

Sec. 4. From funds in the state treasury not otherwise appropriated that are in excess of an ending balance for the fiscal year beginning July 1, 1987, of sixty-one million seven hundred thousand dollars, after the conditions of 1988 Iowa Acts, chapter 1284, section 53, have been met and eleven million one hundred thousand dollars have been appropriated to the state board of regents, there is appropriated for the fiscal year beginning July 1, 1988, and ending June 30, 1989, to the children, youth, and families division of the department of human rights for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the sum of two hundred fifty thousand dollars for planning, site selection, solicitations of requests for proposals, or remodeling or construction of county or multi-county juvenile detention centers.

Sec. 5. If the general fund ending balance for the fiscal year beginning July 1, 1987, is not sufficient under section 4 and the governor does not certify to the department of revenue and finance that the appropriation in section 4 be made, and notwithstanding any other provisions of law, the treasurer of state before making allotments of the moneys within the Iowa plan fund pursuant to section 99E.32, subsection 1, for the fiscal year beginning July 1, 1988, shall transfer to the children, youth, and families division of the department of human rights the sum of two hundred fifty thousand dollars for planning, site selection, solicitations of requests for proposals, or remodeling or construction of county or multi-county juvenile detention centers.

Sec. 6. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved March 27, 1989

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**CHAPTER 307**

**DEPARTMENTAL SUPPLEMENTAL APPROPRIATIONS**

*S.F. 363*

**AN ACT** relating to and making supplemental appropriations to the auditor of state, department of general services, department of human services, college aid commission, state board of regents, Iowa department of public health, department of commerce, department of corrections, judicial department, department of cultural affairs, Iowa state fair authority, department of agriculture and land stewardship, department of natural resources, department of public defense, state department of transportation, department of personnel, Iowa finance authority, and council of state governments for the remainder of the fiscal year ending June 30, 1989, and providing an effective date.

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

**AUDITOR OF STATE**

Section 1. There is appropriated from the general fund of the state to the auditor of state for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the cost of auditing the clerks of district courts and implementing GAAP incrementation:  
 ..... \$ 221,900

**DEPARTMENT OF COMMERCE**

Sec. 2. 1988 Iowa Acts, chapter 1274, section 16, is amended to read as follows:

SEC. 16. There is appropriated from the administrative services trust fund to the administrative services division of the department of commerce for the fiscal year beginning

July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the following purposes:

For salaries and support for not more than forty-four point five full-time equivalent positions, maintenance, and miscellaneous purposes:

.....	\$	1,377,154
		<u>1,443,854</u>

Sec. 3. 1988 Iowa Acts, chapter 1274, section 17, unnumbered paragraph 1, is amended to read as follows:

Notwithstanding section 123.53, there is appropriated from the beer and liquor control fund to the alcoholic beverages division of the department of commerce for the fiscal year beginning July 1, 1988, and ending June 30, 1989, four million ~~four hundred ninety-five thousand seven hundred fifty-five (4,495,755)~~ five hundred forty-two thousand nine hundred eleven dollars, or so much thereof as is necessary, for salaries and support for not more than eighty-three point eighty-six full-time equivalent positions, maintenance and other operational purposes or additional funds as necessary for the orderly and efficient operation of the liquor system, subject to the approval of the department of management. The department of management shall notify the legislative fiscal committee of the need for additional funds. Funds appropriated under this section shall not be used for lease-purchase of cash registers.

Sec. 4. 1988 Iowa Acts, chapter 1274, section 23, unnumbered paragraphs 1 and 2, are amended to read as follows:

There is appropriated from the insurance revolving fund to the insurance division of the department of commerce for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the following purposes:

For salaries and support for not more than eighty-seven point thirty-three full-time equivalent positions, maintenance and other operational purposes:

.....	\$	3,547,300
		<u>3,552,436</u>

Sec. 5. 1988 Iowa Acts, chapter 1274, section 25, unnumbered paragraphs 1 and 2, are amended to read as follows:

There is appropriated from the utilities trust fund to the utilities division of the department of commerce for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the following purposes:

For salaries and support for not more than ninety-six point five full-time equivalent positions, maintenance and other operational purposes:

.....	\$	4,478,319
		<u>4,489,791</u>

DEPARTMENT OF HUMAN SERVICES

Sec. 6. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For medical assistance to be used for the same purposes and to supplement funds appropriated by 1988 Iowa Acts, chapter 1276, section 3:

.....	\$	2,200,000
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2. For medical contracts to be used for the same purposes and to supplement funds appropriated by 1988 Iowa Acts, chapter 1276, section 4:

.....	\$	600,000
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3. For the Iowa veterans home to be used for the same purposes and to supplement funds appropriated by 1988 Iowa Acts, chapter 1276, section 12:

.....	\$	250,000
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4. For juvenile justice reimbursement to counties to be used for the same purposes and to supplement funds appropriated by 1988 Iowa Acts, chapter 1276, section 25:

.....	\$	1,200,000
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5. For major maintenance projects at the institutions to correct cited violations of codes or standards, projects to bring facilities into compliance, and projects to repair or replace critical deteriorated components or equipment:

..... \$ 1,000,000

The department of human services shall expend the funds appropriated in this subsection in the following priority at the following named facilities for the major maintenance projects designated:

FACILITY	PROJECT
a. Cherokee	Fire sprinkler system — laundry
b. Cherokee	Fire alarm/detection system — laundry
c. Cherokee	Replace fire doors — main center
d. Cherokee	Replace fire doors — Ginzberg, Voldeng, Donohoe
e. Cherokee	Replace fire doors — main building wings
f. Cherokee	Fire alarm/detection system, doors, exit lighting — Wirth
g. Cherokee	Wire glass exits in main, Voldeng, Donohoe
h. Glenwood	Replace flooring in 6 houses
i. Independence	Replace dish machine
j. Woodward	Replace pump station generator
k. Woodward	Repair reservoir — pumping station
l. Woodward	Remove doors from 24 cottages
m. Clarinda	Upgrade motors/ventilation in carpenter shop
n. Clarinda	Reconstruct trash room
o. Clarinda	Replace ramps and stairways — main building service area
p. Eldora	Bypass water line to allow repairs
q. Eldora	Replace water and steam lines in tunnel
*r. Glenwood	Building 102 handicap bathrooms, replace floors
s. Independence	Reconstruct escapes — Reynolds wings
t. Mount Pleasant	Complete electrical redistribution wiring
u. Woodward	Fire alarm system — chapel
v. Woodward	Fire alarm — Linden court A/C, power plant
w. Eldora	Reroof living units 7 and 8
x. Marshalltown	Replace brick, seal, waterproof — Heinz hall
y. Marshalltown	Exterior foyer — Dack building (south)
z. Toledo	Replace domestic hot and cold water lines
aa. Toledo	Replace steam and cond. lines in tunnel
ab. Woodward	Replace roof—12 patient living units

6. For major maintenance projects and capital improvements at the mental health institutes and hospital-schools:

..... \$ 1,700,000

The department of human services shall expend the funds appropriated in this subsection at the following named facilities for the projects designated with similar projects being grouped and funded at the same time:

FACILITY	PROJECT
a. Cherokee	Monitoring wells for buried fuel tanks
b. Cherokee	Test 36 transformers for PCB
c. Clarinda	Dispose of PCB transformers
d. Glenwood	Building 108 handicapped bathrooms
e. Glenwood	Building 101 handicapped ramp and entry
f. Glenwood	Class "A" covering of wood floors — 115 Lacey
g. Glenwood	Monitoring wells for 7 buried fuel tanks
h. Glenwood	Replace flooring in 2 houses

\*Item veto; see message at end of the Act

i. Independence	Replace underground fuel tanks
j. Independence	Test 74 transformers for PCB
k. Independence	Replace oil in transformers w/PCB — Witte
l. Mount Pleasant	Disposal of stored transformers containing PCB
m. Woodward	Replace PCB transformers
n. Cherokee	Replace dietary ovens and freezer doors
o. Cherokee	Roof, gutter, cornice repair — main center (phase 1)
p. Cherokee	Roof, gutter, cornice repair — main wings (phase 1)
q. Cherokee	Low pressure steam main to power plant (phase 1)
r. Clarinda	Water tower paint and epoxy liner
s. Glenwood	Repair wall cracks in building 119 Buckner
t. Glenwood	Replace roof and tuckpoint Meyer building 111
u. Glenwood	Reroof building 102
v. Woodward	Replace roof — Linden court A, B, C, D
w. The four mental health institutes and the two hospital-schools	Initiate asbestos removal
x. Cherokee	Fire detection alarm system — main
y. Cherokee	Enclose fire escapes — Ginsberg
z. Clarinda	Sprinkler system — Pine cottage
aa. Independence	Fire detection and doors — nurses, Stewart, Reynolds
ab. Independence	Widen doors — Reynolds wings, Cromwell
ac. Mount Pleasant	Replace windows in 175 patient accessible rooms
ad. Mount Pleasant	Sprinkler system in attic of building 18*

## 7. For capital improvements at the juvenile institutions:

\$ 1,800,000

The department of human services shall expend the funds appropriated in this subsection at the following named facilities for the projects designated with similar projects being grouped and funded at the same time:

FACILITY	PROJECT
a. Eldora	Renovate/update one student housing building
*b. Eldora	Facility engineering/design and program analysis
c. Eldora	Asbestos removal (phase 1)
d. Eldora	Fire detection and alarm — various buildings
e. Eldora	Auditorium elevator and school ramp for 504 compliance
f. Toledo	Asbestos removal (phase 1)
g. Toledo	Update fire alarm systems — campus wide
h. Toledo	Vent system upgrade — center kitchen
i. Eldora	Test 33 transformers and oil switches for PCB
j. Eldora	Remove underground fuel tank
k. Toledo	Test 15 electrical transformers for PCB
l. Toledo	Replace 4 underground tanks
m. Eldora	Repair copper roof deck and spot tuckpoint — gym
n. Toledo	Electric system reconstruction — school admin. building
o. Toledo	Tuckpoint and waterproof — school admin. building
p. Toledo	Reroof Arnold cottage
q. Toledo	Roof replacement—Bryant cottage
r. Toledo	Roof replacement—Palmer cottage
s. Toledo	Repair gym walls
t. Toledo	Replace gutters, downspouts — Dugan, Chapel, Roberts

\*Item veto; see message at end of the Act

- u. Toledo Replace dietary building elevator
- v. Toledo Reroof—shop, power plant, dietary buildings
- w. Toledo Reconstruct tunnel sections\*

8. Notwithstanding section 8.39, funds appropriated in the department for the purposes designated in subsections 1, 2, 3, and 4, are not subject to transfer. However, nothing in this Act prohibits the department from transferring moneys from other sources to be used for the purposes designated in subsections 1, 2, 3, and 4.

9. Notwithstanding section 8.39, funds appropriated in subsections 5, 6, and 7, shall be used for the purposes designated and are not subject to transfer.

\*10. *The provisions of section 8.33 do not apply to the funds appropriated in subsections 5, 6, and 7. The unobligated and unencumbered funds remaining on March 30, 1990, from the funds appropriated in subsections 5, 6, and 7, for the fiscal year beginning July 1, 1988, shall revert to the general fund of the state on March 30, 1990.\**

Sec. 7. 1988 Iowa Acts, chapter 1276, section 1, subsection 1, is amended to read as follows:

1. For aid to families with dependent children:

	\$ 48,328,449
	<u>47,328,449</u>

Sec. 8. 1988 Iowa Acts, chapter 1276, section 11, is amended to read as follows:

SEC. 11. MENTAL HEALTH INSTITUTES. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1988, and ending June 30, 1989, to the department of human services for the state mental health institutes, the following amount, or so much thereof as is necessary, to be used for salaries and support for not more than one thousand one hundred ninety-one point sixteen full-time equivalent positions, maintenance, and miscellaneous purposes:

	\$ 38,153,000
	<u>38,353,000</u>

The state mental health institutes may exceed the specified number of full-time equivalent positions if the additional positions are specifically related to licensing, certification, or accreditation standards, or citations. The department shall notify the legislative fiscal bureau if the specified number is exceeded. The notification shall include an estimate of the number of full-time equivalent positions added and the fiscal effect of the addition.

Sec. 9. 1988 Iowa Acts, chapter 1276, section 17, unnumbered paragraph 1, is amended to read as follows:

There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1988, and ending June 30, 1989, to the department of human services the following amount, or so much thereof as is necessary, to be used for supplemental payments of child care costs:

	\$ 3,500,000
	<u>2,100,000</u>

Sec. 10. 1988 Iowa Acts, chapter 1276, section 21, unnumbered paragraph 1, is amended to read as follows:

There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1988, and ending June 30, 1989, to the department of human services, the following amount, or so much thereof as is necessary, to be used beginning on or before October 1, 1988, for supplemental payments of the child care costs of persons who qualify for transitional child care assistance for a period of twelve months due to a loss of eligibility for assistance under chapter 239 because of an increase in earned income:

	\$ 2,100,000
	<u>500,000</u>

\*Sec. 11. *There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:*

\*Item veto; see message at end of the Act

*For start-up costs associated with the development of juvenile emergency shelters and group homes for the placement of juveniles who have a high risk of the commission of a crime or a delinquent act and who need placement out-of-home and need specialized programs such as substance abuse or education programs:*

..... \$ 1,000,000

*The provisions of section 8.33 do not apply to the funds appropriated in this section. The unobligated and unencumbered funds remaining on March 30, 1990, from the funds appropriated in this section shall revert to the general fund of the state on March 30, 1990.\**

IOWA DEPARTMENT OF PUBLIC HEALTH

Sec. 12. 1988 Iowa Acts, chapter 1277, section 6, is amended to read as follows:

SEC. 6. There is appropriated from the separate fund created under section 321J.17 to the family and community health division of the Iowa department of public health for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the amount of ~~seventy-six thousand (76,000)~~ one hundred two thousand dollars, or so much thereof as is necessary, to pay the costs of medical examinations in crimes of sexual abuse and of treatments for prevention of venereal disease as required by section 709.10.

DEPARTMENT OF CORRECTIONS

Sec. 13. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

1. For capital and major maintenance projects at correctional institutions:

..... \$ 5,000,000

Notwithstanding section 8.39, funds appropriated in this section shall be used for the purposes designated and are not subject to transfer.

*\*The provisions of section 8.33 do not apply to the funds appropriated in this section. The unobligated and unencumbered funds remaining on March 30, 1990, from the funds appropriated in this section for the fiscal year beginning July 1, 1988, shall revert to the general fund of the state on March 30, 1990.\**

2. The department of corrections shall expend the funds appropriated in this section in the following priority at the following named facilities for the capital and major maintenance projects designated:

a. CAPITALS:

FACILITY	PROJECT
(1) Oakdale	Sprinkler system
(2) Mitchellville	Water main
(3) Fort Madison	Farm #1 water system
(4) Mount Pleasant	Water system
(5) Anamosa	Fire alarm system
* (6) Luster Heights	<i>For repairs/upgrade of a sewer lagoon, materials for construction of an industries program building, remodeling/rewiring original dorm, and kitchen sanitation equipment</i>
(7) Fort Madison	Water main system
(8) Mount Pleasant	Sewer update
(9) All facilities	Asbestos removal
(10) Newton	Security monitoring
(11) Mitchellville	City water hook-up
(12) Rockwell City	Individual heating and hot water

\*Item veto: see message at end of the Act

- (13) Fort Madison Water main replacement
- (14) Mitchellville Emergency generator
- (15) Mount Pleasant Switchgear and transformers
- (16) Mitchellville Freezer
- (17) Anamosa Sign shop addition
- (18) Fort Madison Fire alarm extension
- (19) Rockwell City Surface perimeter road
- (20) Fort Madison Alarm system  
(John Bennett)
- (21) Oakdale Water treatment building
- (22) Rockwell City Electrical distribution and rewiring and connection to the city sewer system

b. MAJOR MAINTENANCE:

<i>FACILITY</i>	<i>PROJECT</i>
(1) Fort Madison	Perimeter tuckpoint
(2) Anamosa	Fire escapes
(3) Oakdale	Kitchen ventilation
(4) Mount Pleasant	Boom truck
(5) Newton	Roof repair — dorms
(6) Rockwell City	Replace slate roof
(7) Mitchellville	Rework fire alarm
(8) Clarinda	Water main loop
(9) Fort Madison	Tuckpoint CH 18 and 19
(10) Anamosa	Fire doors CH 3
(11) Oakdale	Precast panel repair
(12) Mount Pleasant	Radio conversion
(13) Newton	Lock system for dorm
(14) Rockwell City	Lock system for dorm
(15) Mitchellville	Replace locks
(16) Clarinda	Tuckpointing*

Sec. 14. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For salaries for correctional officers:

..... \$ 82,086

a. As a condition, limitation, qualification of the appropriation made in this subsection, \$7,711 shall be used to employ two additional correctional officers at the Ft. Madison correctional facility, \$23,693 shall be used to employ five additional correctional officers and one additional correctional counselor at the Anamosa correctional facility, \$4,415 shall be used to employ one additional correctional counselor at the Oakdale correctional facility, \$3,856 shall be used to employ one additional correctional officer at the Newton correctional facility, \$7,711 shall be used to employ an additional two correctional officers at the Mt. Pleasant correctional facility, \$7,711 shall be used to employ two additional correctional officers at the Clarinda correctional facility, \$19,278 shall be used to employ five additional correctional officers at the Mitchellville correctional facility, and \$7,711 shall be used to employ two additional correctional officers at the Rockwell City correctional facility.

b. Notwithstanding section 8.39, funds appropriated in this subsection shall be used for the salaries of those correctional officers employed pursuant to paragraph "a" and the funds are not subject to transfer between correctional facilities.

2. For support and miscellaneous purposes of the correctional facilities:

..... \$ 673,102

\*Item veto; see message at end of the Act

Sec. 15. There is appropriated from the general fund of the state to the department of corrections for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amounts, or so much thereof as is necessary, to be allocated as follows:

- 1. For the second judicial district department of correctional services, the following amount, or so much thereof as is necessary, to be used for the OWI program:  
 ..... \$ 14,888
- 2. For the third judicial district department of correctional services, the following amount, or so much thereof as is necessary, to be used for the OWI program:  
 ..... \$ 7,000
- 3. For the sixth judicial district department of correctional services, the following amount, or so much thereof as is necessary, to be used for the OWI program:  
 ..... \$ 15,280

JUDICIAL DEPARTMENT

Sec. 16. There is appropriated from the general fund of the state to the judicial department for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. For adult indigent defense costs:  
 ..... \$ 1,523,710
- 2. For juvenile indigent defense costs:  
 ..... \$ 884,089
- \*3. *To automate child support collections, including not more than the following full-time equivalent positions:*  
 ..... \$ 1,800,000  
 ..... FTEs 35.37

*Notwithstanding section 8.39, funds appropriated in subsection 3 of this section shall be used for the purposes designated and are not subject to transfer.\**

The provisions of section 8.33 do not apply to the funds appropriated in this section. The unobligated and unencumbered funds remaining on March 30, 1990, from the funds appropriated in this section for the fiscal year beginning July 1, 1988, shall revert to the general fund of the state on March 30, 1990.

Sec. 17. There is appropriated from the general fund of the state to the judicial department for the fiscal period beginning July 1, 1988, and ending March 30, 1990, the following amounts, or so much thereof as is necessary for the purposes designated:

- For the development of a computer system for the state's judicial system:  
 ..... \$ 3,400,000

The provisions of section 8.33 do not apply to the funds appropriated in this section. The unobligated and unencumbered funds remaining on March 30, 1990, from the funds appropriated in this section shall revert to the general fund of the state on March 30, 1990.

*\*Sec. 18. Notwithstanding any other provision of law, the department of inspections and appeals shall pay any claims for indigent defense and juvenile defense remaining unpaid at the close of fiscal year 1989 from funds appropriated to the department for fiscal year 1990.\**

STATE BOARD OF REGENTS

Sec. 19. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. For completion of power plant replacement at the university of northern Iowa:  
 ..... \$ 1,100,000
- \*2. *For business school equipment for the university of northern Iowa:*  
 ..... \$ 1,000,000
- 3. *For asbestos removal at the school for the deaf:*  
 ..... \$ 25,000

\*Item veto; see message at end of the Act

4. For remodeling McLean hall at the university of Iowa:	\$ 1,275,000
5. For agronomy equipment at Iowa state university of science and technology:	\$ 1,000,000*
6. For fire and environmental safety improvements at the regents' institutions:	
a. At the university of Iowa:	\$ 500,000
b. At the Iowa state university of science and technology:	\$ 500,000
c. At the university of northern Iowa:	\$ 250,000

Notwithstanding section 8.39, funds appropriated in this section shall be used for the purposes designated and are not subject to transfer.

The provisions of section 8.33 do not apply to the funds appropriated in this section. The unobligated and unencumbered funds remaining on March 30, 1990, from the funds appropriated in this section for the fiscal year beginning July 1, 1988, shall revert to the general fund of the state on March 30, 1990.

COLLEGE AID COMMISSION

Sec. 20. 1988 Iowa Acts, chapter 1284, section 9, is amended to read as follows:

SEC. 9. There is appropriated from the general fund of the state to the college aid commission for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as may be necessary, to be used by the following agency for the purposes designated:

COLLEGE AID COMMISSION

For salaries and support for not more than five point ~~thirty two~~ eighty four full-time equivalent positions, maintenance, and miscellaneous purposes:

.....	\$ 279,251
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It is the intent of the general assembly that as a condition, limitation, and qualification of the appropriation in this section, the college aid commission shall expend moneys for the occupational therapist loan repayment program established in section 261.46.

Sec. 21. 1988 Iowa Acts, chapter 1284, section 11, is amended to read as follows:

SEC. 11. There is appropriated from the guaranteed student loan reserve fund to the college aid commission for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amounts, or so much thereof as may be necessary, to be used for the funding of the following programs for the guaranteed student loan program:

1. OPERATING COSTS

For operating costs, including salaries and support for not more than ~~twenty six point eighty~~ twenty eight point three full-time equivalent positions:

.....	\$ 2,202,606
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2. LOAN CONSOLIDATION SERVICES

For loan consolidation services:

.....	\$ 200,000
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\*DEPARTMENT OF CULTURAL AFFAIRS

Sec. 22. There is appropriated from the general fund of the state to the library division of the department of cultural affairs for the fiscal biennium beginning July 1, 1988, and ending June 30, 1990, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

To prepare for the White House conference on library and information services for the period September 1, 1989, through September 1, 1991:

.....	\$ 30,000*
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\*Item veto; see message at end of the Act

\*Sec. 23. There is appropriated from the general fund of the state to the department of cultural affairs for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the replacement of the old IPBN channel 12 transmitter:

..... \$ 500,000

Notwithstanding section 8.39, funds appropriated under this section shall only be used for the purposes designated and are not subject to transfer.

Notwithstanding section 8.33, unobligated and unencumbered funds from moneys appropriated in this section remaining on June 30, 1989, shall not revert to the general fund of the state but shall remain available for expenditure during the fiscal year beginning July 1, 1989, for the same purpose.\*

IOWA STATE FAIR AUTHORITY

Sec. 24. There is appropriated from the general fund of the state to the Iowa state fair authority for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the repair of the livestock pavillion, the grandstand, the varied industries building, and the east brick entrance of the horse barn:

..... \$ 1,000,000

Notwithstanding section 8.39, funds appropriated in this section shall be used for the purposes designated and are not subject to transfer.

Unencumbered or unobligated funds remaining on March 30, 1990, from funds appropriated for the fiscal year beginning July 1, 1988, shall revert to the general fund on March 30, 1990.

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

\*Sec. 25. 1988 Iowa Acts, chapter 1272, section 1, subsection 1, paragraph a, is amended to read as follows:

a. From the general fund for salaries, support, maintenance, and miscellaneous purposes:

..... \$ 968,311  
984,511\*

\*Sec. 26. 1988 Iowa Acts, chapter 1272, section 1, subsection 1, is amended by adding the following new paragraph:

NEW PARAGRAPH i. Of the amount appropriated from the general fund of the state under paragraph "a" of this subsection, sixteen thousand two hundred dollars shall be allocated for the purchase of a videotape editing console, desktop publishing system, and audio/video recording equipment.\*

Sec. 27. 1988 Iowa Acts, chapter 1272, section 1, subsection 2, paragraph a, is amended to read as follows:

a. From the general fund for salaries and support, for not more than twenty-three full-time equivalent positions, maintenance, and miscellaneous purposes:

..... \$ 985,270  
899,770

The general assembly finds it necessary to reduce the appropriation made by this subsection due to the vacant positions and underexpenditures in the international trade bureau.

Sec. 28. 1988 Iowa Acts, chapter 1272, section 1, subsection 4, paragraph a, is amended to read as follows:

a. From the general fund of the state for salaries and support for not more than one hundred forty-nine point twenty full-time equivalent positions, maintenance, and miscellaneous purposes:

..... \$ 3,910,737  
4,036,937

Sec. 29. 1988 Iowa Acts, chapter 1272, section 1, subsection 4, is amended by adding the following new paragraph:

NEW PARAGRAPH d. Of the amount appropriated from the general fund of the state under paragraph "a" of this subsection, one hundred twenty-six thousand two hundred dollars shall

\*Item veto; see message at end of the Act

be allocated as follows: four thousand two hundred dollars to the grain warehouse bureau for a deep grain probe; \*six thousand dollars to the veterinary medical examiners board for computer equipment;\* twelve thousand dollars to the meat and poultry bureau for computer equipment; \*fifteen thousand dollars to the brand registration unit for computer equipment;\* and eighty-nine thousand dollars to the regulatory division vehicle depreciation fund for the purchase of a large-scale testing unit.

\*Sec. 30. 1988 Iowa Acts, chapter 1272, section 1, subsection 5, paragraph a, is amended to read as follows:

a. From the general fund for salaries, support, maintenance, and miscellaneous purposes:
..... \$ 596,283
617,383\*

\*Sec. 31. 1988 Iowa Acts, chapter 1272, section 1, subsection 5, is amended by adding the following new paragraph:

NEW PARAGRAPH f. Of the amount appropriated from the general fund of the state under paragraph "a" of this subsection, twenty-one thousand one hundred dollars shall be allocated as follows: fourteen thousand seven hundred dollars to the seed and entomology bureau for computer equipment, and six thousand four hundred dollars for the United States department of agriculture certification training for four agricultural products inspectors.\*

Sec. 32. Notwithstanding section 8.33, unencumbered and unobligated funds remaining from the appropriations made in sections 25 through 31 of this Act shall not revert to the general fund of the state until September 30, 1989.

DEPARTMENT OF NATURAL RESOURCES

Sec. 33. 1988 Iowa Acts, chapter 1272, section 5, subsection 4, is amended to read as follows:

4. For the payment of assessments to the midwest interstate low-level radioactive waste compact:
..... \$ 78,000
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Sec. 34. 1988 Iowa Acts, chapter 1281, section 6, is amended to read as follows:

SEC. 6. 1987 Iowa Acts, chapter 230, section 8, is amended to read as follows:

SEC. 8. 1986 Iowa Acts, chapter 1249, section 4, unnumbered paragraph 1, is amended to read as follows:

There is appropriated from the funds available in the energy conservation trust, established in section 93.11, for the fiscal period beginning July 1, 1986, and ending June 30, 1989 1990, to the energy and geological resources division of the department of natural resources for disbursement under section 93.11, the following amounts, or so much thereof as is necessary, to be used for the purposes designated consistent with the expressed legislative intent of this Act:

Sec. 35. There is appropriated from the general fund of the state to the Iowa resources enhancement and protection fund for fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount to be used for the purposes of the fund, if the fund is created by enactment of the Seventy-third General Assembly:

..... \$ 5,000,000

DEPARTMENT OF PUBLIC DEFENSE

Sec. 36. There is appropriated from the general fund of the state to the department of public defense for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

- 1. For construction of the Algona armory:
..... \$ 396,000
2. For construction of the Centerville armory:
..... \$ 438,000

\*Item veto; see message at end of the Act

- 3. For construction of the Denison armory:
  - ..... \$ 460,000
- 4. For planning of the Camp Dodge armory:
  - ..... \$ 100,000

As a condition, limitation, and qualification of the appropriations made under this section, the amounts appropriated should be used to match federal funds.

Notwithstanding section 8.39, funds appropriated in this section shall be used for the purposes designated and are not subject to transfer.

The provisions of section 8.33 do not apply to the funds appropriated in this section. The unobligated and unencumbered funds remaining on March 30, 1991, from the funds appropriated in this section for the fiscal year beginning July 1, 1988, shall revert to the general fund of the state on March 30, 1991.

**\*STATE DEPARTMENT OF TRANSPORTATION**

*Sec. 37. There is appropriated from the general fund of the state to the state department of transportation for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the purposes designated:*

- For essential air service airport terminal improvements:*
  - ..... \$ 500,000

*In selecting projects, the state department of transportation shall give preference to projects that will assist in maintaining and attracting air service. The state department of transportation shall provide funding for as many essential air service communities as possible based on merit and need. Priority shall be given to those airports with projects closest to completion. Those airports that use moneys from this program must complete their projects in the fiscal year beginning July 1, 1989. The state department of transportation shall notify essential air service airports of this program and make tentative selection of projects forty-five days from the effective date of this Act.*

*Notwithstanding section 8.33, unobligated and unencumbered funds remaining on November 30, 1989, from the funds appropriated in this section for the fiscal year beginning July 1, 1988, shall revert to the general fund of the state on November 30, 1989.\**

**DEPARTMENT OF GENERAL SERVICES**

*Sec. 38. There is appropriated from the general fund of the state to the department of general services for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the purposes designated:*

- For capitol restoration, \*expanded capitol complex space for legislative staff, public meeting rooms, and related legislative purposes, not to include office space for legislators outside of the capitol building, as directed by the legislative council, capitol expansion design, design of a parking ramp in the vicinity of the old historical building, and design of a parking ramp including an office floor located at Penn and Grand.\**
  - ..... \$ 7,970,000

*\*As a condition, limitation, and qualification of the appropriation in this section not more than nine hundred seventy thousand dollars shall be used for the design and purchase of property for a parking ramp located at Penn and Grand.*

*As a condition, limitation, and qualification of the appropriation in this section not more than five hundred thousand dollars shall be used for design of a parking ramp located in the vicinity of the old historical building.\**

As a condition, limitation, and qualification of the appropriation in this section not more than five million five hundred thousand dollars shall be used for capitol restoration. Of the amount of the appropriation used for capitol restoration, the department may use up to \$750,000 to replace transformers in the capitol building.

Notwithstanding section 8.39, funds appropriated in this section shall be used for the purposes designated and are not subject to transfer.

\*Item veto; see message at end of the Act

*\*The provisions of section 8.33 do not apply to the funds appropriated in this section. The unobligated and unencumbered funds remaining on June 30, 1990, from the funds appropriated in this section for the fiscal year beginning July 1, 1988, shall revert to the general fund of the state on September 30, 1990.\**

Sec. 39. There is appropriated from the general fund of the state to the department of general services for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For utility and maintenance costs:

..... \$ 200,000

Notwithstanding section 8.39, funds appropriated under this section shall only be used for the purposes designated and are not subject to transfer.

**\*DEPARTMENT OF PERSONNEL**

Sec. 40. There is appropriated from the general fund of the state to the department of personnel for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For site purchase, planning, design, and site preparation to establish a child care center at the capitol complex:

..... \$ 300,000

1. The department of personnel shall survey the state employees located at the capitol complex to determine interest in on-site child day care services. The survey shall include but is not limited to an assessment of all of the following items:

- a. The number and ages of children of employees who express an intent to utilize a child care center established at the capitol complex.
- b. The time of day during which child day care services are desired.
- c. The work location of interested employees.
- d. The potential impact of establishing child day care services at the capitol complex upon private child day care providers.

2. By October 1, 1989, the department shall report the results of the child day care survey to the state employees child care council which is created in the department of personnel. The council shall determine the level of need for a capitol complex child care center and shall monitor the planning to establish a child care center in the capitol complex. The membership of the council shall include representatives of each of the unions representing state employees and the directors of the following departments or the directors' designees: the department of general services, the department of personnel, the department of human services, the state department of transportation, and the Iowa department of public health. The council shall determine its own operating procedures.

3. If the survey of capitol complex employees identifies an intent for twenty or more children to utilize child day care services, the department of personnel shall commence efforts to establish a child care center at the capitol complex, including commencement of the transfer of moneys appropriated in this section to the department of general services in an amount sufficient to purchase and prepare a site, develop a design, and plan for the establishment of a child care center located within the capitol complex with sufficient capacity for the number of children to be provided day care services as determined by the state employees child care council.

4. Unencumbered or unobligated funds remaining from the appropriation made by this section on June 30, 1990, shall revert to the general fund of the state on September 30, 1990.\*

**\*DEPARTMENT OF HUMAN SERVICES**

Sec. 41. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For outreach, recruitment, and training of new child day care providers:

..... \$ 200,000

\*Item veto; see message at end of the Act

1. Of the funds appropriated in this section up to \$25,000 may be used to develop and distribute start-up kits for establishing child day care services. The use of the remaining funds shall include the recruitment of new child day care providers and the training of family and group day care home providers and of child care center administrators and other staff.

2. Notwithstanding section 8.33, unencumbered or unobligated funds remaining from the appropriation made by this section shall not revert to the general fund until September 30, 1990.\*

COUNCIL OF STATE GOVERNMENTS

Sec. 42. There is appropriated from the general fund of the state to the council of state governments for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the continuation of the state and local legal center:

..... \$ 50,000

Sec. 43. Notwithstanding any other provision of law, the director of the department of management shall reduce the monthly installments as outlined in section 262.28 for the fiscal year beginning July 1, 1988, and ending June 30, 1989, for the transfer of funds made under section 11.5A.

\*IOWA FINANCE AUTHORITY

Sec. 44.

1. There is appropriated from the general fund of the state to the housing trust fund created pursuant to section 220.100, subsection 1, for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the programs established in section 220.100, subsection 2:

..... \$ 3,000,000

2. As nearly as practicable, of the moneys appropriated in subsection 1, the Iowa finance authority should allocate ten percent for the homeless grant program under section 220.100, subsection 2, paragraph "a"; twenty percent for the home maintenance and repair program under section 220.100, subsection 2, paragraph "b"; thirty-five percent for the rental rehabilitation program under section 220.100, subsection 2, paragraph "c"; and thirty-five percent for the home ownership incentive program under section 220.100, subsection 2, paragraph "d". After February 1, 1990, moneys allocated to a program under section 220.100, subsection 2, may be reallocated by the authority to another program under that subsection if the other program has more need. In providing funds under the home maintenance and repair program and the home ownership incentive program, the authority shall, to the extent feasible, make funds available under the programs for purposes of pilot projects for sweat-equity housing cooperatives.

3. Of the moneys appropriated in subsection 1 that are allocated to the homeless grant program, up to thirty percent may be used for grants for operating costs of homeless shelters.

4. As nearly as practicable, of the moneys appropriated in subsection 1 that are allocated to the home maintenance and repair program, the rental rehabilitation program, and the home ownership incentive program, twenty-five percent from each program should be used to assist very low-income families and seventy-five percent from each program should be used to assist lower income families.

5. The assistance provided by the authority under the home ownership incentive program shall include, but not be limited to, the following kinds:

- a. Closing costs assistance.
- b. Down payment assistance.
- c. Home maintenance and repair assistance.

\*Item veto; see message at end of the Act

d. Loan processing assistance through a loan endorser review contractor who would act on behalf of the authority in assisting lenders in processing loans that will qualify for government insurance or guarantee or for financing under the authority's mortgage revenue bond program.

e. Mortgage insurance program.

Not more than fifty percent of the assistance provided by the authority under the home ownership incentive program shall be provided under paragraphs "d" and "e".

6. Assistance provided under the home ownership incentive program shall be limited to mortgages under thirty-five thousand dollars, except in those areas of the state where the median price of homes exceeds the state average. In providing the assistance under the home ownership incentive program, the authority shall require substantial seller participation of not less than two percent of the mortgage amount, which participation includes, but is not limited to, home ownership maintenance funding, down payment assistance, payment of closing costs, or rehabilitation costs.

7. The authority, in conjunction with the department of economic development, shall work with the private sector to set up workshops to educate housing sponsors on the housing programs available and to assist housing sponsors in the application process.

Notwithstanding section 8.33, unencumbered or unobligated funds remaining in the housing trust fund on June 30, 1989, shall not revert to the general fund of the state but shall remain in the housing trust fund and be used for the programs as provided in this section.\*

Sec. 45. There is appropriated from the general fund of the state to the revolving fund created pursuant to section 15.287, for the fiscal year beginning July 1, 1988, and ending June 30, 1989, the following amount, or so much thereof as is necessary, to be used for the purposes for which moneys in the fund may be used:

..... \$ 5,000,000

The moneys appropriated in this section to the revolving fund, which are allocated under the program to the traditional and new infrastructure categories, shall be used exclusively for assistance to political subdivisions to meet the water needs of those political subdivisions that have suffered as a result of the drought conditions that have existed during the past two years. A political subdivision may apply for assistance under the program on behalf of a benefited water district formed under chapter 357 or on behalf of a rural water district incorporated and organized under chapter 357A. Assistance shall only be available to those political subdivisions which demonstrate a substantial local effort to assist in community development as defined by rules of the department of economic development. Awards of these funds shall be made only to those applicants who include a plan to educate the users on methods to reduce per capita consumption of water by ten percent.

Sec. 46. Section 455G.9, subsection 1, paragraph a, subparagraph (1), subparagraph subdivision (c), as enacted by 1989 Iowa Acts, House File 447, is amended to read as follows:

(c) The owner or operator applying for coverage shall not have claimed bankruptcy any time on or after ~~April 1, 1988~~ July 1, 1987.

Sec. 47. This Act, being deemed of immediate importance, is effective upon enactment.

*Approved May 2, 1989, except the items which I hereby disapprove and which are designated as section 6, subsection 5, subparagraphs r through ab; section 6, subsection 6 in its entirety; section 6, subsection 7, subparagraphs b through w; section 6, subsection 10 in its entirety; section 11 in its entirety; section 13, subsection 1, unnumbered paragraph 2; section 13, subsection 2, subparagraph a, subsubparagraphs 6 through 22; and section 13, subsection 2, subparagraph b in its entirety; section 16, subsection 3 and unnumbered paragraph 1 in its entirety; section 18 in its entirety; section 19, subsections 2, 3, 4, and 5 in their entirety; sections 22 and 23 in their entirety; sections 25 and 26 in their entirety; that portion of section 29 which is herein bracketed in ink and initialed by me; and sections 30, 31, and 37 in their entirety; that portion of section 38, unnumbered paragraph 2, which is herein bracketed in ink and*

\*Item veto; see message at end of the Act

*initialed by me, and unnumbered paragraphs 3, 4, and 7; and sections 40 and 41 in their entirety; and section 44 in its entirety. My reasons for vetoing these items are delineated in the item veto message pertaining to this Act to the president of the senate this same date a copy of which is attached hereto.*

TERRY E. BRANSTAD, *Governor*

Dear Madam President:

I hereby transmit Senate File 363, an Act relating to and making supplemental appropriations to the auditor of state, department of general services, department of human services, college aid commission, state board of regents, Iowa department of public health, department of commerce, department of corrections, judicial department, department of cultural affairs, Iowa state fair authority, department of agriculture and land stewardship, department of natural resources, department of public defense, state department of transportation, department of personnel, Iowa finance authority, and council of state governments for the remainder of the fiscal year ending June 30, 1989, and providing an effective date.

Senate File 363 appropriates \$50.4 million in state general fund money in this fiscal year — which ends in just two months. While many of the projects included in Senate File 363 are worthy and deserve consideration for future funding, I object strongly to the basis upon which this spending bill was passed.

Many of the programs receiving appropriations would not even begin until next fiscal year, a fact recognized repeatedly by the anti-reversion clauses included throughout the bill. This reverse deficit spending is a bad budgeting and accounting practice. And the result is equally bad; income taxpayers would fail to get some tax relief.

Let me explain. Flush with state revenues growing greater than had been anticipated in December, the General Assembly went on a \$50 million April spending binge, leaving the state taxpayers with a \$9 million hangover next year. By spending so much money yet this fiscal year the state would almost certainly fail to reach a \$60 million ending balance on June 30. In fact, current estimates place the ending balance at \$41 million. The result: many state income taxpayers will be kicked into higher income tax rates costing them a total of \$9 million next tax year. Why? Because a \$60 million ending balance is required by law before indexing of income tax rates takes place. Iowa's income taxes are high enough the way it is; we don't need to make them any higher through a spending sleight of hand.

We ought to go through with indexing income tax rates as planned. To do so would provide six times as much tax relief to low income Iowans as those in the upper income levels. Therefore, I reject notions that indexing somehow favors the wealthy — it is, in fact, fair and progressive.

It is for that reason that I am required to veto approximately \$20.5 million in spending from Senate File 363. I have been assured by our state budget officials that based on current revenue estimates vetoing this amount of spending should be sufficient to ensure a \$60 million balance at the end of this fiscal year.

I am willing to consider in future fiscal years many of the appropriation items I am required to veto, but I am not willing to obligate spending to force a tax increase on Iowa income taxpayers.

Senate File 363 is, therefore, approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the item designated as Section 6, subsection 5, subparagraphs r through ab. This part of Senate File 363 appropriates \$1 million to the Department of Human Services for major maintenance projects at the various institutions. I have authorized sufficient projects to spend up to \$517,000 to address the highest priorities of the department for major maintenance at the institutions; further appropriations for this purpose can be considered in appropriate fiscal years.

I am unable to approve the item designated as Section 6, subsection 6 in its entirety. This provision provides an additional \$1.7 million in spending for major maintenance projects at the mental health institutes and hospital schools. The \$517,000 approved in subsection 5 will provide funds for the most serious of these problems; the needs identified in subsection 6 can be better addressed in future fiscal years.

I am unable to approve the item designated as Section 6, subsection 7, subparagraphs b through w. This action will provide the Department of Human Services with \$600,000 to remodel the student housing building at the Eldora Training School which is in desperate need of such renovation. I recommended financing for this project in the lottery, but I am willing to accept this method of funding. The remaining capital improvement items included in subsection 7 can be more appropriately addressed in a future fiscal year.

I am unable to approve the item designated as Section 6, subsection 10 in its entirety. This section of the bill prevents a reversion of unspent funds until March 30 of 1990. Such unspent funds should revert by June 30 of this year in order to ensure a \$60 million ending balance. If this section were not item vetoed, all of the projects in these sections would have to be vetoed to assure indexation will occur.

The approved portions of Section 6 will provide DHS with a total of \$1.1 million to address some of the most critical major maintenance and capital needs. The remaining portion of the lump sum appropriations will remain unspent, consistent with the Brady Rule which was recognized by the Iowa Attorney General's Office Op. Att'y. Gen. No. 87-6-4 (June 26, 1987) and the Iowa Supreme Court Welden v. Ray, 229 N.W.2d 706, 714 (Iowa 1975).

I am unable to approve the item designated as Section 11 in its entirety. This section provides \$1 million of new money to set up emergency juvenile shelters throughout the state. This would appear to be an ongoing commitment of state funds for this purpose; it is inappropriate to start this new program in a supplemental bill with full recognition that the funds would not be able to be spent this fiscal year. Emergency juvenile shelters are a serious problem and can be addressed by the legislature in a more appropriate fiscal year.

I am unable to approve the item designated as Section 13, subsection 1, unnumbered paragraph 2; and Section 13, subsection 2, subparagraph a, subsubparagraphs 6 through 22; and Section 13, subsection 2, subparagraph b, in its entirety. The effect of this item veto will be to provide the Department of Corrections with \$1.1 million for essential major maintenance and capital projects. While the department clearly has a significant need for major maintenance and capital renovation, the majority of these funds would not be able to be spent in Fiscal Year 1989 anyway and should be considered in a future fiscal year.

Moreover, some of the essential capital renovation needs in the institutions can be accomplished by adoption of my recommendations to add additional secure prison beds which are critically needed to protect the public safety.

I am unable to approve the item designated as Section 16, subsection 3 and unnumbered paragraph 1 in its entirety. This provision of Senate File 363 provides \$1.8 million to the judicial system to automate child support collections. At the present time, the Department of Human Services has a fully computerized child support collection system operating in an acceptable way. However, legislation passed last year requires that child support collections be transferred to the Judicial Department in the coming fiscal year. It would be far wiser for the Department of Human Services and the Judicial Department to work out a transfer of the automated system established at the Department of Human Services for the AFDC cases. To do so would save the state at least \$1.8 million and could also avoid jeopardizing approximately \$3 million in federal support.

I am unable to approve the item designated as Section 18 in its entirety. This provision of the bill could add to the state's generally accepted accounting principles (GAAP) deficit. Section 18 requires that certain excessive obligations of the state for Fiscal Year 1989 be paid for by the state in Fiscal Year 1990. Pushing such obligations off at the same time the legislature is spending an additional \$50 million of state funds in Fiscal Year 1989 to avoid state income tax indexing is uncalled for and cannot be supported. If additional funds are needed to pay indigent defense claims, appropriations transfers or adjustments should be sought.

I am unable to approve the item designated as Section 19, subsections 2, 3, 4 and 5 in their entirety. This portion of Senate File 363 appropriates funds to the Regent institutions for various capital projects. I have recommended a number of these projects be funded as part of our contingency appropriations in Fiscal Year 1990 and continue to believe that they should be considered for such an appropriation.

I have approved subsection 1 of this section which will allow the University of Northern Iowa to complete its construction of a new boiler which was obligated last fiscal year and subsection 6 of this section to provide over \$1.2 million for essential fire and environmental safety improvements at the Regent institutions.

The other projects included for spending this year would not reasonably be obligated in Fiscal Year 1989 and should therefore be considered in a future fiscal year.

I am unable to approve the item designated as Sections 22 and 23 in their entirety. This portion of Senate File 363 provides funding to the Department of Cultural Affairs for a transmitter and a library conference. I question the need to appropriate \$30,000 of funds to prepare for a library conference; however, if such a need exists the appropriations should be made in the correct fiscal year. The transmitter could also be considered in a future fiscal year.

I am unable to approve that item designated as Sections 25 and 26 in their entirety; the portions of Section 29 so designated; and Sections 30 and 31 in their entirety.

These items provide additional money to the Department of Agriculture for various purposes. Funds for video equipment and desk top publishing computer equipment are vetoed from this bill. If the legislature wants to consider providing such equipment to the Department of Agriculture it should be considered in a future fiscal year.

I am unable to approve that item designated as Section 37 in its entirety. This section of the bill provides \$500,000 of general fund money for airport terminal improvements. This fiscal year \$250,000 of Road Use Tax Funds are already provided for such improvements. If the legislature wishes to start a new program providing general fund money for airport terminal improvements, it should be considered in a future fiscal year.

I am unable to approve the designated portion of Section 38, unnumbered paragraph 2, and unnumbered paragraphs 3, 4 and 7. This item in Senate File 363 provides \$7.9 million of funds to the Department of General Services for various capitol complex projects.

Specifically, \$5.5 million is provided to continue the restoration of the capitol building. Indeed, \$900,000 of those funds have already been obligated. And therefore, the \$5.5 million for the capitol building restoration is approved by my action. However, the \$2.4 million of funds appropriated to design a new legislative office building and to design two new parking ramps cannot be approved. Planning and design money for this purpose had been appropriated last year and these additional funds cannot be spent this fiscal year, in any event. Moreover, I cannot approve the construction of a new legislative office building and other facilities on the capitol complex at this time.

I am unable to approve the items designated as Sections 40 and 41 in their entirety.

These sections of Senate File 363 appropriate funds to the Department of Personnel and the Department of Human Services to construct a child care center on the capitol complex and to recruit child care providers. The state has, in the recently concluded collective bargaining negotiations, authorized pre-tax benefits for child care for all state employees. I believe that is the most appropriate way to give state employees who are parents of children a choice providing their children with appropriate care. Moreover, this appropriation and funds to recruit child care providers can be more appropriately considered in a future fiscal year.

I am unable to approve the item designated as Section 44 in its entirety.

This section of the bill appropriates \$3 million to the Iowa Finance Authority for various housing programs. I am generally supportive of these housing programs and have recommended their funding through lottery appropriations in Fiscal Year 1990. Indeed, the drafts of the lottery bill that my office is aware of have included substantial funds for these housing programs. In addition, Section 45 of this bill provides an additional \$1.5 million to the Iowa Finance Authority for housing purposes. In all, as much as \$5 million could be available to the Iowa Finance Authority for housing in Fiscal Year 1990 compared with \$1.5 million this year. As a result, the \$3 million appropriation provided for in this supplemental bill is not necessary at this time.

In short, Senate File 363 includes over \$50 million of additional spending this fiscal year. Much of this spending cannot be reasonably obligated or utilized during the two months that remain in our state fiscal year. However, the legislature clearly attempted to appropriate the funds at this time to ensure that the state's ending balance would fall below the \$60 million needed to trigger indexing of income tax rates. I cannot support that effort to increase income taxes for Iowans by approximately \$9 million for the next tax year.

I have, with these item vetoes, attempted to recognize some of the key priorities of this administration and the General Assembly. However, the \$20.4 million of spending which is eliminated from this bill is necessary in order to secure income tax indexing for the next year.

For the above reasons, I hereby respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 363 are hereby approved as of this date.

Sincerely,  
TERRY E. BRANSTAD, *Governor*