 land appertaining to the home.

9

DIVISION XXXIII

10

CHILD CARE ADVISORY COMMITTEE

11

Sec. 414. NEW SECTION. 135.173A **Child care advisory**

12

committee.

13

1. The early childhood Iowa council shall establish a state
14 child care advisory committee as part of the council. The
15 advisory committee shall advise and make recommendations to the
16 governor, general assembly, department of human services, and
17 other state agencies concerning child care.

18

2. The membership of the advisory committee shall consist of
19 a broad spectrum of parents and other persons from across the
20 state with an interest in or involvement with child care.

21

3. Except as otherwise provided, the voting members of
22 the advisory committee shall be appointed by the council
23 from a list of names submitted by a nominating committee to
24 consist of one member of the advisory committee, one member
25 of the department of human services' child care staff, three
26 consumers of child care, and one member of a professional child
27 care organization. Two names shall be submitted for each
28 appointment. The voting members shall be appointed for terms
29 of three years.

30

4. The voting membership of the advisory committee shall be
31 appointed in a manner so as to provide equitable representation
32 of persons with an interest in child care and shall include all
33 of the following:

34

a. Two parents of children served by a registered child
35 development home.

- 1 *b.* Two parents of children served by a licensed center.
- 2 *c.* Two not-for-profit child care providers.
- 3 *d.* Two for-profit child care providers.
- 4 *e.* One child care home provider.
- 5 *f.* Three child development home providers.
- 6 *g.* One child care resource and referral service grantee.
- 7 *h.* One nongovernmental child advocacy group representative.
- 8 *i.* One designee of the department of human services.
- 9 *j.* One designee of the Iowa department of public health.
- 10 *k.* One designee of the department of education.
- 11 *l.* One head start program provider.
- 12 *m.* One person who is a business owner or executive officer
13 from nominees submitted by the Iowa chamber of commerce
14 executives.
- 15 *n.* One designee of the community empowerment office of the
16 department of management.
- 17 *o.* One person who is a member of the Iowa afterschool
18 alliance.
- 19 *p.* One person who is part of a local program implementing
20 the statewide preschool program for four-year-old children
21 under chapter 256C.
- 22 *q.* One person who represents the early childhood Iowa
23 council.
- 24 5. In addition to the voting members of the advisory
25 committee, the membership shall include four legislators as
26 ex officio, nonvoting members. The four legislators shall
27 be appointed one each by the majority leader of the senate,
28 the minority leader of the senate, the speaker of the house
29 of representatives, and the minority leader of the house of
30 representatives for terms as provided in section 69.16B.
- 31 6. In fulfilling the advisory committee's role, the
32 committee shall do all of the following:
 - 33 *a.* Consult with the department of human services and make
34 recommendations concerning policy issues relating to child
35 care.

1 **b.** Advise the department of human services concerning
2 services relating to child care, including but not limited to
3 any of the following:

- 4 (1) Resource and referral services.
- 5 (2) Provider training.
- 6 (3) Quality improvement.
- 7 (4) Public-private partnerships.
- 8 (5) Standards review and development.
- 9 (6) The federal child care and development block grant,
10 state funding, grants, and other funding sources for child
11 care.

12 **c.** Assist the department of human services in developing an
13 implementation plan to provide seamless service to recipients
14 of public assistance, which includes child care services.
15 For the purposes of this subsection, "*seamless service*"
16 means coordination, where possible, of the federal and state
17 requirements which apply to child care.

18 **d.** Advise and provide technical services to the director of
19 the department of education or the director's designee relating
20 to prekindergarten, kindergarten, and before and after school
21 programming and facilities.

22 **e.** Make recommendations concerning child care expansion
23 programs that meet the needs of children attending a core
24 education program by providing child care before and after the
25 core program hours and during times when the core program does
26 not operate.

27 **f.** Make recommendations for improving collaborations
28 between the child care programs involving the department of
29 human services and programs supporting the education and
30 development of young children including but not limited to the
31 federal head start program, the statewide preschool program for
32 four-year-old children and the early childhood, at-risk, and
33 other early education programs administered by the department
34 of education.

35 **g.** Make recommendations for eliminating duplication and

1 otherwise improving the eligibility determination processes
2 used for the state child care assistance program and other
3 programs supporting low-income families, including but not
4 limited to the federal head start, early head start, and even
5 start programs; the early childhood, at-risk, and preschool
6 programs administered by the department of education; the
7 family and self-sufficiency grant program; and the family
8 investment program.

9 *h.* Make recommendations as to the most effective and
10 efficient means of managing the state and federal funding
11 available for the state child care assistance program.

12 *i.* Review program data from the department of human services
13 and other departments concerning child care as deemed to be
14 necessary by the advisory committee, although a department
15 shall not provide personally identifiable data or information.

16 *j.* Advise and assist the early childhood Iowa council in
17 developing the strategic plan required pursuant to section
18 135.173.

19 7. The department of human services shall provide
20 information to the advisory committee semiannually on all of
21 the following:

22 *a.* Federal, state, local, and private revenues and
23 expenditures for child care, including but not limited to
24 updates on the current and future status of the revenues and
25 expenditures.

26 *b.* Financial information and data relating to regulation of
27 child care by the department of human services and the usage of
28 the state child care assistance program.

29 *c.* Utilization and availability data relating to child care
30 regulation, quantity, and quality from consumer and provider
31 perspectives.

32 *d.* Statistical and demographic data regarding child care
33 providers and the families utilizing child care.

34 *e.* Statistical data regarding the processing time for
35 issuing notices of decision to state child care assistance

1 applicants and for issuing payments to child care providers.

2 8. The advisory committee shall coordinate with the early
3 childhood Iowa council its reporting annually in December
4 to the governor and general assembly concerning the status
5 of child care in the state, providing findings, and making
6 recommendations. The annual report may be personally presented
7 to the general assembly's standing committees on human
8 resources by a representative of the advisory committee.

9 Sec. 415. Section 237A.1, subsection 16, Code 2009, is
10 amended to read as follows:

11 16. "~~State child care advisory council~~ committee" means
12 the state child care advisory ~~council~~ committee established
13 pursuant to ~~sections 237A.21 and 237A.22~~ section 135.173A.

14 Sec. 416. Section 237A.12, subsection 3, Code 2009, is
15 amended to read as follows:

16 3. Rules relating to fire safety for child care centers
17 shall be adopted under this chapter by the state fire marshal
18 in consultation with the department. Rules adopted by the
19 state fire marshal for a building which is owned or leased by a
20 school district or accredited nonpublic school and used as a
21 child care facility shall not differ from standards adopted by
22 the state fire marshal for school buildings under chapter 100.
23 Rules relating to sanitation shall be adopted by the department
24 in consultation with the director of public health. All rules
25 shall be developed in consultation with the state child care
26 advisory ~~council~~ committee. The state fire marshal shall
27 inspect the facilities.

28 Sec. 417. Section 237A.25, subsection 1, Code 2009, is
29 amended to read as follows:

30 1. The department shall develop consumer information
31 material to assist parents in selecting a child care provider.
32 In developing the material, the department shall consult with
33 department of human services staff, department of education
34 staff, the state child care advisory ~~council~~ committee, the
35 Iowa empowerment board, and child care resource and referral

1 services. In addition, the department may consult with other
2 entities at the local, state, and national level.

3 Sec. 418. Section 237A.30, subsection 1, Code 2009, is
4 amended to read as follows:

5 1. The department shall work with the community empowerment
6 office of the department of management established in section
7 28.3 and the state child care advisory ~~council~~ committee in
8 designing and implementing a voluntary quality rating system
9 for each provider type of child care facility.

10 Sec. 419. Section 256.9, subsection 32, paragraph b, Code
11 Supplement 2009, is amended to read as follows:

12 b. Standards and materials developed shall include
13 materials which employ developmentally appropriate practices
14 and incorporate substantial parental involvement. The
15 materials and standards shall include alternative teaching
16 approaches including collaborative teaching and alternative
17 dispute resolution training. The department shall consult
18 with the child development coordinating council, the state
19 child care advisory ~~council~~ committee established pursuant
20 to section 135.173A, the department of human services,
21 the state board of regents center for early developmental
22 education, the area education agencies, the department of
23 ~~child~~ human development and family studies in the college of
24 ~~family and consumer~~ human sciences at Iowa state university of
25 science and technology, the early childhood elementary division
26 of the college of education at the university of Iowa, and the
27 college of education at the university of northern Iowa, in
28 developing these standards and materials.

29 Sec. 420. REPEAL. Sections 237A.21 and 237A.22, Code
30 Supplement 2009, are repealed.

31 Sec. 421. IMPLEMENTATION — EFFECTIVE DATE.

32 1. The early childhood Iowa council shall develop a
33 legislation proposal identifying memberships slots for
34 the state child care advisory committee as created by this
35 division of this Act. The proposal shall ensure that there

1 is appropriate representation for the various types of child
2 care arrangements available in the state and for expertise.
3 The proposal shall be submitted to the governor and general
4 assembly on or before December 15, 2010.

5 2. If a provision of this Act or another enactment of
6 the Eighty-third General Assembly repeals section 135.173
7 and creates the early childhood Iowa state board in new Code
8 chapter 256I, the early childhood Iowa state board shall
9 fulfill the responsibilities assigned to the early childhood
10 Iowa council in subsection 1 and the department of education
11 shall propose corrective legislation for the provisions of
12 this division of this Act in accordance with section 2.16 for
13 consideration by the Eighty-fourth General Assembly, 2011
14 Regular Session.

15 3. The provisions of this division of this Act other than
16 this section take effect July 1, 2011.

17 DIVISION XXXIV

18 STATE MENTAL HEALTH INSTITUTES

19 Sec. 422. SHIFTING OF PROGRAMS AT STATE MENTAL HEALTH
20 INSTITUTES.

21 1. The department of human services shall commence all of
22 the following during the fiscal year beginning July 1, 2010:

23 a. Shifting the program for juveniles from the Cherokee
24 state mental health institute to the Independence state mental
25 health institute.

26 b. Shifting the adult psychiatric program from the Clarinda
27 state mental health institute to the Cherokee state mental
28 health institute.

29 c. Shifting the gero-psychiatric program from the Clarinda
30 state mental health institute to one or more other locations
31 where quality services can be provided under the program in a
32 cost-effective manner. In implementing this paragraph, the
33 department shall consider all of the following:

34 (1) Developing the program to operate in smaller separate
35 units and taking other measures to enable the program to

1 qualify for medical assistance program funding.

2 (2) Possible program locations at the Glenwood state
3 resource center, a local hospital or health care facility with
4 suitable available space, or the Iowa veterans home.

5 2. The department of human services shall work with the
6 affected patients and their families and advocates, the
7 department of corrections and other state agencies involved,
8 affected state employees, counties and other units of local
9 government, and other stakeholders in order to minimize any
10 adverse impacts that could result from the shifting of programs
11 in accordance with subsection 1.

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

29 4. The department of human services shall propose
30 legislation in accordance with section 2.16 to provide any
31 amendments to permanent law necessary to reflect the program
32 changes made pursuant to this section.

33 Sec. 423. IMPLEMENTATION. Section 25B.2, subsection 3,
34 shall not apply to this division of this Act.

35 Sec. 424. EFFECTIVE UPON ENACTMENT. This division of this

1 Act, being deemed of immediate importance, takes effect upon
2 enactment.

3 DIVISION XXXV

4 MH/MR/DD/BI COMMISSION DUTIES

5 Sec. 425. Section 135C.23, subsection 2, paragraph b, Code
6 Supplement 2009, is amended to read as follows:

7 b. This section does not prohibit the admission of a
8 patient with a history of dangerous or disturbing behavior to
9 an intermediate care facility for persons with mental illness,
10 intermediate care facility for persons with mental retardation,
11 nursing facility, or county care facility when the intermediate
12 care facility for persons with mental illness, intermediate
13 care facility for persons with mental retardation, nursing
14 facility, or county care facility has a program which has
15 received prior approval from the department to properly care
16 for and manage the patient. An intermediate care facility for
17 persons with mental illness, intermediate care facility for
18 persons with mental retardation, nursing facility, or county
19 care facility is required to transfer or discharge a resident
20 with dangerous or disturbing behavior when the intermediate
21 care facility for persons with mental illness, intermediate
22 care facility for persons with mental retardation, nursing
23 facility, or county care facility cannot control the resident's
24 dangerous or disturbing behavior. The department, ~~in~~
25 ~~coordination with the state mental health, mental retardation,~~
26 ~~developmental disabilities, and brain injury commission created~~
27 ~~in section 225C.5,~~ shall adopt rules pursuant to chapter 17A
28 for programs to be required in intermediate care facilities
29 for persons with mental illness, intermediate care facilities
30 for persons with mental retardation, nursing facilities, and
31 county care facilities that admit patients or have residents
32 with histories of dangerous or disturbing behavior.

33 Sec. 426. Section 229.24, subsection 3, unnumbered
34 paragraph 1, Code 2009, is amended to read as follows:

35 If all or part of the costs associated with hospitalization

1 of an individual under this chapter are chargeable to a
2 county of legal settlement, the clerk of the district court
3 shall provide to the county of legal settlement and to the
4 county in which the hospitalization order is entered, ~~in a~~
5 ~~form prescribed by the mental health, mental retardation,~~
6 ~~developmental disabilities, and brain injury commission,~~ the
7 following information pertaining to the individual which would
8 be confidential under subsection 1:

9 Sec. 427. Section 230A.2, Code 2009, is amended to read as
10 follows:

11 **230A.2 Services offered.**

12 A community mental health center established or operating
13 as authorized by section 230A.1 may offer to residents of the
14 county or counties it serves any or all of the mental health
15 services defined by ~~the mental health, mental retardation,~~
16 ~~developmental disabilities, and brain injury commission~~ in the
17 comprehensive state mental health and disability services plan
18 under section 225C.6B.

19 Sec. 428. Section 230A.15, Code 2009, is amended to read as
20 follows:

21 **230A.15 Comprehensive community mental health program.**

22 A community mental health center established or operating
23 as authorized by section 230A.1, or which a county or group
24 of counties has agreed to establish or support pursuant
25 to that section, may with approval of the board or boards
26 of supervisors of the county or counties supporting or
27 establishing the center, undertake to provide a comprehensive
28 community mental health program for the county or counties.
29 A center providing a comprehensive community mental health
30 program shall, at a minimum, make available to residents of the
31 county or counties it serves all of the ~~comprehensive~~ mental
32 health services described in the comprehensive state mental
33 health and disability services plan under section 225C.6B.

34 Sec. 429. Section 331.424A, subsection 1, Code Supplement
35 2009, is amended to read as follows:

1 1. For the purposes of this chapter, unless the context
2 otherwise requires, "services fund" means the county mental
3 health, mental retardation, and developmental disabilities
4 services fund created in subsection 2. ~~The county finance~~
5 ~~committee created in section 333A.2 shall consult with~~
6 ~~the state commission in adopting~~ shall adopt rules and
7 ~~prescribing forms~~ for administering the services fund. The
8 county finance committee created in section 333A.2 shall
9 prescribe forms in accordance with the rules adopted by the
10 state commission. The forms shall allow for reporting of
11 services for persons with brain injury and other optional
12 services funded through a services fund.

13 Sec. 430. Section 331.438, subsection 1, paragraph b, Code
14 2009, is amended to read as follows:

15 b. "*Qualified mental health, mental retardation, and*
16 *developmental disabilities services*" means the services
17 ~~specified on forms issued~~ in the rules adopted by the ~~county~~
18 ~~finance committee following consultation with the state~~
19 ~~commission~~ for administering the services fund, pursuant to
20 section 331.424A.

21 Sec. 431. Section 331.438, subsection 4, paragraph b, Code
22 2009, is amended to read as follows:

23 b. The state commission shall do all of the following:

24 (1) ~~Identify~~ Receive and review reports from the department
25 of human services identifying characteristics of the
26 ~~service~~ county services system, including amounts expended,
27 equity of funding among counties, funding sources, provider
28 types, service availability, and equity of service availability
29 among counties and among persons served.

30 ~~(2) Assess the accuracy and uniformity of recordkeeping and~~
31 ~~reporting in the service system.~~

32 ~~(3) Identify for each county the factors associated with~~
33 ~~inflationary growth of the service system.~~

34 ~~(4) Identify opportunities for containing service system~~
35 ~~growth.~~

1 ~~(5)~~ (2) Consider proposals for revising service county
2 services system administrative rules.

3 ~~(6)~~ ~~Consider provisions and adopt rules for counties to~~
4 ~~implement a central point of coordination to plan, budget,~~
5 ~~and monitor county expenditures for the service system. The~~
6 ~~provisions shall provide options for counties to implement~~
7 ~~the central point of coordination in collaboration with other~~
8 ~~counties.~~

9 ~~(7)~~ ~~Develop criteria for annual county mental health,~~
10 ~~mental retardation, and developmental disabilities plans.~~

11 ~~(8)~~ (3) Adopt administrative rules identifying qualified
12 ~~mental health, mental retardation, and developmental~~
13 ~~disabilities service expenditures for purposes of state payment~~
14 ~~pursuant to subsection 1 relating to county management plans.~~

15 ~~(9)~~ ~~Adopt rules for the county central point of coordination~~
16 ~~and clinical assessment processes required under section~~
17 ~~331.440 and other rules necessary for the implementation of~~
18 ~~county management plans and expenditure reports required for~~
19 ~~state payment pursuant to section 331.439.~~

20 ~~(10)~~ ~~Consider recommendations to improve the programs and~~
21 ~~cost-effectiveness of state and county contracting processes~~
22 ~~and procedures, including strategies for negotiations relating~~
23 ~~to managed care. The recommendations implemented by the~~
24 ~~commission for the state and county regarding managed care~~
25 ~~shall include but are not limited to standards for limiting~~
26 ~~excess costs and profits, and for restricting cost shifting~~
27 ~~under a managed care system.~~

28 ~~(11)~~ (4) Provide input, when appropriate, to the director
29 of human services in any decision involving administrative
30 rules which were adopted by the department of human services
31 pertaining to the ~~mental illness, mental retardation, and~~
32 ~~developmental disabilities services~~ system administered by
33 counties.

34 ~~(12)~~ ~~Identify the fiscal impact of existing or proposed~~
35 ~~legislation and administrative rules on state and county~~

1 ~~expenditures.~~

2 ~~(13) Adopt administrative rules providing statewide~~
3 ~~standards and a monitoring methodology to determine whether~~
4 ~~cost-effective individualized services are available as~~
5 ~~required pursuant to section 331.439, subsection 1, paragraph~~
6 ~~"b".~~

7 (14) (5) Consider recommendations for and adopt
8 administrative rules establishing statewide minimum standards
9 for services and other support required to be available to
10 persons covered by a county management plan under section
11 331.439.

12 (15) (6) Consider recommendations for measuring and
13 improving the quality of state and county mental health, mental
14 retardation, and developmental disabilities services and other
15 support.

16 ~~(16) Develop a procedure for each county to disclose to~~
17 ~~the department of human services information approved by the~~
18 ~~commission concerning the mental health, mental retardation,~~
19 ~~developmental disabilities, and brain injury services provided~~
20 ~~to the individuals served through the county central point~~
21 ~~of coordination process. The procedure shall incorporate~~
22 ~~protections to ensure that if individually identified~~
23 ~~information is disclosed, it is disclosed and maintained in~~
24 ~~compliance with applicable Iowa and federal confidentiality~~
25 ~~laws, including but not limited to federal Health Insurance~~
26 ~~Portability and Accountability Act, Pub. L. No. 104-191,~~
27 ~~requirements.~~

28 Sec. 432. Section 331.439, subsection 1, unnumbered
29 paragraph 1, Code 2009, is amended to read as follows:

30 The state payment to eligible counties under this section
31 shall be made as provided in sections 331.438 and 426B.2. A
32 county is eligible for the state payment, as defined in section
33 331.438, for a fiscal year if the director of human services,
34 ~~in consultation with the state commission,~~ determines for a
35 specific fiscal year that all of the following conditions are

1 met:

2 Sec. 433. Section 331.439, subsection 1, paragraph a, Code
3 2009, is amended to read as follows:

4 a. The county accurately reported by December 1 the
5 county's expenditures for mental health, mental retardation,
6 and developmental disabilities services and the information
7 required under section 225C.6A, subsection ~~2~~ 3, paragraph
8 "c", for the previous fiscal year ~~on forms prescribed by~~ in
9 accordance with rules adopted by the state commission. If
10 the department determines good cause exists, the department
11 may extend a deadline otherwise imposed under this chapter,
12 chapter 225C, or chapter 426B for a county's reporting
13 concerning mental health, mental retardation, or developmental
14 disabilities services or related revenues and expenditures.

15 Sec. 434. Section 331.439, subsection 1, paragraph b,
16 unnumbered paragraph 1, Code 2009, is amended to read as
17 follows:

18 The county developed and implemented a county management
19 plan for the county's mental health, mental retardation, and
20 developmental disabilities services system in accordance with
21 the provisions of this paragraph "b". The plan shall comply
22 with the administrative rules adopted for this purpose by the
23 state commission and is subject to the approval of the director
24 of human services in consultation with the state commission.
25 The plan shall include a description of the county's service
26 management provision for mental health, mental retardation, and
27 developmental disabilities services. For mental retardation
28 and developmental disabilities service management, the plan
29 shall describe the county's development and implementation of a
30 ~~managed~~ system of cost-effective individualized services and
31 shall comply with the provisions of paragraph "f". The goal
32 of this part of the plan shall be to assist the individuals
33 served to be as independent, productive, and integrated into
34 the community as possible. The service management provisions
35 for mental health shall comply with the provisions of paragraph

1 "e". A county is subject to all of the following provisions
2 in regard to the county's services system management plan and
3 planning process:

4 Sec. 435. Section 331.439, subsection 1, paragraph b,
5 subparagraphs (2) and (3), Code 2009, are amended to read as
6 follows:

7 (2) For informational purposes, the county shall submit a
8 management plan review to the department of human services by
9 December 1 of each year. The annual review shall incorporate
10 an analysis of the data associated with the services
11 system managed during the preceding fiscal year by the county
12 or by a ~~managed-care~~ private entity on behalf of the county.
13 The annual review shall also identify measurable outcomes
14 and results showing the county's progress in fulfilling
15 the purposes listed in paragraph "c", and in achieving the
16 disability services outcomes and indicators identified by the
17 commission pursuant to section 225C.6.

18 (3) For informational purposes, every three years the
19 county shall submit to the department of human services a
20 three-year strategic plan. The strategic plan shall describe
21 how the county will proceed to attain the plan's goals and
22 objectives, and the measurable outcomes and results necessary
23 for moving the county's ~~service~~ services system toward an
24 individualized, community-based focus in accordance with
25 paragraph "c". The three-year strategic plan shall be
26 submitted by April 1, 2000, and by April 1 of every third year
27 thereafter.

28 Sec. 436. Section 331.439, subsection 1, paragraphs c, e,
29 and f, Code 2009, are amended to read as follows:

30 c. The county implements its county management plan under
31 paragraph "b" and other service management functions in a
32 manner that seeks to achieve all of the following purposes
33 identified in section 225C.1 for persons who are covered by the
34 plan or are otherwise subject to the county's ~~service~~ services
35 system management functions:

1 (1) The ~~service~~ services system seeks to empower persons
2 to exercise their own choices about the amounts and types of
3 services and other support received.

4 (2) The ~~service~~ services system seeks to empower the persons
5 to accept responsibility, exercise choices, and take risks.

6 (3) The ~~service~~ services system seeks to provide services
7 and other support that are individualized, provided to produce
8 results, flexible, and cost-effective.

9 (4) The ~~service~~ services system seeks to provide services
10 and other ~~supports~~ support in a manner which supports the
11 ability of the persons to live, learn, work, and recreate in
12 communities of their choice.

13 e. (1) For mental health service management, the county
14 may either directly implement a system of service management
15 and contract with service providers, or contract with a
16 private entity to manage the county services system, provided
17 all requirements of this lettered paragraph are met by the
18 private entity. The mental health ~~service management~~ services
19 system shall incorporate a central point of coordination and
20 clinical assessment process developed in accordance with the
21 provisions of section 331.440.

22 (2) ~~A managed care~~ The county services system for mental
23 health proposed by a county shall include but is not limited
24 to all of the following elements which shall be specified in
25 administrative rules adopted by the state commission:

26 (a) The enrollment and eligibility process.

27 (b) The scope of services included.

28 (c) The method of plan administration.

29 (d) The process for managing utilization and access to
30 services and other assistance.

31 (e) The quality assurance process.

32 (f) The risk management provisions and fiscal viability of
33 the provisions, if the county contracts with a private ~~managed~~
34 ~~care~~ entity.

35 f. For mental retardation and developmental disabilities

1 services management, the county must either develop and
2 implement a ~~managed~~ system of care which addresses a full
3 array of appropriate services and cost-effective delivery of
4 services by contracting directly with service providers or
5 ~~contract by contracting~~ with a state-approved ~~managed-care~~
6 ~~contractor or contractors~~ private entity to manage the county
7 services system. ~~Any system or contract implemented under~~
8 ~~this paragraph~~ The county services system shall incorporate a
9 central point of coordination and clinical assessment process
10 developed in accordance with the provisions of section 331.440.
11 The elements of the ~~county managed system of care~~ a county
12 services system shall be specified in rules developed by the
13 department of human services in consultation with and adopted
14 by the state commission.

15 Sec. 437. Section 331.439, subsection 3, paragraph b, Code
16 2009, is amended to read as follows:

17 b. Based upon information contained in county management
18 plans and budgets and proposals made by representatives of
19 counties, the state commission shall recommend an allowed
20 growth factor adjustment to the governor by November 15
21 for the fiscal year which commences two years from the
22 beginning date of the fiscal year in progress at the time the
23 recommendation is made. The allowed growth factor adjustment
24 ~~shall may~~ address various costs including but not limited to
25 the costs associated with new consumers of service, service
26 cost inflation, and investments for economy and efficiency. In
27 developing the service cost inflation recommendation, the state
28 commission shall consider the cost trends indicated by the
29 gross expenditure amount reported in the expenditure reports
30 submitted by counties pursuant to subsection 1, paragraph
31 "a". The governor shall consider the state commission's
32 recommendation in developing the governor's recommendation for
33 an allowed growth factor adjustment for such fiscal year. The
34 governor's recommendation shall be submitted at the time the
35 governor's proposed budget for the succeeding fiscal year is

1 submitted in accordance with chapter 8.

2 Sec. 438. Section 331.439, subsection 7, Code 2009, is
3 amended to read as follows:

4 7. A county shall annually report data concerning the
5 county's services system managed by in accordance with the
6 county management plan. At a minimum, the data reported shall
7 indicate the number of different individuals who utilized
8 services in a fiscal year and the various types of services.
9 Data reported under this subsection shall be submitted with
10 the county's expenditure report required under subsection 1,
11 paragraph "a".

12 DIVISION XXXVI

13 MH/MR/DD/BI SERVICES

14 Sec. 439. Section 225C.4, subsection 1, paragraph a, Code
15 2009, is amended to read as follows:

16 a. Prepare and administer the comprehensive mental health
17 and disability services plan as provided in section 225C.6B,
18 including state mental health and mental retardation plans
19 for the provision of disability services within the state and
20 ~~prepare and administer~~ the state developmental disabilities
21 plan. The administrator shall consult with the Iowa department
22 of public health, the state board of regents or a body
23 designated by the board for that purpose, the department
24 of management or a body designated by the director of the
25 department for that purpose, the department of education, the
26 department of workforce development and any other appropriate
27 governmental body, in order to facilitate coordination of
28 disability services provided in this state. The state mental
29 health and mental retardation plans shall be consistent with
30 the state health plan, and shall incorporate county disability
31 services plans.

32 Sec. 440. Section 225C.6, subsections 1 and 3, Code 2009,
33 are amended to read as follows:

34 1. To the extent funding is available, the commission shall
35 perform the following duties:

- 1 a. Advise the administrator on the administration of the
2 overall state disability services system.
- 3 b. Adopt necessary rules pursuant to chapter 17A which
4 relate to disability programs and services, including but not
5 limited to definitions of each disability included within the
6 term "*disability services*" as necessary for purposes of state,
7 county, and regional planning, programs, and services.
- 8 c. Adopt standards for community mental health centers,
9 services, and programs as recommended under section 230A.16.
10 The ~~commission~~ administrator shall determine whether to grant,
11 deny, or revoke the accreditation of the centers, services, and
12 programs.
- 13 d. Adopt standards for ~~the care of and services to persons~~
14 ~~with mental illness and mental retardation residing in county~~
15 ~~care facilities recommended under section 227.4~~ the provision
16 under medical assistance of individual case management
17 services.
- 18 e. Unless another governmental body sets standards for a
19 service available to persons with disabilities, adopt state
20 standards for that service. ~~The commission shall provide that~~
21 ~~a service provider's compliance with standards for a service~~
22 ~~set by a nationally recognized body shall be deemed to be in~~
23 ~~compliance with the state standards adopted by the commission~~
24 ~~for that service. The commission shall adopt state standards~~
25 ~~for those residential and community-based providers of services~~
26 ~~to persons with mental illness or developmental disabilities~~
27 ~~that are not otherwise subject to licensure by the department~~
28 ~~of human services or department of inspections and appeals,~~
29 ~~including but not limited to remedial services payable under~~
30 ~~the medical assistance program and other services payable from~~
31 ~~funds credited to a county mental health, mental retardation,~~
32 ~~and developmental disabilities services fund created in section~~
33 ~~331.424A.~~ In addition, ~~the~~ The commission shall review the
34 licensing standards used by the department of human services
35 or department of inspections and appeals for those facilities

1 providing disability services to persons with mental illness
2 or developmental disabilities.

3 *f.* Assure that proper reconsideration and appeal procedures
4 are available to persons aggrieved by decisions, actions, or
5 circumstances relating to accreditation.

6 *g.* Adopt necessary rules for awarding grants from the state
7 and federal government as well as other moneys that become
8 available to the division for grant purposes.

9 *h.* Annually submit to the governor and the general assembly:

10 (1) A report concerning the activities of the commission.

11 (2) Recommendations formulated by the commission for
12 changes in law.

13 *i.* By January 1 of each odd-numbered year, submit to the
14 governor and the general assembly an evaluation of:

15 (1) The extent to which services to persons with
16 disabilities are actually available to persons in each county
17 in the state and the quality of those services.

18 (2) The effectiveness of the services being provided by
19 disability service providers in this state and by each of the
20 state mental health institutes established under chapter 226
21 and by each of the state resource centers established under
22 chapter 222.

23 *j.* Advise the administrator, the council on human services,
24 the governor, and the general assembly on budgets and
25 appropriations concerning disability services.

26 *k.* Coordinate activities with the governor's developmental
27 disabilities council and the mental health planning council,
28 created pursuant to federal law. Work with other state
29 agencies on coordinating, collaborating, and communicating
30 concerning activities involving persons with disabilities.

31 ~~*l.* Establish standards for the provision under medical~~
32 ~~assistance of individual case management services. The~~
33 ~~commission shall determine whether to grant, deny, or revoke~~
34 ~~the accreditation of the services.~~

35 ~~*m.*~~ *l.* Identify basic financial eligibility standards for

1 disability services. The standards shall include but are not
2 limited to the following:

3 (1) A financial eligibility standard providing that a
4 person with an income equal to or less than one hundred fifty
5 percent of the federal poverty level, as defined by the most
6 recently revised poverty income guidelines published by the
7 United States department of health and human services, is
8 eligible for disability services paid with public funding.
9 However, a county may apply a copayment requirement for a
10 particular disability service to a person with an income
11 equal to or less than one hundred fifty percent of the
12 federal poverty level, provided the disability service and
13 the copayment amount both comply with rules adopted by the
14 commission applying uniform standards with respect to copayment
15 requirements. A person with an income above one hundred fifty
16 percent of the federal poverty level may be eligible subject
17 to a copayment or other cost-sharing arrangement subject to
18 limitations adopted in rule by the commission.

19 (2) A requirement that a person who is eligible for
20 federally funded services and other support must apply for the
21 services and support.

22 (3) Resource limitations that are derived from the federal
23 supplemental security income program limitations. A person
24 with resources above the federal supplemental security income
25 program limitations may be eligible subject to limitations
26 adopted in rule by the commission. If a person does not
27 qualify for federally funded services and other support
28 but meets income, resource, and functional eligibility
29 requirements, the following types of resources shall be
30 disregarded:

31 (a) A retirement account that is in the accumulation stage.

32 (b) A burial, medical savings, or assistive technology
33 account.

34 ~~h.~~ m. Identify disability services outcomes and indicators
35 to support the ability of eligible persons with a disability to

1 live, learn, work, and recreate in communities of the persons'
2 choice. The identification duty includes but is not limited to
3 responsibility for identifying, collecting, and analyzing data
4 as necessary to issue reports on outcomes and indicators at the
5 county and state levels.

6 ~~o. Prepare five-year plans based upon the county management
7 plans developed pursuant to section 331.439.~~

8 ~~p. Work with other state agencies on coordinating,
9 collaborating, and communicating concerning activities
10 involving persons with disabilities.~~

11 ~~q. Perform analyses and other functions associated with
12 a redesign of the mental health and developmental disability
13 services systems for adults and for children.~~

14 3. If the executive branch creates a committee, task force,
15 council, or other advisory body to consider ~~mental health
16 and developmental disabilities~~ disability services policy,
17 ~~services,~~ or program options involving children or adult
18 consumers, the commission is designated to receive and consider
19 any report, findings, recommendations, or other work product
20 issued by such body. The commission may address the report,
21 findings, recommendations, or other work product in fulfilling
22 the commission's functions and to advise the department,
23 council on human services, governor, and general assembly
24 concerning disability services.

25 Sec. 441. Section 225C.6A, Code 2009, is amended to read as
26 follows:

27 **225C.6A Mental health, developmental disability, and brain
28 injury service system redesign implementation.**

29 ~~1. Purpose. It is the intent of the general assembly
30 to implement a redesign of the mental health, developmental
31 disability, and brain injury service system over a period of
32 years in order to transition to a coordinated system for Iowans
33 with mental illness, mental retardation or other developmental
34 disabilities, or brain injury. Because of the significance of
35 the redesign to the persons who may be affected by it and the~~

1 ~~degree of uncertainty regarding the extent of funding changes~~
2 ~~necessary for implementation, the department and the commission~~
3 ~~shall not implement a redesign provision through rulemaking or~~
4 ~~other means unless specific statutory authority provides for~~
5 ~~the provision's implementation.~~

6 ~~2. *Initial activities.* For the fiscal years beginning~~
7 ~~July 1, 2004, and July 1, 2005, the The commission shall do~~
8 ~~the following relating to redesign of the disability services~~
9 ~~system in the state:~~

10 ~~a. 1. Identify sources of revenue to support statewide~~
11 ~~delivery of core disability services to eligible disability~~
12 ~~populations.~~

13 ~~b. Further develop adult disability services system redesign~~
14 ~~proposals and propose a redesign of the children's disability~~
15 ~~service system. The redesign of the children's system shall~~
16 ~~address issues associated with an individual's transition~~
17 ~~between the two systems.~~

18 ~~2. Ensure there is a continuous improvement process for~~
19 ~~development and maintenance of the disability services system~~
20 ~~for adults and children. The process shall include but is not~~
21 ~~limited to data collection and reporting provisions.~~

22 ~~e. (1) 3. a. Plan, collect, and analyze data as necessary~~
23 ~~to issue cost estimates for serving additional populations and~~
24 ~~providing core disability services statewide. The department~~
25 ~~shall maintain compliance with applicable federal and state~~
26 ~~privacy laws to ensure the confidentiality and integrity of~~
27 ~~individually identifiable disability services data. The~~
28 ~~department shall regularly assess the status of the compliance~~
29 ~~in order to assure that data security is protected.~~

30 ~~(2) b. In implementing a system under this paragraph~~
31 ~~"e" subsection for collecting and analyzing state, county,~~
32 ~~and private contractor data, the department shall establish a~~
33 ~~client identifier for the individuals receiving services. The~~
34 ~~client identifier shall be used in lieu of the individual's~~
35 ~~name or social security number. The client identifier shall~~

1 consist of the last four digits of an individual's social
2 security number, the first three letters of the individual's
3 last name, the individual's date of birth, and the individual's
4 gender in an order determined by the department.

5 ~~(3)~~ c. Each county shall report to the department annually
6 on or before December 1, for the preceding fiscal year the
7 following information for each individual served: demographic
8 information, expenditure data, and data concerning the services
9 and other support provided to each individual, as specified in
10 administrative rule adopted by the commission.

11 ~~d.~~ ~~With consumer input, identify and propose standardized~~
12 ~~functional assessment tools and processes for use in the~~
13 ~~eligibility determination process when eligibility for a~~
14 ~~particular disability population group is implemented. The~~
15 ~~tools and processes shall be integrated with those utilized~~
16 ~~for the medical assistance program under chapter 249A. For~~
17 ~~the initial diagnostic criteria, the commission shall consider~~
18 ~~identifying a qualifying functional assessment score and any~~
19 ~~of the following diagnoses: mental illness, chronic mental~~
20 ~~illness, mental retardation, developmental disability, or brain~~
21 ~~injury.~~

22 ~~e.~~ ~~The commission shall adopt a multiyear plan for~~
23 ~~developing and providing the data, cost projections, revenue~~
24 ~~requirements, and other information needed to support decision~~
25 ~~making concerning redesign provisions. The information shall~~
26 ~~be provided as part of the commission's regular reports to the~~
27 ~~governor and general assembly or more often as determined to be~~
28 ~~appropriate by the commission.~~

29 ~~f.~~ ~~Propose case rates for disability services.~~

30 ~~g.~~ 4. Work with county representatives and other qualified
31 persons to develop an implementation plan for replacing the
32 county of legal settlement approach to determining service
33 system funding responsibilities with an approach based upon
34 residency. The plan shall address a statewide standard for
35 proof of residency, outline a plan for establishing a data

1 system for identifying residency of eligible individuals,
2 address residency issues for individuals who began residing in
3 a county due to a court order or criminal sentence or to obtain
4 services in that county, recommend an approach for contesting
5 a residency determination, and address other implementation
6 issues.

7 Sec. 442. Section 225C.6B, subsection 1, Code 2009, is
8 amended to read as follows:

9 1. *Intent.*

10 a. The general assembly intends for the state to implement
11 a comprehensive, continuous, and integrated state mental
12 health and disability services plan in accordance with
13 the requirements of sections 225C.4 and 225C.6 and other
14 provisions of this chapter, by increasing the department's
15 responsibilities in the development, funding, oversight, and
16 ongoing leadership of mental health and disability services in
17 this state.

18 b. In order to further the purposes listed in
19 ~~sections~~ section 225C.1 and ~~225C.27~~ and in other provisions
20 of this chapter, the general assembly intends that efforts
21 focus on the goal of making available a comprehensive array
22 of high-quality, evidence-based consumer and family-centered
23 mental health and disability services and other support in the
24 least restrictive, community-based setting appropriate for a
25 consumer.

26 c. In addition, it is the intent of the general assembly
27 to promote policies and practices that achieve for consumers
28 the earliest possible detection of mental health problems and
29 the need for disability services and for early intervention;
30 to stress that all health care programs address mental
31 health disorders with the same urgency as physical health
32 disorders; to promote the policies of all public programs
33 that serve adults and children with mental disorders or with
34 a need for disability services, including but not limited to
35 child welfare, Medicaid, education, housing, criminal and

1 juvenile justice, substance abuse treatment, and employment
2 services; to consider the special mental health and disability
3 services needs of adults and children; and to promote recovery
4 and resiliency as expected outcomes for all consumers.

5 Sec. 443. Section 225C.6B, subsection 2, Code 2009, is
6 amended by striking the subsection and inserting in lieu
7 thereof the following:

8 2. *Comprehensive plan.* The division shall develop a
9 comprehensive written five-year state mental health and
10 disability services plan with annual updates and readopt
11 the plan every five years. The plan shall describe the key
12 components of the state's mental health and disability services
13 system, including the services that are community-based, state
14 institution-based, or regional or state-based. The five-year
15 plan and each update shall be submitted annually to the
16 commission on or before October 30 for review and approval.

17 Sec. 444. Section 225C.21, subsection 2, Code 2009, is
18 amended to read as follows:

19 2. The commission shall adopt rules pursuant to chapter 17A
20 establishing minimum standards for supported community living
21 services. The ~~commission~~ administrator shall determine whether
22 to grant, deny, or revoke approval for any supported community
23 living service.

24 Sec. 445. Section 225C.52, subsection 1, Code 2009, is
25 amended to read as follows:

26 1. Establishing a comprehensive community-based mental
27 health services system for children and youth is part of
28 fulfilling the requirements of the division and the commission
29 to facilitate a comprehensive, continuous, and integrated state
30 mental health and disability services plan in accordance with
31 sections 225C.4, 225C.6, and 225C.6A, and other provisions
32 of this chapter. The purpose of establishing the children's
33 system is to improve access for children and youth with
34 serious emotional disturbances and youth with other qualifying
35 mental health disorders to mental health treatment, services,

1 and other support in the least restrictive setting possible
2 so the children and youth can live with their families
3 and remain in their communities. The children's system is
4 also intended to meet the needs of children and youth who
5 have mental health disorders that co-occur with substance
6 abuse, mental retardation, developmental disabilities, or
7 other disabilities. The children's system shall emphasize
8 community-level collaborative efforts between children and
9 youth and the families and the state's systems of education,
10 child welfare, juvenile justice, health care, substance abuse,
11 and mental health.

12 Sec. 446. REPEAL. Section 225C.27, Code 2009, is repealed.

13 DIVISION XXXVII

14 MH/MR/DD/BI COMMISSION AND WAIVER NAME CHANGE

15 Sec. 447. Section 225C.2, subsection 3, Code 2009, is
16 amended to read as follows:

17 3. "*Commission*" means the mental health, ~~mental retardation,~~
18 ~~developmental disabilities, and brain injury~~ and disability
19 services commission.

20 Sec. 448. Section 225C.5, subsection 1, unnumbered
21 paragraph 1, Code Supplement 2009, is amended to read as
22 follows:

23 A mental health, ~~mental retardation, developmental~~
24 ~~disabilities, and brain injury~~ and disability
25 services commission is created as the state policy-making body
26 for the provision of services to persons with mental illness,
27 mental retardation or other developmental disabilities,
28 or brain injury. The commission's voting members shall
29 be appointed to three-year staggered terms by the governor
30 and are subject to confirmation by the senate. Commission
31 members shall be appointed on the basis of interest and
32 experience in the fields of mental health, mental retardation
33 or other developmental disabilities, and brain injury, in a
34 manner so as to ensure adequate representation from persons
35 with disabilities and individuals knowledgeable concerning

1 disability services. The department shall provide staff
2 support to the commission, and the commission may utilize staff
3 support and other assistance provided to the commission by
4 other persons. The commission shall meet at least four times
5 per year. The membership of the commission shall consist of
6 the following persons who, at the time of appointment to the
7 commission, are active members of the indicated groups:

8 Sec. 449. Section 249A.12, subsection 4, paragraph b, Code
9 2009, is amended to read as follows:

10 ~~b. Effective July 1, 1995, the~~ The state shall be
11 responsible for all of the nonfederal share of medical
12 assistance home and community-based services waivers
13 for persons with ~~mental retardation~~ intellectual
14 disabilities services provided to minors and a county is not
15 required to reimburse the department and shall not be billed
16 for the nonfederal share of the costs of the services.

17 Sec. 450. Section 249A.12, subsection 5, paragraph a,
18 unnumbered paragraph 1, Code 2009, is amended to read as
19 follows:

20 ~~The mental health, mental retardation, developmental~~
21 ~~disabilities, and brain injury and disability~~
22 services commission shall recommend to the department
23 the actions necessary to assist in the transition of
24 individuals being served in an intermediate care facility for
25 persons with mental retardation, who are appropriate for the
26 transition, to services funded under a medical assistance
27 home and community-based services waiver for persons with
28 ~~mental retardation~~ intellectual disabilities in a manner which
29 maximizes the use of existing public and private facilities.
30 The actions may include but are not limited to submitting any
31 of the following or a combination of any of the following
32 as a request for a revision of the medical assistance home
33 and community-based services waiver for persons with ~~mental~~
34 ~~retardation in effect as of June 30, 1996~~ intellectual
35 disabilities:

1 Sec. 451. Section 249A.12, subsection 5, paragraph a,
2 subparagraph (1), Code 2009, is amended to read as follows:

3 (1) Allow for the transition of intermediate care
4 facilities for persons with mental retardation licensed under
5 chapter 135C ~~as of June 30, 1996~~, to services funded under the
6 medical assistance home and community-based services waiver for
7 persons with ~~mental retardation~~ intellectual disabilities. The
8 request shall be for inclusion of additional persons under the
9 waiver associated with the transition.

10 Sec. 452. Section 249A.12, subsection 6, paragraphs a and b,
11 Code 2009, are amended to read as follows:

12 a. ~~Effective July 1, 2003, the~~ The provisions of the
13 home and community-based services waiver for persons with
14 ~~mental retardation~~ intellectual disabilities shall include
15 adult day care, prevocational, and transportation services.
16 Transportation shall be included as a separately payable
17 service.

18 b. The department of human services shall seek federal
19 approval to amend the home and community-based services
20 waiver for persons with ~~mental retardation~~ intellectual
21 disabilities to include day habilitation services. Inclusion
22 of day habilitation services in the waiver shall take effect
23 upon receipt of federal approval ~~and no later than July 1,~~
24 ~~2004~~.

25 Sec. 453. Section 423.3, subsection 18, paragraph f,
26 subparagraph (6), Code Supplement 2009, is amended to read as
27 follows:

28 (6) ~~MR~~ Intellectual disabilities waiver service providers,
29 described in 441 IAC 77.37.

30 Sec. 454. MENTAL HEALTH, MENTAL RETARDATION, DEVELOPMENTAL
31 DISABILITIES, AND BRAIN INJURY COMMISSION TERMINOLOGY CHANGES
32 — CODE EDITOR'S DIRECTIVE.

33 1. Sections 230A.16, 230A.17, 230A.18, 249A.12, 331.438,
34 and 426B.4, Code 2009, and sections 249A.4, 249A.31, and
35 426B.5, Code Supplement 2009, are amended by striking the term

1 "mental health, mental retardation, developmental disabilities,
2 and brain injury commission" and inserting in lieu thereof the
3 term "mental health and disability services commission".

4 2. This division of this Act changes the name of the mental
5 health, mental retardation, developmental disabilities, and
6 brain injury commission to the mental health and disability
7 services commission. The Code editor shall correct any
8 references to the term "mental health, mental retardation,
9 developmental disabilities, and brain injury commission"
10 anywhere else in the Iowa Code or Iowa Code Supplement, in any
11 bills awaiting codification, in this Act, and in any bills
12 enacted by the Eighty-third General Assembly, 2010 Regular
13 Session, or any extraordinary session.

14 Sec. 455. HOME AND COMMUNITY-BASED SERVICES WAIVER FOR
15 PERSONS WITH MENTAL RETARDATION TERMINOLOGY CHANGES
16 — CODE EDITOR'S DIRECTIVE.

17 1. Sections 135C.6, 219.1, 249A.26, and 249A.30, Code 2009,
18 are amended by striking the term "waiver for persons with
19 mental retardation" and inserting in lieu thereof the term
20 "waiver for persons with intellectual disabilities".

21 2. This division of this Act changes the name of the home
22 and community-based services waiver for persons with mental
23 retardation under the medical assistance program to the waiver
24 for persons with intellectual disabilities. The Code editor
25 shall correct any references to the term "waiver for persons
26 with mental retardation" or other forms of the term anywhere
27 else in the Iowa Code or Iowa Code Supplement, in any bills
28 awaiting codification, in this Act, and in any bills enacted by
29 the Eighty-third General Assembly, 2010 Regular Session, or any
30 extraordinary session.

31 DIVISION XXXVIII
32 CONSOLIDATION OF ADVISORY
33 BODIES — COUNCIL ON HUMAN SERVICES

34 Sec. 456. NEW SECTION. 217.3A **Advisory committees.**

35 1. *General.* The council on human services shall establish

1 and utilize the advisory committees identified in this section
2 and may establish and utilize other advisory committees. The
3 council shall establish appointment provisions, membership
4 terms, operating guidelines, and other operational requirements
5 for committees established pursuant to this section.

6 2. *Child abuse prevention.* The council shall establish a
7 child abuse prevention program advisory committee to support
8 the child abuse prevention program implemented in accordance
9 with section 235A.1. The duties of the advisory committee
10 shall include all of the following:

11 a. Advise the director of human services and the
12 administrator of the division of the department of human
13 services responsible for child and family programs regarding
14 expenditures of funds received for the child abuse prevention
15 program.

16 b. Review the implementation and effectiveness of
17 legislation and administrative rules concerning the child abuse
18 prevention program.

19 c. Recommend changes in legislation and administrative rules
20 to the general assembly and the appropriate administrative
21 officials.

22 d. Require reports from state agencies and other entities as
23 necessary to perform its duties.

24 e. Receive and review complaints from the public concerning
25 the operation and management of the child abuse prevention
26 program.

27 f. Approve grant proposals.

28 3. a. The council shall establish a child support advisory
29 committee.

30 (1) Members of the advisory committee shall include at least
31 one district judge and representatives of custodial parent
32 groups, noncustodial parent groups, the general assembly, the
33 office of citizens' aide, the Iowa state bar association, the
34 Iowa county attorneys association, and other constituencies
35 which have an interest in child support enforcement issues,

1 appointed by the respective entity.

2 (2) The legislative members of the advisory committee shall
3 be appointed as follows: one senator each by the majority
4 leader of the senate, after consultation with the president
5 of the senate, and by the minority leader of the senate, and
6 one member of the house of representatives each by the speaker
7 of the house of representatives, after consultation with the
8 majority leader of the house of representatives, and by the
9 minority leader of the house of representatives.

10 *b.* The legislative members of the advisory committee shall
11 serve for terms as provided in section 69.16B. Appointments
12 shall comply with sections 69.16 and 69.16A. Vacancies shall
13 be filled by the original appointing authority and in the
14 manner of the original appointments.

15 *c.* The child support advisory committee shall assist the
16 department in all of the following activities:

17 (1) Review of existing child support guidelines and
18 recommendations for revision.

19 (2) Examination of the operation of the child support system
20 to identify program improvements or enhancements which would
21 increase the effectiveness of securing parental support and
22 parental involvement.

23 (3) Recommendation of legislation which would clarify and
24 improve state law regarding support for children.

25 *d.* The committee shall receive input from the public
26 regarding any child support issues.

27 4. *Child welfare.*

28 *a.* The council shall establish a child welfare advisory
29 committee to advise the department of human services on
30 programmatic and budgetary matters related to the provision
31 or purchase of child welfare services. The committee shall
32 meet to review departmental budgets, policies, and programs,
33 and proposed budgets, policies, and programs, and to make
34 recommendations and suggestions to make the state child welfare
35 budget, programs, and policies more effective in serving

1 families and children.

2 *b.* The membership of the advisory committee shall
3 include representatives of child welfare service providers,
4 juvenile court services, the Iowa foster and adoptive parent
5 association, the child advocacy board, the coalition for
6 family and children's services in Iowa, children's advocates,
7 service consumers, and others who have training or knowledge
8 related to child welfare services. In addition, four members
9 shall be legislators, all serving as ex officio, nonvoting
10 members, with one each appointed by the speaker of the house
11 of representatives, the minority leader of the house of
12 representatives, the majority leader of the senate, and the
13 minority leader of the senate. The director of human services
14 and the administrator of the division of the department of
15 human services responsible for child welfare services, or their
16 designees, shall also be ex officio, nonvoting members, and
17 shall serve as resource persons to the advisory committee.

18 Sec. 457. Section 235A.1, subsections 3 and 4, Code
19 Supplement 2009, are amended by striking the subsections.

20 Sec. 458. REPEAL. Sections 234.3 and 252B.18, Code 2009,
21 are repealed.

22 Sec. 459. IMPLEMENTATION. In establishing the child abuse
23 prevention program, child support, and child welfare advisory
24 committees and appointing members, the council on human
25 services shall consider reappointing those individuals who
26 were serving as members of the child abuse prevention advisory
27 council, the child support advisory committee, and the child
28 welfare advisory committee as of June 30, 2009.

29 DIVISION XXXIX

30 REPEAL OF HEALTH ADVISORY BODIES

31 Sec. 460. Section 135.29, subsection 3, Code 2009, is
32 amended to read as follows:

33 3. The local substitute medical decision-making board and
34 its members shall not be held liable, jointly or severally,
35 for any actions or omissions taken or made in the official

1 discharge of their duties, except those acts or omissions
2 constituting willful or wanton misconduct. A physician or
3 other health care provider who acts on a decision or directive
4 of the local substitute medical decision-making board ~~or~~
5 ~~state substitute medical decision-making board~~ shall not be
6 held liable for any damages resulting from that act, unless
7 such physician's or other health care provider's actions
8 or omissions constitute negligence in the practice of the
9 profession or occupation, or willful or wanton misconduct.

10 Sec. 461. Section 136C.3, subsection 2, paragraph b, Code
11 Supplement 2009, is amended by striking the paragraph.

12 Sec. 462. Section 691.6, subsection 3, Code Supplement
13 2009, is amended to read as follows:

14 3. To adopt rules pursuant to chapter 17A, and subject to
15 the approval of the director of public health, ~~with the advice~~
16 ~~and approval of the state medical examiner advisory council.~~

17 Sec. 463. REPEAL. Section 135.28, Code 2009, is repealed.

18 Sec. 464. ELIMINATION OF SWIMMING POOL ADVISORY
19 COMMITTEE. On or before July 1, 2010, the department of
20 public health shall no longer operate any advisory committee
21 on swimming pools created by the department for purposes of
22 chapter 135I.

23 DIVISION XL

24 DEPARTMENT OF HUMAN SERVICES — FIELD SERVICES ORGANIZATION

25 Sec. 465. Section 217.42, subsection 1, Code 2009, is
26 amended to read as follows:

27 1. The organizational structure to deliver the department's
28 field services shall be based upon service areas designated by
29 the department. The service areas shall serve as a basis for
30 providing field services to persons residing in the counties
31 comprising the service area. ~~The service areas shall be those~~
32 ~~designated by the department effective January 1, 2002. In~~
33 ~~determining the service areas, the department shall consider~~
34 ~~other geographic service areas including but not limited to~~
35 ~~judicial districts and community empowerment areas. The~~

~~1 department shall consult with the county boards of supervisors
2 in a service area with respect to the selection of the service
3 area manager responsible for the service area who is initially
4 selected for the service area designated effective January 1,
5 2002, and any service area manager selected for the service
6 area thereafter. Following establishment of the service areas
7 effective January 1, 2002, if a county seeks to change the
8 boundaries of a service area, the change shall only take place
9 if the change is mutually agreeable to the department and all
10 affected counties. If it is necessary for the department to
11 significantly modify its field operations or the composition
12 of a designated service area, or if it is necessary for the
13 department to change the number of offices operating less than
14 full-time, the department shall consult with the affected
15 counties prior to implementing such action.~~

16 Sec. 466. EFFECTIVE UPON ENACTMENT. This division of this
17 Act, being deemed of immediate importance, takes effect upon
18 enactment.

19 DIVISION XLI

20 DEPARTMENT OF HUMAN SERVICES — FAMILY SUPPORT SUBSIDY

21 Sec. 467. Section 225C.37, Code Supplement 2009, is amended
22 by adding the following new subsection:

23 NEW SUBSECTION. 3. Effective July 1, 2010, the department
24 shall not accept new applications for the family support
25 subsidy program and shall not approve pending applications
26 for the program. Subsidy termination or application denial
27 relating to family members enrolled in the family support
28 subsidy program as of July 1, 2010, is subject to section
29 225C.40.

30 DIVISION XLII

31 DEPARTMENT OF HUMAN SERVICES — ELECTRONIC FUNDS TRANSFER
32 PAYMENTS

33 Sec. 468. NEW SECTION. 217.24 Payment by electronic funds
34 transfer.

35 The department of human services shall continue expanding

1 the practice of making payments to program participants and
2 vendors by means of electronic funds transfer. The department
3 shall seek the capacity for making payment by such means for
4 all programs administered by the department.

5 DIVISION XLIII

6 DEPARTMENT OF HUMAN SERVICES — ADOPTION SUBSIDY PROGRAM

7 Sec. 469. ADOPTION SUBSIDY PROGRAM RATES. For the
8 fiscal year beginning July 1, 2010, the maximum payment for
9 nonrecurring expenses shall be limited to \$500 and additional
10 amounts for court costs and other related legal expenses shall
11 no longer be allowed.

12 DIVISION XLIV

13 GUARDIAN AD LITEM

14 Sec. 470. Section 232.2, subsection 22, paragraph b, Code
15 Supplement 2009, is amended to read as follows:

16 ~~b. Unless otherwise enlarged or circumscribed by a court~~
17 ~~or juvenile court having jurisdiction over the child or by~~
18 ~~operation of law, the~~ The duties of a guardian ad litem with
19 respect to a child shall ~~include~~ be all of the following:

20 (1) ~~Conducting in-person interviews with the child,~~
21 ~~if the child's age is appropriate for the interview, and~~
22 ~~interviewing~~ each parent, guardian, or other person having
23 custody of the child, if authorized by counsel.

24 (2) Conducting interviews with the child, if the child's age
25 is appropriate for the interview, ~~prior to any court-ordered~~
26 ~~hearing.~~

27 (3) Visiting the home, residence, or both home and residence
28 of the child and any prospective home or residence of the
29 child, ~~including~~ each time placement is changed.

30 (4) Interviewing any person providing medical, mental
31 health, social, educational, or other services to the child,
32 ~~before any hearing referred to in subparagraph (2).~~

33 (5) Obtaining firsthand knowledge, if possible, of the
34 facts, circumstances, and parties involved in the matter in
35 which the person is appointed guardian ad litem.

1 (6) Attending any court hearings in the matter in which the
2 person is appointed as the guardian ad litem.

3 (7) If the child is required to have a transition plan
4 developed in accordance with the child's case permanency plan
5 and subject to review and approval of a transition committee
6 under section 235.7, assisting the transition committee in
7 development of the transition plan.

8 DIVISION XLV

9 COUNTY COMMISSIONS OF VETERAN AFFAIRS FUND

10 Sec. 471. Section 35A.16, subsection 3, paragraph a, Code
11 Supplement 2009, is amended to read as follows:

12 a. If sufficient moneys are available, the department
13 shall annually allocate ten thousand dollars to each county
14 commission of veteran affairs, or to each county sharing the
15 services of an executive director or administrator pursuant
16 to chapter 28E, to be used to provide services to veterans
17 pursuant to section 35B.6. Each county receiving an allocation
18 shall annually report on expenditure of the allocation in a
19 form agreed to by the department and county representatives.

20 DIVISION XLVI

21 DEPARTMENT OF CORRECTIONS

22 Sec. 472. Section 904.106, Code 2009, is amended to read as
23 follows:

24 **904.106 Meetings — expenses.**

25 The board shall meet at least ~~twelve times a~~ quarterly
26 throughout the year. Special meetings may be called by the
27 chairperson or upon written request of any three members of the
28 board. The chairperson shall preside at all meetings or in the
29 chairperson's absence, the vice chairperson shall preside. The
30 members of the board shall be paid their actual expenses while
31 attending the meetings. Each member of the board may also be
32 able to receive compensation as provided in section 7E.6.

33 Sec. 473. Section 904.505, Code 2009, is amended by adding
34 the following new subsection:

35 NEW SUBSECTION. 4. The disciplinary rules may impose a

1 reasonable administrative fee for the filing of a report of a
2 major disciplinary rule infraction for which an inmate is found
3 guilty. A fee charged pursuant to this subsection shall be
4 deposited in the general fund of the state.

5 Sec. 474. CORRECTIONAL FACILITY CLOSURE. The department of
6 corrections shall close by October 1, 2010, farm 1 and farm 3,
7 which are satellite facilities of the Iowa state penitentiary,
8 and shall transfer the inmates confined at such facilities
9 to other institutions under the control of the department of
10 corrections.

11 DIVISION XLVII

12 STATE PUBLIC DEFENDER

13 Sec. 475. Section 13B.2A, Code 2009, is amended by striking
14 the section and inserting in lieu thereof the following:

15 **13B.2A Indigent defense — report — court-appointed counsel**
16 **fees.**

17 1. The state public defender shall file a written report
18 every three years with the governor and the general assembly
19 by January 1 of a year in which a report is due relating to the
20 recommendations and activities of the state public defender
21 relating to the state indigent defense system. The first such
22 report shall be due on January 1, 2012.

23 2. The report shall contain recommendations to the general
24 assembly regarding the hourly rates paid to court-appointed
25 counsel and per case fee limitations. These recommendations
26 shall be consistent with the constitutional requirement to
27 provide effective assistance of counsel to those indigent
28 persons for whom the state is required to provide counsel.

29 Sec. 476. PUBLIC DEFENDERS. There is appropriated from the
30 general fund of the state to the office of the state public
31 defender of the department of inspections and appeals for the
32 fiscal year beginning July 1, 2010, and ending June 30, 2011,
33 the following amount, or so much thereof as is necessary, to be
34 used for the purposes designated:

35 For additional public defender positions and staff,

1 including salaries, support, maintenance, and miscellaneous
2 purposes:

3 \$ 1,140,000
4 FTEs 16.00

5 DIVISION XLVIII

6 IOWA LAW ENFORCEMENT ACADEMY

7 Sec. 477. Section 80.13, Code 2009, is amended to read as
8 follows:

9 **80.13 Training schools.**

10 The commissioner may hold a training school for peace
11 officer candidates or for peace officers of the department,
12 and may send to recognized training schools peace officers of
13 the department as the commissioner may deem advisable. The
14 expenses candidate shall pay one-third of the costs of such
15 school of training, and the remaining costs shall be paid in
16 the same manner as other expenses paid by the department. The
17 department may pay for all or a portion of the candidate's
18 share of the costs.

19 Sec. 478. Section 80B.11B, subsection 2, Code 2009, is
20 amended by striking the subsection and inserting in lieu
21 thereof the following:

22 2. The Iowa law enforcement academy shall charge to the
23 following entities the following costs to provide the basic
24 training course which is designed to meet the minimum basic
25 training requirements for a law enforcement officer:

26 a. To the department of natural resources and the department
27 of transportation, the total cost.

28 b. To a candidate from any other state agency or department
29 of the state, one-third of the total cost, and to the agency or
30 department the remaining cost. The agency or department may
31 pay for all or a portion of the candidate's share of the costs.

32 c. For a candidate sponsored by a political subdivision, to
33 the political subdivision, one-third of the total cost; to the
34 candidate, one-third of the total cost; and to the state, the
35 remainder of the total cost. The political subdivision may pay

1 for all or a portion of the candidate's share of the costs.

2 *d.* For all other candidates, including a candidate from a
3 tribal government, to the candidate the total costs.

4 Sec. 479. IOWA LAW ENFORCEMENT ACADEMY — PILOT TRAINING
5 PROGRAM — PRIVATE SECURITY PERSONNEL. The Iowa law
6 enforcement academy, subject to the approval of the Iowa law
7 enforcement academy council, shall develop and administer a
8 pilot program consisting of training seminars for private
9 security personnel. The pilot program shall consist of fifty
10 hours of training for each of ten trainees at a cost of fifty
11 dollars per hour of training. All moneys received from the
12 training seminars shall be deposited in the general fund of the
13 state.

14 DIVISION XLIX

15 STATE GOVERNMENT EFFICIENCY REVIEW COMMITTEE

16 Sec. 480. NEW SECTION. **2.69 State government efficiency**
17 **review committee established.**

18 1. A state government efficiency review committee is
19 established which shall meet at least every four years to
20 review the operations of state government. The committee shall
21 meet as directed by the legislative council.

22 2. *a.* The committee shall consist of three members of the
23 senate appointed by the majority leader of the senate, two
24 members of the senate appointed by the minority leader of the
25 senate, three members of the house of representatives appointed
26 by the speaker of the house of representatives, and two members
27 of the house of representatives appointed by the minority
28 leader of the house of representatives.

29 *b.* Members shall be appointed prior to January 31 of the
30 first regular session of each general assembly and shall serve
31 for terms ending upon the convening of the following general
32 assembly or when their successors are appointed, whichever is
33 later. A vacancy shall be filled in the same manner as the
34 original appointment and shall be for the remainder of the
35 unexpired term of the vacancy.

1 *c.* The committee shall elect a chairperson and vice
2 chairperson.

3 3. The members of the committee shall be reimbursed for
4 actual and necessary expenses incurred in the performance
5 of their duties and shall be paid a per diem as specified
6 in section 7E.6 for each day in which they engaged in the
7 performance of their duties. However, per diem compensation
8 and expenses shall not be paid when the general assembly is
9 actually in session at the seat of government. Expenses and
10 per diem shall be paid from funds appropriated pursuant to
11 section 2.12.

12 4. The committee shall do the following:

13 *a.* Review and consider options for reorganizing state
14 government to improve efficiency, modernize processes,
15 eliminate duplication and outdated processes, reduce costs, and
16 increase accountability. The review shall address the expanded
17 use of the internet and other technology, and the incorporation
18 of productivity improvement measures.

19 *b.* Review recommendations received through a process to
20 receive state government efficiency suggestions offered by the
21 public and public employees.

22 *c.* Issue a report, including its findings and
23 recommendations, to the general assembly.

24 5. The first report required by this section shall be
25 submitted to the general assembly no later than January 1,
26 2014, with subsequent reports developed and submitted by
27 January 1 at least every fourth year thereafter.

28 6. Administrative assistance shall be provided by the
29 legislative services agency.

30 DIVISION L

31 BOARDS AND COMMISSIONS — ESTABLISHMENT CRITERIA

32 Sec. 481. NEW SECTION. 69.16D Boards and commissions —
33 criteria for establishing.

34 1. Prior to establishing a new appointive board,
35 commission, committee, or council of the state, the general

1 assembly shall consider all of the following:

2 *a.* Whether there is an existing board or commission
3 that would be able to perform the duties of the new board,
4 commission, committee, or council.

5 *b.* The estimated annual cost of the new board, commission,
6 committee, or council, including any additional personnel costs
7 arising out of the creation of the new board, commission,
8 committee, or council.

9 *c.* Whether a repeal date is needed for the new board,
10 commission, committee, or council. Whenever possible, an
11 appropriate repeal date should be included.

12 2. This section shall apply to appointive boards,
13 commissions, committees, and councils of the state established
14 by the Code on or after July 1, 2010.