

**CHAPTER 311**

**APPROPRIATIONS AND AMENDMENTS RELATING TO AGRICULTURE AND NATURAL RESOURCES**

*H.F. 778*

**AN ACT** relating to and making appropriations to the department of agriculture and land stewardship, to the department of natural resources, to an environmental fund, providing for environmental protection, the acquisition and use of land, and the control of certain vegetation, providing for the repeal of fees, and providing effective dates.

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

Section 1. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP. There is appropriated from the general fund of the state and the trust funds indicated to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1989, and ending June 30, 1990, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATIVE DIVISION

a. From the general fund for salaries, support, maintenance, and miscellaneous purposes: \$ 1,191,977

b. From the fertilizer fund to be transferred to the administration division: \$ 51,100

c. From the dairy trade practice fund to be transferred to the administration division: \$ 93,003

d. From the commercial feed fund to be transferred to the administration division: \$ 51,100

e. The department of agriculture and land stewardship shall establish annual subscription fees for the regular and periodic publications of the department. Fees collected from subscribers shall be deposited in the general fund of the state.

f. Funds appropriated by this subsection are for the salaries and support of not more than the following full-time equivalent positions:

FTEs 43.24

g. As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "a" of this subsection, \$55,459 shall be allocated from the appropriation to reimburse the auditor of state for costs related to performing the annual audit of the department. However, if for the fiscal year beginning July 1, 1989, and ending June 30, 1990, the auditor of state is appropriated additional moneys from the general fund for reimbursement of costs related to performing the audit, the amount under this paragraph and paragraph "a" shall be reduced by the amount of the additional appropriation.

h. As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "a" of this subsection, \$50,000 shall be allocated from the appropriation to the statistics bureau for the purpose of conducting the horticultural census.

i. As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "a" of this subsection, \$50,000 shall be allocated from the appropriation to the state 4-H foundation to foster the development of Iowa's youth and to encourage them to study the subject of agriculture.

j. As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "a" of this subsection, \$16,200 shall be used by the administrative division for purposes of purchasing a videotape editing console, a desktop publishing system, and audio/video recording equipment.

2. FARM COMMODITY DIVISION

a. From the general fund for salaries, support, maintenance, miscellaneous purposes, and for the following full-time equivalent positions:

\$ 1,308,381  
FTEs 26.00

b. As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "a" of this subsection, \$346,379 shall be allocated from the appropriation to

the horticulture division for the continuation of the agricultural diversification program as enacted by 1986 Iowa Acts, chapter 1246, section 501, subsection 1, paragraph "e".

\*c. As a condition, limitation, and qualification of the appropriation from the general fund under this section, an amount of not more than \$50,000 that was appropriated by 1988 Iowa Acts, chapter 1272, section 1, to the farm commodity division for the year beginning July 1, 1988, and ending June 30, 1989, shall not revert to the general fund pursuant to section 8.33, but shall be available for expenditure in the fiscal year beginning July 1, 1989, and ending June 30, 1990. The amount shall be used by the department for the support of two information specialist positions within the administrative division.

d. As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "a" of this subsection, \$280,000 shall be used by the department of agriculture and land stewardship to establish and fund the position of agricultural trade specialist in each of the state's three foreign trade offices.\*

3. FARMERS' MARKET COUPON PROGRAM

From the general fund for salaries, support, maintenance, and miscellaneous purposes, to be used by the department to continue and expand the farmers' market coupon program by providing federal special supplemental food program recipients with coupons redeemable at farmers' markets, and for the following full-time equivalent positions:

.....	\$	198,333
.....	FTEs	2.50

4. REGULATORY DIVISION

a. From the general fund for salaries, support, maintenance, miscellaneous purposes, and for the following full-time equivalent positions:

.....	\$	4,062,648
.....	FTEs	149.20

b. As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "a" of this subsection, \$11,250 shall be allocated from the appropriation for the support of the assistant attorney general assigned to the grain warehouse bureau. However, if for the fiscal year beginning July 1, 1989, and ending June 30, 1990, the attorney general is appropriated moneys from the general fund for reimbursement of costs related to supporting the assistant attorney general the amount under this paragraph and paragraph "a" shall be reduced by the amount of the additional appropriation.

As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "a" of this subsection, \$6,000 shall be used by the regulatory division for purchase of computer equipment for the veterinary medical examiners board, and \$15,000 shall be used for the purchase of computer equipment for the brand registration unit.

5. LABORATORY DIVISION

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

.....	\$	799,671
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b. From the commercial feed fund to be transferred to the laboratory division:

.....	\$	810,903
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c. From the pesticide fund to be transferred to the laboratory division:

.....	\$	756,802
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d. From the fertilizer fund to be transferred to the laboratory division:

.....	\$	802,871
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e. As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "a" of this subsection, \$150,000 shall be allocated from the appropriation for the training of commercial pesticide applicators.

As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "a" of this subsection, \$14,700 shall be used by the laboratory division for the purchase of computer equipment for the seed and entomology bureau, and \$6,400 shall be used for United States department certification training for four agriculture product inspectors.

f. Funds appropriated by this subsection are for the salaries and support of not more than the following full-time equivalent positions:

.....	FTEs	90.00
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\*Item veto; see message at end of the Act

6. SOIL CONSERVATION DIVISION

a. From the general fund for salaries, support, maintenance, assistance to soil conservation districts, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	4,742,210
.....	FTEs	175.78

b. As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "a" of this subsection, \$303,436 shall be allocated from the appropriation to be used to conduct soil surveys in conjunction with federal, state, and local agencies in Iowa.

c. As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "a" of this subsection, \$150,000 shall be allocated from the appropriation as follows: \$100,000 shall be used to support field office programs to develop long-range, natural resource management plans; and \$50,000 shall be used to support district commissioners if matched on a dollar-for-dollar basis by counties for the payment of meeting dues and travel for the district commissioners' staff.

d. To provide financial incentives for soil conservation practices in accordance with the provisions of paragraph "e" of this subsection:

.....	\$	6,789,972
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e. As a condition, limitation, and qualification of the appropriation from the general fund under paragraph "d" of this subsection, the following requirements apply to the funds appropriated by paragraph "d":

(1) Not more than five percent may be allocated for cost sharing to abate complaints filed under section 467A.47 and 467A.48.

(2) Not more than ten percent may be allocated for financial incentives not exceeding seventy-five percent of the approved cost of permanent soil conservation practices under chapter 467A on watersheds above publicly owned lakes in accordance with the priority list required in section 15 of this Act.

(3) The soil conservation district commissioners may allocate financial incentives not exceeding sixty percent of the cost of permanent soil conservation practices for special watershed practices or summer construction incentives under section 467A.7, subsections 17 and 19.

(4) Except for the allocations subject to subparagraphs (1), (2), and (3), these funds shall not be used alone or in combination with other public funds to provide a financial incentive payment greater than fifty percent of the approved cost for voluntary permanent soil conservation practices and priority shall be given to family-operated farms.

(5) The soil conservation committee may allocate funds to conduct research and demonstration projects to promote conservation tillage and nonpoint sources pollution control practices.

(6) Not more than thirty percent of a district's allocation may be allocated by the soil conservation district commissioners for the establishment of management practices to control soil erosion on land that is now row cropped.

(7) The financial incentive payments may be used in combination with department of natural resources funds.

f. The provisions of section 8.33 shall not apply to the funds appropriated by paragraph "d". Unencumbered or unobligated funds remaining on June 30, 1993, from funds appropriated for the fiscal year beginning July 1, 1989, shall revert to the general fund on September 30, 1993.

Sec. 2. There is appropriated from the funds available under section 99D.13 to the department of agriculture and land stewardship for the fiscal year beginning July 1, 1989, and ending June 30, 1990, the following amount, or so much thereof as necessary, to be used for the salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions for the administration of section 99D.22:

.....	\$	157,281
.....	FTEs	4.0

As a condition, limitation, and qualification of the appropriation under this section, \$39,748 shall be allocated from the appropriation for the salary and support of a livestock inspector.

*\*Sec. 3. The department shall not make transfers from the funds established in chapter 192A, 198, 200, or 206, to be used for purposes not authorized in those chapters without notifying the chairpersons and ranking members of the agriculture and natural resources appropriations subcommittee in writing prior to the proposed transfer of funds. The notice from the department shall include information concerning the amount of the proposed transfer, the funds affected by the proposed transfer, and the reasons for the proposed transfer. Chairpersons and ranking members notified shall be given at least two weeks to review and comment on the proposed transfer before the transfer of funds is made.\**

Sec. 4. For the fiscal year beginning July 1, 1988, and ending June 30, 1989, and for the fiscal year beginning July 1, 1989, and ending June 30, 1990, the increased fee revenues resulting to the fertilizer fund and to the pesticide fund during each fiscal year, from the increases in fees and expansion of coverage of fee requirements, are appropriated for that fiscal year to the department of agriculture and land stewardship for the administration and implementation of chapters 200 and 206, Code 1989.

Sec. 5. MULTIFLORA ROSE.

There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1989, and ending June 30, 1990, the following amount, or so much thereof as is necessary, to be used for purposes relating to the control or eradicating the multiflora rose:

..... \$ 62,400

1. As a condition, limitation, and qualification of the appropriation from the general fund under this section, \$37,400 from the appropriation shall be transferred to the state board of regents for the use of the department of plant pathology at Iowa state university of science and technology for purposes related to researching the multiflora rose virus.

2. a. As a condition, limitation, and qualification of the appropriation from the general fund under this section, \$25,000 shall be used from the appropriation by the department of agriculture and land stewardship for the purpose of partially reimbursing agricultural landowners or tenants for the cost of herbicide for controlling or eradicating the multiflora rose which has severely infested their agricultural land. Not more than five percent of the funds appropriated under this paragraph shall be used for administrative expenses.

b. A county board of supervisors desiring a share of the amount appropriated under paragraph "a" of this subsection shall, in conjunction with the county weed commissioner and the county soil conservation district commissioners, develop a plan to combat severe infestations of multiflora rose on privately owned land within the county. The plan shall be based upon partial reimbursement of individual landowner's costs for the purchase of herbicide from both state and county appropriations; however, the share of costs reimbursed by state funds shall not exceed one-fourth. The plan shall be submitted to the secretary of agriculture for approval or recommendations for modification.

c. A landowner or tenant whose agricultural land is severely infested by multiflora rose may apply to the soil conservation district commissioners of the county for partial reimbursement, according to the approved plan, for the cost of herbicide for controlling or eradicating the multiflora rose on the agricultural land. The county weed commissioner shall assist the soil conservation district commissioners in investigating the application and determining if the infestation is severe. The soil conservation district commissioners shall review and approve each application for partial cost reimbursement if the infestation is severe on the applicant's agricultural land. If the soil conservation district commissioners find the amount of reimbursement claimed to be excessive, the district commissioners may approve a lesser amount. The reasons for disapproval of an application or reduction of the amount of reimbursement shall be sent in writing to the applicant. The amount of reimbursement certified by the secretary shall be paid by warrant issued by the director of revenue and finance.

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

d. Federal lands and federal land tenants are not eligible for reimbursement under this subsection.

Sec. 6. DEPARTMENT OF NATURAL RESOURCES. There is appropriated from the general fund of the state to the department of natural resources for the fiscal year beginning July 1, 1989, and ending June 30, 1990, the following amounts, or so much thereof as may be necessary, to be used for the purposes designated:

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

.....	\$	12,850,534
.....	FTEs	973.10

*\*b. As a condition, limitation, and qualification of the appropriation under paragraph "a" of this subsection, \$30,000 shall be allocated from the appropriation for the position of environmental specialist II for the development of preserves management plans.\**

c. As a condition, limitation, and qualification of the appropriation under paragraph "a" of this subsection, \$78,000 shall be allocated from the appropriation for the purchase of materials including railroad ties, seed, stone, and other materials, for erosion control and repair of damaged trails in state parks.

d. As a condition, limitation, and qualification of the appropriation under paragraph "a" of this subsection, \$51,226 shall be allocated from the appropriation for general maintenance in state parks.

e. As a condition, limitation, and qualification of the appropriation under paragraph "a" of this subsection, \$30,000 shall be allocated for the purchase of computer equipment in forestry division field offices.

f. As a condition, limitation, and qualification of the appropriation under paragraph "a" of this subsection, \$50,000 shall be allocated from the appropriation for the salary and support of a forestry coordinator and the development of promotional materials for the forest renewal program.

g. As a condition, limitation, and qualification of the appropriation under paragraph "a" of this subsection, \$37,500 shall be allocated from the appropriation for the salary and support of an environmental engineer II to implement the state flood plain mapping program and other responsibilities as determined by the director.

h. As a condition, limitation, and qualification of the appropriation under paragraph "a" of this subsection, \$23,832 shall be allocated from the appropriation to reimburse the auditor of state for the cost of the annual audit of the department. However, if for the fiscal year beginning July 1, 1989, and ending June 30, 1990, the auditor of state is appropriated additional moneys from the general fund for reimbursement of costs related to performing the audit, the amount under this paragraph and paragraph "a" shall be reduced by the amount of the additional appropriation.

i. As a condition, limitation, and qualification of the appropriation under paragraph "a" of this subsection, not more than the following amounts from the appropriation shall be expended and not more than the following full-time equivalent positions shall be authorized for the purposes designated:

(1) Office of director	\$	59,817
.....	FTEs	5.95
(2) Administrative services division	\$	1,441,376
.....	FTEs	126.15
(3) Coordination and information division	\$	808,340
.....	FTEs	41.45
(4) Energy and geological resources division	\$	1,216,580
.....	FTEs	59.12

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

(5) Environmental protection division	\$	2,175,061
.....	FTEs	147.50
(6) Forests and forestry division	\$	1,441,438
.....	FTEs	54.64
(7) Parks and preserves division	\$	5,199,572
.....	FTEs	206.05

The amounts specified under this lettered paragraph do not include the amounts allocated in paragraphs "j" through "m" of this subsection.

If an amount is expended in excess of the amount designated for any purpose, including any division specified under this lettered paragraph, the department shall notify the legislative fiscal bureau, the chairpersons of the standing appropriations committees of the senate and house of representatives, and the chairpersons of the agriculture and natural resources appropriations subcommittee pursuant to section 8.39.

j. As a condition, limitation, and qualification of the appropriation under paragraph "a" of this subsection, \$250,000 shall be allocated from the appropriation to restore and repair the dam on the Cedar river in the city of Nashua.

k. As a condition, limitation, and qualification of the appropriation under paragraph "a" of this subsection, \$50,000 shall be allocated from the appropriation to contract for a study to investigate the feasibility of expanding and modernizing the public water supply system in Winterset, in order to increase the supply of water to serve the increasing demand of the city and to serve surrounding communities. The department shall report the findings and recommendations of the study to the governor and general assembly not later than February 1, 1990.

l. As a condition, limitation, and qualification of the appropriation under paragraph "a" of this subsection, \$50,000 shall be allocated from the appropriation to contract with an Iowa-based consulting firm to investigate the feasibility of creating a destination center at a public lake area not less than eleven thousand acres in size. The department shall report the findings and recommendations of the study to the governor and general assembly not later than February 1, 1990.

m. As a condition, limitation, and qualification of the appropriation under paragraph "a" of this subsection, \$300,000 shall be allocated from the appropriation for grants to counties for the purpose of conducting programs for properly closing abandoned rural water supply wells to supplement funds appropriated under section 455E.11, subsection 2, paragraph "b", subparagraph (3), subparagraph subdivision (b).

2. For reimbursement to federal agencies for cooperative contracts:

.....	\$	185,983
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3. For the green thumb program for the employment of the elderly in conservation and outdoor recreation related fields in coordination with other agencies as provided by law, and for not more than the following full-time equivalent positions:

.....	\$	200,000
.....	FTEs	18.68

4. For the salary and support for not more than the following full-time equivalent positions to maintain and manage the Loess Hills area as a state forest:

.....	\$	105,000
.....	FTEs	2.0

Sec. 7. There is appropriated from the state fish and game protection fund to the department of natural resources for the fiscal year beginning July 1, 1989, and ending June 30, 1990, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

**DIVISION OF FISH AND GAME**

1. From the state fish and game protection fund for salaries, support, maintenance, equipment, and miscellaneous purposes including not more than \$2,840,078 during the fiscal year beginning on July 1, 1989, and ending June 30, 1990, which shall be available from the state fish and game protection fund for administrative support:

.....	\$	16,425,088
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2. From the fees deposited under section 321G.7 to the fish and game protection fund for enforcement of snowmobile laws as part of the state snowmobile program:

..... \$ 150,000

3. From the fees deposited under section 106.52 to the fish and game protection fund for administration and enforcement of navigation laws and water safety:

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

4. As a condition, limitation, and qualification of the appropriations under this section, funds remaining in the fish and game protection fund during the fiscal year beginning July 1, 1989, which are not specifically appropriated by this section are appropriated and may be used for capital projects and contingencies arising during the fiscal year beginning July 1, 1989. A contingency shall not include any purpose or project which was presented to the general assembly by way of a bill or a proposed bill and which failed to be enacted into law. For the purpose of this subsection, a necessity of additional operating funds may be construed as a contingency. Before any of the funds authorized to be expended by this subsection are allocated for contingencies, it shall be determined by the executive council that a contingency exists and that the contingency was not existent while the general assembly was in session and that the proposed allocation shall be for the best interests of the state. If a contingency arises or could reasonably be foreseen during the time the general assembly is in session, expenditures for the contingency must be authorized by the general assembly.

Sec. 8. MARINE FUEL TAX FUND. There is appropriated from the marine fuel tax fund to the department of natural resources for the fiscal year beginning July 1, 1989, and ending June 30, 1990, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For maintenance and development of boating facilities and access to public waters:

..... \$ 400,000

2. For deposit in the state fish and game protection fund for the administration and enforcement of navigation laws and boat safety:

..... \$ 150,000

As a condition, limitation, and qualification of the appropriations made under this section, the balance of the amount computed as provided in section 324.84 for the fiscal year beginning July 1, 1989, and ending June 30, 1990, is appropriated for the purposes provided in section 324.79, subsections 1, 2, 3, and 5. The unencumbered or unobligated balances of funds specifically allocated for such projects for the fiscal year ending June 30, 1990, shall revert to the fund from which appropriated September 30, 1992.

Sec. 9. IOWA RESOURCES ENHANCEMENT AND PROTECTION FUND.

1. There is appropriated from the general fund of the state for the fiscal year beginning July 1, 1989, and ending June 30, 1990, to the Iowa resources enhancement and protection fund, the amount of \$2,000,000 to be used as provided in chapter 455A.

2. For each fiscal year of the fiscal period beginning July 1, 1990, and ending June 30, 2000, there is appropriated from the general fund, to the Iowa resources enhancement and protection fund, the amount of \$20,000,000 to be used as provided in chapter 455A.

Section 8.33 does not apply to moneys appropriated under this section. Notwithstanding section 453.7, interest or earnings on moneys appropriated under this section shall be credited to the Iowa resources enhancement and protection fund.

3. This section shall become effective only if House File 769 is enacted by the Seventy-third General Assembly, 1989 Session.

4. County boards of supervisors of Jones, Lyon, Jasper, or Buena Vista counties may each enter into an agreement with the department of natural resources to restore and repair low-head dams within their counties. The department shall use moneys appropriated to the county conservation account of the Iowa resources enhancement and protection fund under section 455A.19, subsection 1, paragraph "b", subparagraph (3), as provided in 1989 Iowa Acts, House

File 769. Under an agreement, Jones county is eligible to receive \$50,000, Lyon county is eligible to receive \$50,000, Jasper county is eligible to receive \$25,000, and Buena Vista is eligible to receive \$25,000.

Under the agreement, moneys allocated to each county under this section shall be repaid to the county conservation account from moneys which would otherwise be allocated to them under section 455A.19, subsection 1, paragraph "b", subparagraphs (1) and (2), as provided in 1989 Iowa Acts, House File 769.

5. The Code editor is directed to codify subsection 2, if House File 769 is enacted by the Seventy-third General Assembly. The Code editor is authorized to include subsection 1 within chapter 455A as provided in House File 769 or any other chapter or section where provisions of House File 769 are codified.

Sec. 10. Moneys appropriated to the Iowa resource enhancement and protection fund for the year beginning July 1, 1988, and ending June 30, 1989, pursuant to Senate File 363 as enacted by the Seventy-third General Assembly, 1989 Session, shall not revert to the general fund pursuant to section 8.33, but shall remain in the fund to be used in the year beginning July 1, 1989, and ending June 30, 1990, as provided in House File 769.

This section shall become effective only if House File 769 is enacted by the Seventy-third General Assembly, 1989 Session.

Sec. 11. The department of natural resources shall conduct a study of the disposal of municipal sewage sludge ash. The department shall report findings and recommendations of the study to the general assembly not later than March 1, 1990. Persons shall delay transporting municipal sewage sludge ash on highways beyond a fifty mile radius from the point of incineration, until the report is made.

#### Sec. 12. BRUSHY CREEK CONSTRUCTION — LAND ACQUISITION.

1. The department of natural resources shall award the necessary contracts to commence, as of May 1, 1990, the construction of a dam and related structures to create an artificial lake of approximately six hundred ninety acres in the Brushy Creek state recreation area. The department shall complete the necessary plans for the construction and development of the dam and water impoundment as soon as possible.

2. During the development of the necessary plans for the Brushy Creek dam and water impoundment, the department shall commence the acquisition of approximately one thousand seven hundred fifty acres of additional land south and west of the Brushy Creek state recreation area. The acquisition may be accomplished by means which include purchase, easement, lease-purchase, lease, gift, life estates, or other means. The acquisition shall be completed not later than July 1, 1994. The department shall before February 1 of each year, until the acquisition is completed, report to the chairpersons of the committees on appropriations in the senate and house of representatives, and the chairpersons of the agriculture and natural resources appropriations subcommittee.

The land shall be similar to the natural topography of the Brushy Creek stream valley and shall be developed and managed for multiple use recreation with special emphasis on equestrian activities, hiking, cross-country skiing, hunting, stream fishing, and wildlife enhancement. The construction of recreational facilities and amenities on the newly acquired land shall have equal priority with other facilities constructed at the recreational area and shall include trails, camping sites, shower and restroom facilities, roadways, and parking lots. Two equestrian campgrounds shall be established. One campground shall be in the northern area and one campground shall be in the southern area of the Brushy Creek recreation area.

3. In the implementation of any development plan for the Brushy Creek recreation area, including land adjacent to the area which is acquired by the state, the department shall provide for reforestation, habitat improvement, and wetland enhancement. Areas dedicated for reforestation, habitat improvement, or wetland enhancement shall be appropriately located and equal to a size capable of benefiting forest, upland, and wildlife species and of improving the aesthetic value of the area.

**Sec. 13. LEGISLATIVE STUDIES REQUESTED.**

1. The legislative council is requested to conduct a comprehensive study of the current and future needs for artificial and natural lakes and water recreation in this state. The study should include a review of existing natural and artificial lakes, water quality considerations, restoration and management needs of the existing lakes for the next twenty years, development needs of the existing lakes to provide for optimum public use, and the need for additional artificial lakes. The legislative council is requested to report findings and recommendations of the study to the governor and general assembly not later than January 1, 1991.

2. The legislative council is requested to conduct a comprehensive study of the current and future needs for state parks, forest, and recreation areas other than lakes and related water recreational areas in this state. The study should include a review of existing state parks and recreation areas, the restoration and management needs of the public parks, forests, and recreation areas, the development needs of the parks, forests, and recreation areas to provide optimum public use, and the need for the acquisition and development of additional parks, forests, and recreation areas. The legislative council is requested to report findings and recommendations of the study not later than January 1, 1991. The department shall not further implement any program or plan relating to the reorganization of state parks, including the plan entitled "A Management Plan for Iowa State Parks", until after findings and recommendations contained in the study provided for in this subsection are reported to the governor and general assembly. The department of natural resources shall consider the findings and recommendations before implementing a program or plan relating to the reorganization. This subsection shall not prohibit the department from employing, assigning, or transferring an employee necessary to carry out routine operations under chapter 455A.

**Sec. 14. FUNDING FOR BRUSHY CREEK LAKE PROJECT.** Notwithstanding the limitations imposed on the expenditure of funds for open spaces projects under section 455A.19, subsection 1, paragraph "a", as provided in House File 769, if enacted by the Seventy-third General Assembly, 1989 Session, or under sections 12 and 13 of this Act, the department shall have the authority to use any funds allocated to the open spaces account for the construction of a dam to create an artificial lake and for the acquisition of additional land south and west of the Brushy Creek state recreation area.

**Sec. 15.** The natural resources commission shall establish a priority list of watersheds which are of highest importance based on soil loss to be used for the allocation of funds set aside in the appropriations to the department of agriculture and land stewardship for permanent soil conservation practices, pursuant to section 1, subsection 6, paragraph "e", subparagraph (2) of this Act.

**Sec. 16.** Notwithstanding section 17A.2, subsection 7, paragraph "g", the department shall by rule establish prices of plant material grown at the state forest nurseries to cover all expenses related to the growing of the plants.

The department shall develop additional programs to encourage the wise management and preservation of existing woodlands and shall increase its efforts to encourage forestation and reforestation on private and public lands in the state.

The department shall encourage a cooperative relationship between the state forest nurseries and private nurseries in the state in order to achieve these goals.

*\*Sec. 17. If the department of agriculture and land stewardship or the department of natural resources makes an appropriation transfer between appropriation line-items, the chairpersons and ranking members of the agriculture and natural resources appropriations subcommittee shall be notified in writing prior to the proposed transfer of funds. The notice from the department shall include information concerning the amount of the proposed transfer, the appropriation line-items affected by the proposed transfer, and the reasons for the proposed transfer. Chairpersons and ranking members notified shall be given at least two weeks to review and comment on the proposed transfer before the transfer of funds is made.\**

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

Sec. 18. The department of natural resources shall provide the legislative fiscal bureau information and financial data by cost center, on at least a monthly basis, relating to the indirect cost accounting procedure, the amount of funding from each funding source for each cost center, and the internal budget system used by the department. The information shall include but is not limited to financial data covering the department's budget by cost center and funding source prior to the start of the fiscal year, and to the department's actual expenditures by cost center and funding source after the accounting system has been closed for that fiscal year.

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

Sec. 20. 1986 Iowa Acts, chapter 1246, section 505, subsection 7, unnumbered paragraph 3, is amended to read as follows:

The department is authorized to utilize from funds appropriated for payments to governing bodies responsible for publicly owned sewage treatment facilities but which are unexpended an amount not to exceed four hundred ninety-three thousand (493,000) dollars for the state share of the AIDEX superfund cleanup. Any funds remaining in the AIDEX superfund account once the final site cleanup work, excluding the ongoing monitoring of the site, has been completed shall revert to the general fund of the state. ~~The moneys used for the state share of the AIDEX superfund cleanup shall be repaid not later than June 30, 1989.~~ It is the intent of the general assembly that the withdrawal of funds from moneys available for publicly owned sewage treatment facilities shall not be used for any other purpose in future years and the department of natural resources shall report to the general assembly not later than January 1, 1987 on methods to increase funds for the state superfund to meet future needs in this state.

Sec. 21. 1987 Iowa Acts, chapter 233, section 204, subsection 5, is amended to read as follows:

5. It is the intention of the general assembly in adopting the appropriation under subsection 1 and this subsection to cease funding for the department's implementation of the federal Resource Conservation and Recovery Act permit program for hazardous waste facilities in this state. Section 455B.411, subsections 6, 9, and 10, section 455B.412, subsections 2 through 4, and sections 455B.413 through 455B.421 are suspended and do not apply as they pertain to that permit program, but are not suspended and do apply as they pertain to abandoned and uncontrolled sites, used oil, and site licensing under chapter 455B, division IV, part 6. The suspension provided by this subsection begins July 1, 1987 and ends June 30, ~~1989~~ 1990.

Sec. 22. Section 22.7, Code 1989, is amended by adding the following new subsection:

NEW SUBSECTION. 26. Financial information, which if released would give advantage to competitors and serve no public purpose, relating to commercial operations conducted or intended to be conducted by a person submitting records containing the information to the agricultural diversification bureau of the department of agriculture and land stewardship for the purpose of obtaining assistance in business planning.

Sec. 23. Section 172C.4, subsection 2, Code 1989, is amended by striking the subsection and inserting in lieu thereof the following:

2. Agricultural land acquired for research or experimental purposes. Agricultural land is used for research or experimental purposes if any of the following apply:

a. Research and experimental activities are undertaken on the agricultural land and commercial sales of products produced from farming the agricultural land do not occur or are incidental to the research or experimental purposes of the corporation. Commercial sales are incidental to the research or experimental purposes of the corporation when such sales are less than twenty-five percent of the gross sales of the primary product of the research.

b. The agricultural land is used for the primary purpose of testing, developing, or producing seeds or plants for sale or resale to farmers as seed stock. Grain which is not sold as seed stock is an incidental sale and must be less than twenty-five percent of the gross sales of the primary product of the research and experimental activities.

c. The agricultural land is used by a corporation, including any trade or business which is under common control, as provided in 26 U.S.C. § 414 for the primary purpose of testing, developing, or producing animals for sale or resale to farmers as breeding stock. However, after the effective date of this Act, to qualify under this paragraph, the following conditions must be satisfied:

(1) The corporation must not hold the agricultural land other than as a lessee. The term of the lease must be for not more than twelve years. The corporation shall not renew a lease. The corporation shall not enter into a lease under this paragraph, if the corporation has ever entered into another lease under this paragraph "c", whether or not the lease is in effect. However, this subparagraph does not apply to a domestic corporation organized under chapter 504 or 504A.

(2) A term or condition of sale, including resale, of breeding stock must not relate to the direct or indirect control by the corporation of the breeding stock or breeding stock progeny subsequent to the sale.

(3) The number of acres of agricultural land held by the corporation must not exceed six hundred forty acres.

(4) The corporation must deliver a copy of the lease to the secretary of state. The secretary of state shall notify the lessee of receipt of the copy of the lease. However, this subparagraph does not apply to a domestic corporation organized under chapter 504 or 504A.

Culls and test animals may be sold under this paragraph "c". For a three-year period beginning on the date that the corporation acquires an interest in the agricultural land, the gross sales for any year shall not be greater than five hundred thousand dollars. After the three-year period ends, the gross sales for any year shall not be greater than twenty-five percent of the gross sales for that year of the breeding stock, or five hundred thousand dollars, whichever is less.

**Sec. 24. NEW SECTION. 172C.6 LESSEES CONDUCTING RESEARCH OR EXPERIMENTS.**

Lessees of agricultural land under section 172C.4, subsection 2, paragraph "c", for research or experimental purposes, shall file a report with the secretary of state on or before March 31 of each year on forms adopted pursuant to chapter 17A and supplied by the secretary of state. The report shall contain the following information for the last year:

1. The name and principal place of business of the lessee.
2. The location of the agricultural land used for research or experimental purposes.
3. The date that the lease became effective.
4. The name and address of each person purchasing breeding stock produced on the agricultural land.
5. The number or volume of breeding stock purchased by each person purchasing breeding stock produced on the agricultural land.

**Sec. 25.** Section 173.16, Code 1989, is amended by adding the following new unnumbered paragraph:

**NEW UNNUMBERED PARAGRAPH.** In order to efficiently administer facilities and events on the state fairgrounds, and to promote Iowa's conservation ethic, the Iowa state fair board shall handle or dispose of waste generated on the state fairgrounds under supervision of the waste management authority established under section 455B.483.

**Sec. 26. NEW SECTION. 314.23 ENVIRONMENTAL PROTECTION.**

It is declared to be in the general public welfare of Iowa and a highway purpose that highway maintenance, construction, reconstruction, and repair shall protect and preserve, by not causing unnecessary destruction, the natural or historic heritage of the state. In order to provide for the protection and preservation, the following shall be accomplished in the design, construction, reconstruction, relocation, repair, or maintenance of roads, streets, and highways:

1. **WOODLANDS.** Woodland removed shall be replaced by plantings as close as possible to the initial site, or by acquisition of an equal amount of woodland in the general vicinity for public ownership and preservation, or by other mitigation deemed to be comparable to the

woodland removed, including, but not limited to, the improvement, development, or preservation of woodland under public ownership.

2. WETLANDS. Wetland removed shall be replaced by acquisition of wetland, in the same general vicinity if possible, for public ownership and preservation, or by other mitigation deemed to be comparable to the wetland removed, including, but not limited to, the improvement, development, or preservation of wetland under public ownership.

3. PUBLIC PARKS. Highways, streets, and roads constructed on or through publicly owned lands comprising parks, preserves, or recreation areas, shall be located and designed, in consultation with the public entity owning the land, so as to blend aesthetically with the areas and to minimize noise. When land is taken from the areas for highway construction and, if, in consultation with the public entity owning the land, mitigation is deemed necessary, the land shall be replaced by an equal or greater amount for public use, or by other mitigation, undertaken in consultation with the public entity owning the land, and deemed to be appropriate to the amount of land taken, including, but not limited to, the improvement, development, or preservation of the areas.

4. PRIME AGRICULTURAL LANDS. Topsoil removed may be utilized for landscaping and other necessary construction. Excess topsoil shall be made available to the former landowner or other landowners whose land was purchased for the construction or others, and if not acquired by one of these parties, it may be disposed.

Sec. 27. NEW SECTION. 455A.8 BRUSHY CREEK RECREATION AREA TRAILS ADVISORY BOARD.

1. The Brushy Creek recreation trails advisory board shall be organized within the parks and preserves division of the department and shall be composed of nine members including the following: the director of the department or the director's designee who shall serve as a nonvoting ex officio member, the park ranger responsible for the Brushy Creek recreation area, a member of the state advisory board for preserves established under chapter 111B, a person appointed by the governor, and six persons appointed by the legislative council. Each person appointed by the governor or legislative council must actively participate in recreational trail activities such as hiking, an equestrian sport, or a winter sport at the Brushy Creek recreation area. The voting members shall elect a chairperson at the board's first meeting each year.

2. Each member of the board shall serve three years, and shall be eligible for reappointment. However, the park ranger responsible for Brushy Creek shall be replaced by the ranger's successor. The person representing the state advisory board for preserves shall serve at the pleasure of the board. The members, other than the director or the director's designee and the park ranger, are entitled to actual expenses incurred in performance of the duties of the board. A majority of members constitutes a quorum, and the affirmative vote of a majority present is necessary for any action taken by the board, except that a lesser number may adjourn a meeting. A vacancy in the membership of the board does not impair the rights of a quorum to exercise all rights and perform all duties of the board. The board shall meet as required, but at least twice a year. The board shall meet upon call of the chairperson, or upon written request of three members of the board. Written notice of the time and place of the meeting shall be given to each member.

3. The board shall advise the department and the natural resource commission regarding issues and recommendations relating to the development and maintenance of trails and related activities at or adjacent to the Brushy Creek recreation area.

Sec. 28. Section 455E.11, subsection 2, paragraph b, subparagraph (3), subparagraph subdivision (b), Code 1989, is amended to read as follows:

(b) Two percent is appropriated annually to the department of natural resources for the purpose of administering grants to counties and conducting oversight of county-based programs relative to the testing of private water supply wells and the proper closure of private abandoned wells. Not more than ~~twenty-three~~ ~~seventeen~~ and one-half percent of the moneys is appropriated annually to the department of natural resources for grants to counties for the

purpose of conducting programs of private, rural water supply testing, not more than six percent of the moneys is appropriated annually to the state hygienic laboratory to assist in well testing, and not more than twelve seventeen and one-half percent of the moneys is appropriated annually to the department of natural resources for grants to counties for the purpose of conducting programs for properly closing abandoned, rural water supply wells.

Sec. 29. Section 511.8, subsection 10, paragraph b, Code 1989, is amended to read as follows:

b. Any real estate acquired through foreclosure, or in settlement or satisfaction of any indebtedness. Any company or association may improve real estate so acquired or remodel existing improvements and exchange such real estate for other real estate or securities, and real estate acquired by such exchange may be improved or the improvements remodeled. ~~Any farm real estate acquired under this paragraph shall be sold within five years from the date of acquisition unless the commissioner of insurance shall extend the time for such period or periods as seem warranted by the circumstances.~~

Sec. 30. NEW SECTION. 511.8A AGRICULTURAL LAND.

Agricultural land, as defined in section 172C.1, acquired as provided in section 511.8, subsection 10, paragraph "b", by a life insurance company or association incorporated by or organized under the laws of this or any other state, shall be sold or otherwise disposed of by the company or association within five years after title is vested in the company or association. A life insurance company or association is a corporation for purposes of chapter 172C.

Sec. 31. Section 567.3, subsection 3, paragraph d, Code 1989, is amended by striking the paragraph and inserting in lieu thereof the following:

d. Agricultural land acquired for research or experimental purposes. Agricultural land is used for research or experimental purposes if any of the following apply:

(1) Research and experimental activities are undertaken on the agricultural land and commercial sales of products produced from farming the agricultural land do not occur or are incidental to the research or experimental purposes of the corporation. Commercial sales are incidental to the research or experimental purposes of the corporation when such sales are less than twenty-five percent of the gross sales of the primary product of the research.

(2) The agricultural land is used for the primary purpose of testing, developing, or producing seeds or plants for sale or resale to farmers as seed stock. Grain which is not sold as seed stock is an incidental sale and must be less than twenty-five percent of the gross sales of the primary product of the research and experimental activities.

(3) Until July 1, 2001, the agricultural land is used for the primary purpose of testing, developing, or producing animals for sale or resale to farmers as breeding stock. However, after the effective date of this Act, to qualify under this paragraph, the following conditions must be satisfied:

(a) The nonresident alien, foreign business, or foreign government or an agent, trustee, or fiduciary of the alien, business, or government must not hold the agricultural land other than as a lessee. The term of the lease must be for not more than twelve years. A lessee shall not renew a lease entered into under this subparagraph (3). The lessee shall not enter into a lease under this paragraph, if another lease under this paragraph has been entered into by the lessee.

(b) A term or condition of sale, including resale, of seed stock or breeding stock must not relate to the direct or indirect control by the lessee of the breeding stock or breeding stock progeny subsequent to the sale.

(c) The number of acres of agricultural land held by the lessee must not exceed six hundred forty acres.

(d) The lessee must deliver a copy of the lease to the secretary of state. The secretary of state shall notify the lessee of receipt of the copy of the lease.

(4) Culls and test animals may be sold under subparagraph (3). For a three-year period beginning on the date that the lease takes effect, the gross sales for any year shall not be greater than five hundred thousand dollars. After the three-year period ends, the gross sales for any year shall not be greater than twenty-five percent of the gross sales for that year of the breeding stock, or five hundred thousand dollars, whichever is less. As used in subparagraph (3),

"lessee" means a nonresident alien, foreign business, or foreign government, or an agent, trustee, or fiduciary acting on behalf of the nonresident alien, foreign business, or foreign government, or any other trade or business which is under the lessee's common control as provided in 26 U.S.C. § 414.

(5) Effective July 1, 2001, subparagraph (3) shall not be effective. However, a lessee may continue for the duration of the period of the lease to lease the agricultural land under subparagraph (3) if the lease was entered into prior to July 1, 2001.

(6) Effective July 1, 2001, a nonresident alien, foreign business, or foreign government or an agent, trustee, or fiduciary of the alien, business, or government shall not, except as provided in subparagraph (5), acquire or hold agricultural land used for the primary purpose of testing, developing, or producing animals.

**Sec. 32. NEW SECTION. 567.8A LESSEES CONDUCTING RESEARCH OR EXPERIMENTS.**

Lessees of agricultural land under section 567.3, subsection 3, paragraph "d", subparagraph (3), for research or experimental purposes, shall file a report with the secretary of state on or before March 31 of each year on forms adopted pursuant to chapter 17A and supplied by the secretary of state. The report shall contain the following information for the last year:

1. The name and principal place of business of the lessee.
2. The location of the agricultural land used for research or experimental purposes.
3. The date that the lease became effective.
4. The name and address of each person purchasing breeding stock produced on the agricultural land.
5. The number or volume of breeding stock purchased by each person purchasing breeding stock produced on the agricultural land.

**Sec. 33.** Section 567.3, subsection 3, paragraph d, subparagraph (5), as enacted in this Act, is amended by striking the subparagraph. This section takes effect July 1, 2013.

**Sec. 34.** During the fiscal year for which funds are appropriated by section 6 of this Act, the department of natural resources shall not require the installation or use of equipment to control the emission of dust or other particulate matter on or by facilities for storage of grain which are located within the ambient air quality attainment areas for suspended particulates.

**Sec. 35. REPEAL.**

1. Section 111.85, Code 1989, is repealed.
2. The county recorder shall continue to remit to the commission all fees collected pursuant to section 111.85 which were paid before the effective date of this section.
3. On and after July 1, 1989, moneys collected pursuant to section 111.85, including interest or earnings on investments or time deposits from the money within the state park, forest, and recreation area facilities improvement trust fund shall be used as follows:
  - a. The moneys shall be transferred to the management account in the Iowa resources enhancement and protection fund, if House File 769 is enacted by the Seventy-third General Assembly, 1989 Session.
  - b. The moneys shall be used by the department solely for renovation, replacement, and improvement of facilities otherwise acquired in state parks, forests, and recreation areas, if House File 769 is not enacted by the Seventy-third General Assembly, 1989 Session.
  - c. The moneys shall not be subject to a rebate or return to persons who have paid moneys pursuant to section 111.85.

**Sec. 36.** Sections 10 and 35 of this Act, being deemed of immediate importance, take effect upon enactment.

**Sec. 37.** Sections 4 and 20 of this Act, being deemed of immediate importance, take effect upon enactment.

*Approved May 13, 1989, except the items which I hereby disapprove and which are designated as section 1, subsection 2, letter c; section 1, subsection 2, letter d; sections 3 and 17 in their entirety; and section 6, subsection 1, paragraph b. My reasons for vetoing these items are delineated in the item veto message pertaining to this Act to the secretary of state this same date a copy of which is attached hereto.*

TERRY E. BRANSTAD, *Governor*

Dear Madam Secretary:

I hereby transmit House File 778, an Act relating to and making appropriations to the department of agriculture and land stewardship, to the department of natural resources, to an environmental fund, providing for environmental protection, the acquisition and use of land, and the control of certain vegetation, providing for the repeal of fees and providing effective dates.

I am pleased that Iowa's strong economy and my plans to trim excessive legislative spending in other areas allows me to approve the \$20 million per year standing appropriation for the Iowa Resources Enhancement and Protection Fund without the imposition of new taxes or fees. With the signing of this bill, Iowa takes a major step forward in the protection and enhancement of our natural resources.

With this major commitment of resources to our park system, I am pleased to approve the repeal of the Park User Fee, effective immediately, so that Iowans will no longer be charged a fee to use our state parks.

House File 778 is, therefore, approved with the following exceptions which I hereby disapprove.

I am unable to approve the item designated as Section 1, subsection 2, letter c. This portion of House File 778 appropriates an additional \$50,000 to the farm commodity division of the Department of Agriculture and Land Stewardship for the support of two information specialist positions within the administrative division. The additional positions are funded with appropriations slated for reversion in Fiscal Year 1989. Budget restraints dictate that this item, which is in excess of my budget recommendation, be disapproved. The focus should be on directing available resources to directly enhance the environment rather than adding additional administrative staff.

I am unable to approve the item designated Section 1, subsection 2, letter d. This section appropriates \$280,000 to be used by the Department of Agriculture and Land Stewardship to establish and fund the positions of agricultural trade specialists in each of the state's three foreign trade offices. These offices are staffed by representatives of the Department of Economic Development and this expenditure would be a duplicate effort. The offices currently work closely with Iowa's agricultural marketing programs, as evidenced by several recent successful marketing promotions for Iowa quality beef and pork.

Moreover, these offices cannot be run effectively if the staff answers to two bosses — the Department of Economic Development and the Department of Agriculture and Land Stewardship. Indeed, the approach embodied in this bill could cause confusion among our customers, making it counterproductive to our international marketing efforts.

A plan is being developed to ensure better coordination between the Department of Economic Development and the Department of Agriculture and Land Stewardship for overseas agricultural marketing. Further action should await the results of that study.

I am unable to approve Sections 3 and 17 in their entirety. These sections would require the Department of Agriculture and Land Stewardship and the Department of Natural Resources to notify the chairpersons and ranking members of the Agriculture and Natural Resources Appropriations Subcommittee prior to the proposed transfer of funds. Such notice is to be given at least two weeks prior to the transfer of funds. Very similar language is in the Iowa Code, Chapter 8.39 and this section would be redundant and unnecessary.

I am unable to approve Section 6, subsection 1, paragraph b. This paragraph appropriates \$30,000 for the additional position of environmental specialist II for the development of preserves management plans. This task can be handled by the Department of Natural Resources within the existing budget.

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 House File 778 are hereby approved as of this date.

Sincerely,  
TERRY E. BRANSTAD, *Governor*