

**CHAPTER 1262****APPROPRIATION AND TRANSFER OF FEDERAL BLOCK GRANT FUNDS***H.F. 2477*

**AN ACT** appropriating federal funds made available from federal block grants, allocating portions of federal block grants, transferring funds between federal block grants, and providing procedures if federal funds are more or less than anticipated or if federal block grants are consolidated or expanded.

*Be It Enacted by the General Assembly of the State of Iowa:*

**DIVISION I****Section 1. COMMUNITY SERVICES APPROPRIATIONS.**

1. There is appropriated from the fund created by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 17, section 3, subsection 1, to the office for planning and programming, the sum of three million eight hundred eighty-seven thousand (3,887,000) dollars for the fiscal period beginning October 1, 1982 and ending September 30, 1983. The funds appropriated by this section are the anticipated funds to be received from the federal government for federal fiscal year 1983 under Pub. L. No. 97-35, Title VI, Subtitle B, which provides for the community services block grant. The office for planning and programming shall expend the funds appropriated by this section as provided in the federal law making the funds available and in conformance with chapter 17A.

The director of planning and programming shall allocate the amount of financial assistance based upon the size of the poverty-level population in the area represented by the community action areas compared to the size of the poverty-level population in the state.

2. An amount not exceeding one hundred twenty-six thousand (126,000) dollars of the funds appropriated in subsection 1 shall be used by the office for planning and programming for administrative expenses. From the funds set aside by this subsection for administrative expenses, the office for planning and programming shall pay to the auditor of state an amount sufficient to pay the cost of auditing the use and administration of the state's portion of the funds appropriated in subsection 1. The auditor of state shall bill the office for planning and programming for the costs of the audit.

**Sec. 2. ALLOCATION OF FISCAL YEAR 1982 COMMUNITY SERVICES APPROPRIATIONS.** Five percent of the federal fiscal year 1982 funds made available to the state under Pub. L. No. 97-35, Title VI, Subtitle B, which provides for the community services block grant, may be allocated by the office for planning and programming for one or more of the following programs:

1. Additional support to community action agencies.
2. Services provided under the Older Americans Act of 1965 under Pub. L. No. 89-73, as amended.
3. Services provided under the head start program under Pub. L. No. 97-35, Title VI, Subtitle A, chapter 8, subchapter b.
4. Services provided under the energy crisis intervention program under Pub. L. No. 97-35, Title XXVI.

**Sec. 3. COMMUNITY DEVELOPMENT APPROPRIATIONS.**

1. There is appropriated from the fund created by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 17, section 3, subsection 1, to the office for planning and programming, the sum of twenty-four million nine hundred eight thousand (24,908,000) dollars for the fiscal period beginning October 1, 1982 and ending September 30, 1983. The funds appropriated by this section are the anticipated funds to be received from the federal government for federal fiscal year 1983 under Pub. L. No. 97-35, Title III, Subtitle A, which provides for the community development block grant. The office for planning and programming shall expend the funds appropriated by this section as provided in the federal law making the funds available and in conformance with chapter 17A.

2. An amount not exceeding seven hundred forty-seven thousand (747,000) dollars shall be used by the office for planning and programming for administrative expenses for the community development block grant. The amount used for administrative expenses includes three hundred seventy-three thousand five hundred (373,500) dollars of funds appropriated in subsection 1 and a matching contribution from the state equal to three hundred seventy-three thousand five hundred (373,500) dollars from the appropriation of state funds for the community development block grant and state appropriations for related activities of the office for planning and programming. The total administrative expenses at the state level, from both federal and state sources, shall not exceed three percent of the amount appropriated in subsection 1. From the funds set aside for administrative expenses by this subsection, the office for planning and programming shall pay to the auditor of state an amount sufficient to pay the cost of auditing the use and administration of the state's portion of the funds appropriated in subsection 1. The auditor of state shall bill the office for planning and programming for the costs of the audit.

3. An amount not exceeding ten percent of the grants made by the office for planning and programming from funds appropriated in subsection 1 shall be used for local administrative expenses.

**DIVISION II****Sec. 4. LOW-INCOME HOME ENERGY ASSISTANCE APPROPRIATIONS.**

1. There is appropriated from the fund created by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 17, section 3, subsection 1, to the energy policy council, the sum of thirty-two million five hundred thousand (32,500,000) dollars for the fiscal period beginning October 1, 1982 and ending September 30, 1983. The funds appropriated by this section are the anticipated funds to be received from the federal government for federal fiscal year 1983 under Pub. L. No. 97-35, Title XXVI, which provides for the low-income home energy assistance block grants. The energy policy council shall expend the funds appropriated by this section as provided in the federal law making the funds available and in conformance with chapter 17A.

2. An amount not exceeding two million four hundred thirty-seven thousand five hundred (2,437,500) dollars or nine percent of the funds appropriated in subsection 1, whichever is less, shall be used by the energy policy council for administrative expenses. From the funds set aside by this subsection for administrative expenses, an amount sufficient to pay the cost of an audit of the use and administration of the state's portion of the funds appropriated shall be paid. The auditor shall bill the energy policy council for the costs of the audit.

3. The remaining funds appropriated in this section shall be allocated to help eligible households, as defined in accordance with Pub. L. No. 97-35, to meet the costs of home energy. However, at least ten and not more than fifteen percent of the funds appropriated by this section shall be used to provide for low-income residential weatherization or other related home repairs for low-income households. The funds transferred to low-income weatherization shall include money for administrative expenses.

DIVISION III

Sec. 5. SOCIAL SERVICES APPROPRIATIONS.

1. There is appropriated from the fund created by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 17, section 3, subsection 1, to the department of social services, the sum of thirty million six hundred seventy-four thousand (30,674,000) dollars for the fiscal period beginning October 1, 1982, and ending September 30, 1983. The funds appropriated by this section are the anticipated funds to be received from the federal government for federal fiscal year 1983 under Pub. L. No. 97-35, Title XXIII, Subtitle C, which provides for the social services block grant. The department of social services shall expend the funds appropriated by this section as provided in the federal law making the funds available and in conformance with chapter 17A. However, it is the intent of the general assembly that in this exemption from the notice and public participation requirements of chapter 17A, the Code shall be utilized by the department only to the extent necessary to insure that these rules are in effect in a timely manner to implement the provisions of this Act. Any rule placed into immediate effect pursuant to this section shall also be proposed as a notice of intended action as provided in section 17A.4(1), the Code.

2. No more than one million nine hundred one thousand seven hundred eighty-eight (1,901,788) dollars of the funds appropriated in subsection 1 shall be used by the department of social services for general administration for the federal fiscal year beginning October 1, 1982 and ending September 30, 1983. From the funds set aside by this subsection for general administration, the department of social services shall pay to the auditor of state an amount sufficient to pay the cost of auditing the use and administration of the state's portion of the funds appropriated in subsection 1. The auditor of state shall bill the department of social services for the costs of the audit.

3. In addition to the allocation for general administration in subsection 2, the remaining funds appropriated in subsection 1 shall be allocated to supplement appropriations for the federal fiscal year beginning October 1, 1982 and ending September 30, 1983 for the following programs within the department of social services:

a. Field operations .....	\$12,453,644
b. Home-based services .....	\$ 153,370
c. Foster care .....	\$ 4,539,752
d. Community-based services .....	\$ 122,696
e. Local administrative costs and purchase of day care and other local services .....	\$11,502,750

Sec. 6. SOCIAL SERVICES BLOCK GRANT PLAN. The department of social services shall develop a plan for the utilization of federal social services block grant funds for the state fiscal year beginning July 1, 1983, and ending June 30, 1984.

The proposed plan shall include all programs and services at the state level which the department proposes to fund with federal social services block grant funds, and shall identify state and other funds which the department proposes to use to fund the state programs and services.

The proposed plan shall also include all local programs and services which are eligible to be funded with federal social services block grant funds, the total amount of federal social services block grant funds available for the local programs and services, and the manner of distribution of the federal social services block grant funds to the counties. The proposed plan shall identify state and local funds which will be used to fund the local programs and services.

The proposed plan shall be submitted with the department's budget requests to the governor and the general assembly.

DIVISION IV

Sec. 7. ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH SERVICES APPROPRIATION.

1. There is appropriated from the fund created by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 17, section 3, subsection 1, to the department of substance abuse, two million forty-eight thousand (2,048,000) dollars for the fiscal period beginning October 1, 1982, and ending September 30, 1983. The funds appropriated by this section are the anticipated funds to be received from the federal government for federal fiscal year 1983 under Pub. L. No. 97-35, Title IX, Subtitle A, which provides for the alcohol and drug abuse and mental health services block grant. The department shall expend the funds appropriated by this section as provided in the federal law making the funds available and in conformance with chapter 17A.

2. An amount not exceeding two hundred one thousand four hundred (201,400) dollars of the funds appropriated in subsection 1 shall be used by the department of substance abuse for administrative expenses. From the funds set aside by this subsection for administrative expenses, the department of substance abuse shall pay to the auditor of state an amount sufficient to pay the cost of auditing the use and administration of the state's portion of the funds appropriated in subsection 1. The auditor of state shall bill the department of substance abuse for the costs of the audit.

3. After deducting the funds allocated in subsection 2, the remaining funds appropriated in subsection 1 shall be allocated according to the following percentages to supplement appropriations for the following programs within the department of substance abuse:

- a. Drug abuse programs . . . . . 38.17 percent
- b. Alcohol abuse programs . . . . . 38.17 percent
- c. Alcohol and drug prevention programs . . . . . 21.81 percent

One and eighty-five hundredths percent of the remaining funds appropriated in subsection 1 shall be transferred to the division of mental health, mental retardation, and developmental disabilities within the department of social services and allocated for community mental health centers.

Sec. 8. MATERNAL AND CHILD HEALTH SERVICES APPROPRIATIONS.

1. There is appropriated from the fund created by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 17, section 3, subsection 1, to the state department of health, the sum of three million nine hundred seventy thousand four hundred sixty-seven (3,970,467) dollars for the fiscal period beginning October 1, 1982, and ending September 30, 1983. The funds appropriated by this section are the anticipated funds to be received from the federal government for federal fiscal year 1983 under Pub. L. No. 97-35, Title XXI, Subtitle D, which provides for the maternal and child health services block grant. The department shall expend the funds appropriated by this section as provided in the federal law making the funds available and in conformance with chapter 17A.

2. The funds appropriated in subsection 1 shall be allocated according to the following percentages to supplement appropriations for the following programs within the following divisions of the state department of health:

- a. Personal and family health division for sudden infant death counseling . . . . . 1.0 percent
- b. Personal and family health division for maternal and child health formula grants . . . . . 62.0 percent

Thirty-seven percent of the remaining funds appropriated in subsection 1 shall be transferred to the university of Iowa hospitals and clinics under the control of the state board of regents for specialized child health services.

3. An amount not exceeding one hundred twelve thousand two hundred (112,200) dollars of the funds allocated in subsection 2 to the state department of health shall be used by the state department of health for administrative expenses. From the funds set aside by this subsection for administrative expenses, the state department of health shall pay to the auditor of state an amount sufficient to pay the cost of auditing the use and administration of the state department of health's portion of the funds allocated in subsection 2. The auditor of state shall bill the state department of health for the costs of the audit.

4. If the federal women, infants, and children nutrition program is consolidated into the maternal and child health services block grant, the specific dollar amount allocated by the federal government to the state above the amount appropriated in subsection 1 shall be allocated to the women, infants, and children nutrition program. The administrative expenses specified in subsection 3 shall not be increased by more than the percentage of the state's total allocation for indirect costs allowed by federal law for the women, infants, and children nutrition program.

5. The state department of health, Iowa specialized child health services, the university of Iowa hospitals and clinics, and the department of social services shall jointly study and develop a plan for the integration and coordination of maternal and child health programs, including but not limited to prenatal clinics; obstetric clinics; maternal health centers; child health centers; well-child clinics; the women, infants, and children nutrition program; the maternity and infant care project; the children and youth project; dental clinics; specialized child health clinics; related medical assistance programs, including the early and periodic screening, diagnosis, and treatment program, and medical assistance reimbursements for maternal and child health services; and county maternal and child health programs. The plan shall provide, if possible, for locating the clinics at the same sites and for the sharing of administrative expenses. The plan and proposed implementation schedule shall be developed and submitted to the joint human resources appropriations subcommittee by January 31, 1983.

**Sec. 9. TRANSFER OF FUNDS.** Those federal maternal and child health services block grant funds transferred from the federal preventive health and health services block grant funds under section 10, subsection 4 of this Act for the federal fiscal year beginning October 1, 1982, and ending September 30, 1983, are transferred from the state department of health to the university of Iowa hospitals and clinics under the control of the state board of regents for specialized child health services.

**Sec. 10. PREVENTIVE HEALTH AND HEALTH SERVICES APPROPRIATIONS.**

1. There is appropriated from the fund created by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 17, section 3, subsection 1, to the state department of health, one million sixty-one thousand (1,061,000) dollars for the fiscal period beginning October 1, 1982, and ending September 30, 1983. The funds appropriated by this section are the anticipated funds to be received from the federal government for federal fiscal year 1983 under Pub. L. No. 97-35, Title IX, Subtitle A, which provides for the preventive health and health services block grant. The department shall expend the funds appropriated by this section as provided in the federal law making the funds available and in conformance with chapter 17A.

2. An amount not exceeding ninety-eight thousand seven hundred (98,700) dollars of the funds appropriated in subsection 1 shall be used by the state department of health for administrative expenses. From the funds set aside by this subsection for administrative expenses, the state department of health shall pay to the auditor of state an amount sufficient to pay the cost of auditing the use and administration of the state's portion of the funds appropriated in subsection 1. The auditor of state shall bill the state department of health for the costs of the audit.

3. Of the funds appropriated in subsection 1, the specific amount of funds required by Pub. L. No. 97-35, Title IX, Subtitle A, shall be allocated to the rape prevention program.

4. Pursuant to Pub. L. No. 97-35, Title IX, Subtitle A, seven percent of the funds appropriated in subsection 1 is transferred within the special fund in the state treasury established under Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 17, section 3, subsection 1, for use by the state department of health as authorized by Pub. L. No. 97-35, Title XXI, Subtitle D and section 9 of this Act.

5. After deducting the funds allocated and transferred in subsections 2, 3, and 4, the remaining funds appropriated in subsection 1 shall be allocated according to the following percentages to supplement appropriations for the following programs within the following divisions of the state department of health:

- a. Disease prevention division for hypertension grants . . . . . 15.2 percent
- b. Disease prevention division for risk reduction services . . . . . 21.0 percent
- c. Community health division and disease prevention division for health incentive grants . . . . . 17.9 percent
- d. Community health division for emergency medical services . . . . . 30.0 percent
- e. Personal and family health division for fluoridation grants . . . . . 15.9 percent

DIVISION V

Sec. 11. EDUCATION APPROPRIATIONS.

1. There is appropriated from the fund created by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 17, section 3, subsection 1, to the department of public instruction for the fiscal year beginning July 1, 1982 and ending June 30, 1983, the amount received from Pub. L. No. 97-35, Title V, Subtitle D, chapter 2, not to exceed five million three hundred thirty-eight thousand (5,338,000) dollars, which provides for the education block grant. The department shall expend the funds appropriated by this section as provided in the federal law making the funds available and in conformance with chapter 17A.

2. Twenty percent of the funds appropriated in subsection 1, not to exceed one million sixty-seven thousand six hundred (1,067,600) dollars, shall be used by the department for basic skills development, state leadership and support services, educational improvement and support services, special projects, and state administrative expenses and auditing. However, not more than two hundred fifty thousand (250,000) dollars shall be used by the department for state administrative expenses.

3. Eighty percent of the funds appropriated in subsection 1 shall be allocated by the department to local educational agencies in this state, as local educational agency is defined in Pub. L. No. 97-35, Title V, Subtitle D. The amount allocated under this subsection shall be allocated to local educational agencies according to the following percentages and enrollments.

- a. Seventy-five percent shall be allocated on the basis of enrollments in public and approved nonpublic schools.
- b. Twenty percent shall be allocated on the basis of the number of disadvantaged children in local educational agencies whose incidence ratio for disadvantaged children is above the state average incidence ratio.
- c. Five percent shall be allocated on the basis of the number of limited English speaking children whose language imposes a barrier to learning.

Sec. 12. Funds appropriated in section 11 of this Act shall not be used to aid schools or programs that illegally discriminate in employment or educational programs on the basis of sex, race, color, national origin, or disability.

## DIVISION VI

## Sec. 13. PROCEDURE FOR REDUCED FEDERAL FUNDS.

1. Except for section 11 of this Act, if the funds received from the federal government for the block grants specified in this Act are less than the amounts appropriated, the funds actually received shall be prorated by the governor for the various programs, other than for the rape prevention program under section 10, subsection 3, of this Act, for which each block grant is available according to the percentages that each program is to receive as specified in this Act. However, if the governor determines that the funds allocated by the percentages will not be sufficient to effect the purposes of a particular program, or if the appropriation is not allocated by percentage, the governor may allocate the funds in a manner which will effect to the greatest extent possible the purposes of the various programs for which the block grants are available.

2. Before the governor implements the actions provided for in subsection 1, the following procedures shall be taken:

a. The chairpersons and ranking members of the standing committees of the senate and house on appropriations, the director of the legislative fiscal bureau, and the appropriate chairpersons and ranking members of subcommittees of those committees shall be notified of the proposed action.

b. The notice shall include the proposed allocations, and information on the reasons why particular percentages or amounts of funds are allocated to the individual programs, the departments and programs affected, and other information deemed useful. Chairpersons notified shall be allowed at least two weeks to review and comment on the proposed action before the action is taken.

## Sec. 14. PROCEDURE FOR INCREASED FEDERAL FUNDS.

1. If funds received from the federal government from block grants exceed the amounts appropriated in sections 5, 7, 8 except subsection 4 of section 8, 10, and 11, subsection 3, of this Act, the excess shall be prorated to the appropriate programs according to the percentages specified in those sections, except additional funds shall not be prorated for administrative expenses.

2. If funds received from the federal government from block grants exceed the amounts appropriated in sections 1, 3, and 11, subsection 2, of this Act, the excess shall be deposited in the special fund created in Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 17, section 3 and be subject to appropriation by the general assembly.

3. If funds received from the federal government from block grants exceed the amounts appropriated in section 4 of this Act, one hundred percent of the excess shall be allocated to the low-income weatherization program.

Sec. 15. PROCEDURE FOR CONSOLIDATED OR EXPANDED FEDERAL BLOCK GRANTS. Notwithstanding Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 17, section 3, federal funds made available to the state which are authorized for the 1983 federal fiscal year resulting from the federal government consolidating former categorical grants into block grants, or which expand block grants which are included in Pub. L. No. 97-35, to include additional programs formerly funded by categorical grants, which are not otherwise appropriated by the general assembly, are appropriated for the programs formerly receiving the categorical grants, subject to the conditions of this section. The governor shall, whenever possible, allocate from the block grant to each program in the same proportion as the amount of federal funds received by the program during the 1982 federal fiscal year as modified by the 1982 Session of the Sixty-ninth General Assembly for the fiscal year beginning July 1, 1982 compared to the total federal funds received in the 1982 federal fiscal year by all programs consolidated into the block grant. However, if one agency did not have categorical funds

appropriated for the federal fiscal year ending September 30, 1982 but had anticipated applying for funds during the fiscal year ending September 31\*, 1983, the governor may allocate the funds in order to provide funding.

If the amount received in the form of a consolidated or expanded block grant is less than the total amount of federal funds received for the programs in the form of categorical grants for the 1982 federal fiscal year, state funds appropriated to the program by the general assembly to match the federal funds shall be reduced by the same proportion of the reduction in federal funds for the program. State funds released by the reduction shall be deposited in a special fund in the state treasury and are available for appropriation by the general assembly. The governor shall notify the chairpersons and ranking members of the senate and house committees on appropriations, the legislative fiscal director, and the appropriate chairpersons and ranking members of the subcommittees of those committees before making the allocation of federal funds or any proportional reduction of state funds under this section. The notice shall state the amount of federal funds to be allocated to each program, the amount of federal funds received by the program during the 1982 federal fiscal year, the amount by which state funds for the program will be reduced according to this section and the amount of state funds received by the program during the 1982 fiscal year. Chairpersons notified shall be allowed at least two weeks to review and comment on the proposed action before the action is taken.

If the amount received in the form of a consolidated or expanded block grant is more than the total amount of federal funds received for the programs in the form of categorical grants for the 1982 federal fiscal year, the excess funds shall be deposited in the special fund created by Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 17, section 3, and be subject to the provisions of that section.

**Sec. 16. PROCEDURE FOR FUTURE FEDERAL ACTIONS.**

1. If federal block grant funding is increased or decreased for the federal fiscal year following the year for which the block grants are appropriated by this Act, the actions prescribed in sections 13 and 14 of this Act shall be modified by the governor as allowed by federal law in order that a consistent plan will be available for the affected state fiscal years.

2. Before the governor implements the actions provided for in subsection 1, the following procedures shall be taken:

a. The chairpersons and ranking members of the standing committees of the senate and house on appropriations, the appropriate chairpersons and ranking members of subcommittees of those committees, and the director of the legislative fiscal bureau shall be notified of the proposed action.

b. The notice shall include the proposed allocations, information on the reasons why particular percentages or amounts of funds are allocated to the individual programs, the departments and programs affected, and other information deemed useful. Chairpersons notified shall be allowed at least two weeks to review and comment on the proposed action before the action is taken.

Approved May 21, 1982

\* According to enrolled Act