

**CHAPTER 219**

**APPROPRIATIONS - ADMINISTRATION AND REGULATION**

*S.F. 484*

**AN ACT** relating to and making appropriations to certain state departments, agencies, funds, and certain other entities, providing for regulatory authority and other properly related matters, and providing an effective date.

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

**Section 1. AUDITOR OF STATE.** There is appropriated from the general fund of the state to the office of the auditor of state for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	1,310,549
.....	FTEs	112.50

The auditor of state may retain additional full-time equivalent positions as is reasonable and necessary to perform governmental subdivision audits which are reimbursable pursuant to section 11.20 or 11.21, to perform audits which are requested by and reimbursable from the federal government, and to perform work requested by and reimbursable from departments or agencies pursuant to section 11.5A or 11.5B. The auditor of state shall notify the department of management, the legislative fiscal committee, and the legislative fiscal bureau of the additional full-time equivalent positions retained.

**Sec. 2. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD.** There is appropriated from the general fund of the state to the Iowa ethics and campaign disclosure board for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, for the purposes designated:

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

.....	\$	375,786
.....	FTEs	8.00

**Sec. 3. DEPARTMENT OF COMMERCE.** There is appropriated from the general fund of the state to the department of commerce for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amounts, or so much thereof as is necessary, for the purposes designated:

**1. PROFESSIONAL LICENSING AND REGULATION DIVISION**

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

.....	\$	897,802
.....	FTEs	14.00

**2. ADMINISTRATIVE SERVICES DIVISION**

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

.....	\$	211,586
.....	FTEs	2.00

It is the intent of the general assembly that the two positions authorized in this subsection for the division shall coordinate the administrative services to be provided to the divisions in the department. These two positions are under the direct supervision of, and shall report to, the director of the department.

The division of administrative services shall assess each division within the department of commerce and the office of consumer advocate within the department of justice a pro

rata share of the operating expenses of the division of administrative services. The pro rata share shall be determined pursuant to a cost allocation plan established by the division of administrative services and agreed to by the administrators of the divisions and the consumer advocate. To the extent practicable, the cost allocation plan shall be based on the proportion of the administrative expenses incurred on behalf of each division and the office of consumer advocate. Each division and the office of consumer advocate shall include in its charges assessed or revenues generated, an amount sufficient to cover the amount stated in its appropriation, any state assessed indirect costs determined by the department of revenue and finance, and the cost of services provided by the division of administrative services.

3. ALCOHOLIC BEVERAGES DIVISION

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

.....	\$	1,861,105
.....	FTEs	33.50

4. BANKING DIVISION

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

.....	\$	5,375,058
.....	FTEs	84.00

5. CREDIT UNION DIVISION

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

.....	\$	1,047,066
.....	FTEs	20.00

6. INSURANCE DIVISION

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

.....	\$	2,924,482
.....	FTEs	91.50

Of the amounts appropriated in this section to the insurance division, not more than \$100,000 shall be used for the regulation of health insurance purchasing cooperatives.

The insurance division shall monitor public utilization of the coverages identified in chapter 514C under managed care plans in this state.

The insurance division may reallocate authorized full-time equivalent positions as necessary to respond to accreditation recommendations or requirements. The insurance division expenditures for examination purposes may exceed the projected receipts, refunds and reimbursements, estimated pursuant to section 505.7, subsection 7, including the expenditures for retention of additional personnel, if the expenditures are fully reimbursable and the division first does both of the following:

- a. Notifies the department of management, legislative fiscal bureau, and the legislative fiscal committee of the need for the expenditures.
- b. Files with each of the entities named in paragraph "a" the legislative and regulatory justification for the expenditures, along with an estimate of the expenditures.
- c. (1) Of the amounts appropriated to the insurance division in this subsection not more than \$100,000 shall be used for continuing the division's senior health insurance information program *\*and not more than \$100,000 shall be used for the purpose of establishing a pilot consumer health education and assistance program.\**

*\*(2) The purpose of the consumer health education and assistance program is to educate and assist health care consumers to make more informed health insurance and care choices in the marketplace. Both oral and written educational assistance relating to health care insurance, delivery systems, provider services and coverage, billing procedures, and sources of information shall be provided by the division. The division of insurance may request, and other state agencies shall provide, assistance in implementing and administering the health care education and assistance program.*

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

(3) The commissioner of insurance shall appoint an advisory committee consisting of knowledgeable and interested citizens and state and local public officials to provide advice and review the program. A majority of the members of the advisory committee shall be bona fide representatives of consumers.

(4) The commissioner of insurance shall prepare a progress report relating to the activities of the program, the report to be submitted to the governor and the members of the general assembly not later than March 1, 1996. The governor and the legislative council may request progress reports from the commissioner of insurance as deemed appropriate.\*

7. UTILITIES DIVISION

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

.....	\$	4,911,871
.....	FTEs	79.00

The utilities division may expend additional funds, including funds for additional personnel, if those additional expenditures are actual expenses which exceed the funds budgeted for utility regulation. Before the division expends or encumbers an amount in excess of the funds budgeted for regulation, the director of the department of management shall approve the expenditure or encumbrance. Before approval is given, the director of the department of management shall determine that the regulation expenses exceed the funds budgeted by the general assembly to the division and that the division does not have other funds from which regulation expenses can be paid. Upon approval of the director of the department of management the division may expend and encumber funds for excess regulation expenses. The amounts necessary to fund the excess regulation expenses shall be collected from those utility companies being regulated which caused the excess expenditures, and the collections shall be treated as repayment receipts as defined in section 8.2.

Sec. 4. There is appropriated from the general fund of the state to the following named agencies for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. COMMISSION ON UNIFORM STATE LAWS

For support of the commission and expenses of the members:

.....	\$	20,803
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2. NATIONAL CONFERENCE OF STATE LEGISLATURES

For support of the membership assessment:

.....	\$	87,719
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Sec. 5. There is appropriated from the general fund of the state to the department of general services for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION DIVISION

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

.....	\$	1,169,975
.....	FTEs	31.35

2. INFORMATION SERVICES DIVISION

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

.....	\$	5,497,002
.....	FTEs	141.60

3. PROPERTY MANAGEMENT DIVISION

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

.....	\$	3,935,381
.....	FTEs	113.00

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

The department of general services shall not change the appropriations for the purposes designated in subsections 1 through 3 from the amounts appropriated under those subsections unless notice of the revisions is given prior to their effective date to the legislative fiscal bureau. The notice shall include information on the department's rationale for making the changes.

Savings achieved in providing telephone services shall be used by the department of general services to increase efficiencies in the provision of those services. The department of general services shall report not later than August 31, 1996, on the projects undertaken to the chairpersons and the ranking members of the joint appropriations subcommittee on administration and regulation and to the legislative fiscal bureau. The report shall include a listing of the projects and efficiencies undertaken during the fiscal year, the cost of each project, and the benefits, including the projected savings on an annual basis and for the life of the efficiency improvement.

4. CAPITOL PLANNING COMMISSION

For expenses of the members in carrying out their duties under chapter 18A:  
..... \$ 2,000

5. RENTAL SPACE

For payment of lease or rental costs of buildings and office space at the seat of government as provided in section 18.12, subsection 9, notwithstanding section 18.16:  
..... \$ 607,955

6. UTILITY COSTS

For payment of utility costs and for not more than the following full-time equivalent positions:

..... \$ 2,059,178  
..... FTEs 1.00

The department of general services may use funds appropriated in this subsection for utility costs to fund energy conservation projects in the state capitol complex which will have a 100 percent payback within a 24-month period. In addition, notwithstanding sections 8.33 and 18.12, subsection 11, any excess funds appropriated for utility costs in this subsection shall not revert to the general fund of the state on June 30, 1996, and these funds shall be used for implementation of energy conservation projects having a payback of 100 percent within a two-year to six-year period. The department of general services shall report not later than August 31, 1996, on the projects having 100 percent payback within a six-year period to the chairpersons and ranking members of the joint appropriations subcommittee on administration and regulation and to the legislative fiscal bureau. The report shall include a listing of the projects undertaken, the cost of each project, and the projected savings on an annual basis and for the life of the project.

7. TERRACE HILL OPERATIONS

For salaries, support, maintenance, and miscellaneous purposes necessary for the operation of Terrace Hill and for not more than the following full-time equivalent positions:

..... \$ 164,637  
..... FTEs 4.00

Sec. 6. There is appropriated from the designated revolving funds to the department of general services for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. From the centralized printing permanent revolving fund established by section 18.57 for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 912,217  
..... FTEs 26.05

2. The remainder of the centralized printing permanent revolving fund is appropriated for the expense incurred in supplying paper stock, offset printing, copy preparation, binding,

distribution costs, original payment of printing and binding claims and contingencies arising during the fiscal year beginning July 1, 1995, and ending June 30, 1996, which are legally payable from this fund.

3. From the centralized purchasing permanent revolving fund established by section 18.9 for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	734,140
.....	FTEs	16.05

4. The remainder of the centralized purchasing permanent revolving fund is appropriated for the payment of expenses incurred through purchases by various state departments and for contingencies arising during the fiscal year beginning July 1, 1995, and ending June 30, 1996, which are legally payable from this fund.

5. From the vehicle dispatcher revolving fund established by section 18.119 for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	625,075
.....	FTEs	15.00

6. The remainder of the vehicle dispatcher revolving fund is appropriated for the purchase of gasoline, gasohol, oil, tires, repairs, and all other maintenance expenses incurred in the operation of state-owned motor vehicles and for contingencies arising during the fiscal year beginning July 1, 1995, and ending June 30, 1996, which are legally payable from this fund.

The vehicle dispatcher shall report, not later than February 15, 1996, to the chairpersons and the ranking members of the joint appropriations subcommittee on administration and regulation and to the legislative fiscal bureau regarding the efficiencies of the vehicle fleet and the changes in the efficiencies. The report shall include the cost per mile, fuel efficiencies, maintenance costs, useful life, the costs of extending the useful life, and other measures which the vehicle dispatcher or the legislative fiscal bureau finds appropriate. The information shall be reported for each general type of vehicle. The overhead costs shall also be reported with the total costs of the vehicle dispatcher operations.

The department of general services shall report to the chairpersons and ranking members of the joint appropriations subcommittee on administration and regulation and the legislative fiscal bureau not later than February 15, 1996, a comparison of the performance of vehicles burning an 85 percent ethanol mixture and those burning a 10 percent ethanol mixture. The report shall include, but is not limited to, average mileage, vehicle life, and problems encountered.

Sec. 7. GOVERNOR AND LIEUTENANT GOVERNOR. There is appropriated from the general fund of the state to the offices of the governor and the lieutenant governor for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For salaries, support, maintenance, and miscellaneous purposes for the general office of the governor and the general office of the lieutenant governor, and for not more than the following full-time equivalent positions:

.....	\$	1,088,936
.....	FTEs	17.25

2. For the governor's expenses and the lieutenant governor's expenses connected with office:

.....	\$	2,416
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3. For salaries, support, maintenance, and miscellaneous purposes for the governor's quarters at Terrace Hill, and for not more than the following full-time equivalent positions:

.....	\$	64,648
.....	FTEs	2.00

4. For the payment of expenses of ad hoc committees, councils, and task forces appointed by the governor to research and analyze a particular subject area relevant to the problems and responsibilities of state and local government, including the employment of professional, technical, and administrative staff and the payment of per diem and actual expenses of committee, council, or task force members as specified pursuant to section 7E.6:

..... \$ 1,610

The ad hoc committees, councils, and task forces appointed by the governor are subject to chapters 21 and 22 and the members and the staff shall be informed of these requirements. A member shall not receive a per diem if the member is receiving a salary as a full-time public employee, but members shall be reimbursed for actual and necessary expenses.

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

..... \$ 108,336  
..... FTEs 2.00

6. For payment of Iowa's membership in the national governors' conference:  
..... \$ 74,435

Sec. 8. DEPARTMENT OF INSPECTIONS AND APPEALS. There is appropriated from the general fund of the state to the department of inspections and appeals for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. FINANCE AND SERVICES DIVISION

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

..... \$ 467,275  
..... FTEs 21.00

2. AUDITS DIVISION

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

..... \$ 352,092  
..... FTEs 11.00

3. APPEALS AND FAIR HEARINGS DIVISION

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

..... \$ 223,048  
..... FTEs 24.00

If Senate File 358\* is enacted by the Seventy-sixth General Assembly, 1995 Regular Session, there is appropriated from the general fund of the state to the appeals and fair hearings division for the fiscal period beginning July 1, 1995, and ending December 31, 1995, an additional sum of \$45,000, or so much thereof as is necessary, and 1.50 FTEs to carry out the responsibilities of the division as specified in Senate File 358.

4. INVESTIGATIONS DIVISION

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

..... \$ 729,111  
..... FTEs 35.00

5. HEALTH FACILITIES DIVISION

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

..... \$ 1,663,070  
..... FTEs 101.00

6. INSPECTIONS DIVISION

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

\*Chapter 143 herein

.....	\$	577,869
.....	FTEs	13.00

7. EMPLOYMENT APPEAL BOARD

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

.....	\$	33,067
.....	FTEs	15.00

The employment appeal board shall be reimbursed by the labor services division of the department of employment services for all costs associated with hearings conducted under chapter 91C, related to contractor registration. The board may expend, in addition to the amount appropriated under this subsection, additional amounts as are directly billable to the labor services division under this subsection and to retain the additional full-time equivalent positions as needed to conduct hearings required pursuant to chapter 91C.

8. STATE FOSTER CARE REVIEW BOARD

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

.....	\$	527,041
.....	FTEs	10.00

The department of human services, in coordination with the state foster care review board and the department of inspections and appeals, shall submit an application for funding available pursuant to Title IV-E of the federal Social Security Act for claims for state foster care review board administrative review costs.

9. The department of inspections and appeals shall provide an accounting of all costs associated with negotiating agreements and compacts pursuant to section 10A.104, subsection 10, and all costs associated with monitoring such agreements and compacts. Information in the accounting shall include the dates and destinations of all travel related to the negotiations and monitoring, and all costs associated with the personnel involved, including salary, travel, and support costs.

Sec. 9. RACETRACK REGULATION. There is appropriated from the general fund of the state to the racing and gaming commission of the department of inspections and appeals for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes, for the regulation of pari-mutuel racetracks, and for not more than the following full-time equivalent positions:

.....	\$	1,760,378
.....	FTEs	23.85

Sec. 10. EXCURSION BOAT REGULATION. There is appropriated from the general fund of the state to the racing and gaming commission of the department of inspections and appeals for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	860,651
.....	FTEs	17.11

It is the intent of the general assembly that the racing and gaming commission shall only employ additional full-time equivalent positions for riverboat gambling enforcement as authorized by the department of management as needed for enforcement on new riverboats. If more than six riverboats are operating during the fiscal year beginning July 1, 1995, and ending June 30, 1996, the commission may expend no more than \$84,917 for no more than 2.00 FTEs for each additional riverboat in excess of six. The additional expense associated with the positions shall be paid from fees assessed by the commission as provided in chapter 99F.

Notwithstanding section 8.39, funds shall not be transferred to the department of inspections and appeals which would be used for monitoring Indian gaming.

Sec. 11. DEPARTMENT OF INSPECTIONS AND APPEALS – SERVICE CHARGES. The department of inspections and appeals may charge state departments, agencies, and commissions for services rendered and the payment received shall be considered repayment receipts as defined in section 8.2.

Sec. 12. USE TAX APPROPRIATION. There is appropriated from the use tax receipts collected pursuant to section 423.7 prior to their deposit in the road use tax fund pursuant to section 423.24, subsection 1, to the appeals and fair hearings division of the department of inspections and appeals for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes: ..... \$ 924,090

Sec. 13. DEPARTMENT OF MANAGEMENT. There is appropriated from the general fund of the state to the department of management for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. GENERAL OFFICE

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

..... \$ 2,032,287  
..... FTEs 30.00

2. LAW ENFORCEMENT TRAINING REIMBURSEMENTS

For reimbursement to local law enforcement agencies for the training of officers who resign pursuant to section 384.15, subsection 7:

..... \$ 47,500

3. COUNCIL OF STATE GOVERNMENTS

For support of the membership assessment:

..... \$ 75,500

The department of management shall conduct a study of the positions of deputy director throughout the executive branch of state government. The study shall include the responsibilities of each deputy director, the salaries of the deputy directors, the number of deputy director positions, and the variation of responsibilities among the deputy director positions. The department shall report its findings to the chairpersons and ranking members of the joint subcommittees on oversight, audit and government reform, and to the legislative fiscal bureau by January 1, 1996.

Sec. 14. There is appropriated from the road use tax fund to the department of management for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes: ..... \$ 56,000

The department of management shall report to the chairpersons and ranking members of the senate and house committees on appropriations, the chairpersons and ranking members of the joint appropriations subcommittee on administration and regulation, and the legislative fiscal bureau, the number of furloughs and the number of layoffs that occur in each state agency, the savings associated with those furloughs and layoffs, the effect of the furloughs and layoffs on services provided by the state agency, and other relevant information. The department shall provide a year-end report summarizing the information for the fiscal year beginning July 1, 1995, which will be due by September 1, 1996.



*\*When addressing staffing targets for state agencies, the department of management shall state the number of staff authorized for a state agency in terms of full-time equivalent positions.\**

Sec. 15. There is appropriated from the general fund of the state to the department of personnel for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amounts, or so much thereof as is necessary, to be used for the purposes designated including the filing of quarterly reports as required in this section:

1. OPERATIONS

For salaries, support, maintenance, and miscellaneous purposes for the director's staff, information services, data processing, and financial services, and for not more than the following full-time equivalent positions:

.....	\$	1,041,716
.....	FTEs	18.58

2. PROGRAM DELIVERY

For salaries for personnel services, employment law and labor relations and training for not more than the following full-time equivalent positions:

.....	\$	1,213,964
.....	FTEs	33.20

3. PROGRAM ADMINISTRATION AND DEVELOPMENT

For salaries for employment, compensation, and benefits and workers' compensation and for not more than the following full-time equivalent positions:

.....	\$	1,386,933
.....	FTEs	32.80

Any funds received by the department for workers' compensation purposes other than the funds appropriated in subsection 3 shall be used only for the payment of workers' compensation claims.

The funds for support, maintenance, and miscellaneous purposes for personnel assigned to program delivery under subsection 2 and program administration and development under subsection 3 are payable from the appropriation made in subsection 1.

The department of personnel shall report semi-annually to the chairpersons and ranking members of the joint appropriations subcommittee on administration and regulation concerning the number of vacancies in existing full-time equivalent positions and the average time taken to fill the vacancies. The reports shall include quarterly and annual averages organized according to state agency and general occupational category as established by the federal equal employment opportunity commission. All departments and agencies of the state shall cooperate with the department in the preparation of the reports.

Sec. 16. IPERS. There is appropriated from the Iowa public employees' retirement system fund to the department of personnel for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

1. For salaries, support, maintenance, and other operational purposes to pay the costs of the Iowa public employees' retirement system:

.....	\$	3,749,983
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2. It is the intent of the general assembly that the Iowa public employees' retirement system employ sufficient staff within the appropriation provided in this section to meet the developing requirements of the investment program.

3. The department of personnel shall submit, annually, a report to the chairpersons and ranking members of the joint appropriations subcommittee on administration and regulation and to the legislative fiscal bureau regarding the results of the state's top achievement recognition program. The reports submitted shall include, but are not limited to, identification of the recipients, a description of the meritorious achievements, and the awards conferred.

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

Sec. 17. There is appropriated from the primary road fund to the department of personnel for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes to provide personnel services for the state department of transportation:  
..... \$ 331,694

Sec. 18. There is appropriated from the road use tax fund to the department of personnel for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes to provide personnel services for the state department of transportation:  
..... \$ 53,996

Sec. 19. There is appropriated from the general fund of the state to the department of revenue and finance for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amounts, or so much thereof as is necessary, to be used for the purposes designated, and for not more than the following full-time equivalent positions used for the purposes designated in subsections 1 through 3:

.....	FTEs	577.43
1. AUDIT AND COMPLIANCE		
For salaries, support, maintenance, and miscellaneous purposes:		
.....	\$	10,563,293
2. STATE FINANCIAL MANAGEMENT		
For salaries, support, maintenance, and miscellaneous purposes:		
.....	\$	9,376,548
3. INTERNAL RESOURCES MANAGEMENT		
For salaries, support, maintenance, and miscellaneous purposes:		
.....	\$	5,910,111
4. COLLECTION COSTS AND FEES		
For payment of collection costs and fees pursuant to section 422.26:		
.....	\$	45,000

5. a. The department of revenue and finance shall not change the appropriations for the purposes designated in subsections 1 through 3 from the amounts appropriated in those subsections unless notice of the revisions is given prior to their effective date to the legislative fiscal bureau. The notice shall include information on the department's rationale for making the changes.

b. The department of revenue and finance shall report quarterly to the legislative fiscal bureau concerning progress in the implementation of generally accepted accounting principles, including determination of reporting entities, fund classifications, modification of the Iowa financial accounting system, progress on preparing a comprehensive annual financial report, and the most current estimate of the general fund balance based on current generally accepted accounting principles.

c. The director of revenue and finance shall report annually to the chairpersons and ranking members of the joint appropriations subcommittee on administration and regulation and the legislative fiscal bureau on the implementation and financial status of the integrated revenue information system. The report shall include any changes from the scheduled progress including expenditures or estimated revenue.

d. The director of revenue and finance shall prepare and issue a state appraisal manual and the revisions to the state appraisal manual as provided in section 421.17, subsection 18, without cost to a city or county.

Sec. 20. There is appropriated from the lottery fund to the department of revenue and finance for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, miscellaneous purposes for the administration and operation of lottery games, and for not more than the following full-time equivalent positions:

.....	\$	7,408,016
.....	FTEs	120.00

Sec. 21. There is appropriated from the motor vehicle fuel tax fund created by section 452A.77 to the department of revenue and finance for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	1,008,025
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Sec. 22. There is appropriated from the general fund of the state to the office of the secretary of state for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION AND ELECTIONS

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

.....	\$	520,514
.....	FTEs	9.00

2. BUSINESS SERVICES

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

.....	\$	1,565,021
.....	FTEs	28.00

3. For costs incurred in the printing of the official register:

.....	\$	60,000
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Sec. 23. STATE-FEDERAL RELATIONS. There is appropriated from the general fund of the state to the office of state-federal relations for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	235,521
.....	FTEs	3.00

Sec. 24. TREASURER. There is appropriated from the general fund of the state to the office of treasurer of state for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	855,694
.....	FTEs	27.80

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

Sec. 25. SECOND INJURY FUND. The administrative costs and expenses incurred by the treasurer of state, the attorney general, the second injury fund, or the department of revenue and finance, in connection with the second injury fund, may be paid from the second injury fund. However, the payment of administrative costs and expenses incurred by the treasurer of state, the attorney general, the second injury fund, and the department

of revenue and finance, as authorized in this section, shall only be permitted for administrative costs and expenses incurred in the fiscal year commencing July 1, 1995, and ending June 30, 1996, shall not exceed \$170,000.

Sec. 26. STATE WORKERS' COMPENSATION CLAIMS. There is appropriated from the general fund of the state to the department of personnel for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For distribution, subject to approval of the department of management, to various state departments to fund the premiums for paying workers' compensation claims which are assessed to and collected from the state department by the department of personnel based upon a rating formula established by the department of personnel:

..... \$ 5,884,740

The premiums collected by the department of personnel shall be segregated into a separate workers' compensation fund in the state treasury to be used for payment of state employees' workers' compensation claims. Notwithstanding section 8.33, unencumbered or unobligated moneys remaining in this workers' compensation fund at the end of the fiscal year shall not revert but shall be available for expenditure for purposes of the fund for subsequent fiscal years.

Sec. 27. Notwithstanding section 509A.5, there is appropriated from the employer share of the health insurance premium reserve fund the following amount for the purpose designated:

For the health data commission:  
..... \$ 100,000

Sec. 28. RURAL FIRE PROTECTION.

1. There is appropriated from the general fund of the state to the fire marshal for the fiscal year beginning July 1, 1995, and ending June 30, 1996, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For supporting a rural fire protection demonstration project:  
..... \$ 6,000

2. The department shall award moneys to one or more resource conservation and development councils which apply for such moneys for the installation of permanent dry fire hydrants. Moneys awarded under this section shall not be used to pay for salaries or support administration. The purpose of a project shall be to demonstrate how dry hydrants may be used to preserve life and protect property from dangers associated with fire, and to support rural infrastructure in order to encourage investment in rural communities.

3. A resource conservation and development council which receives an award under this section shall appoint a dry hydrant project coordinator who shall be responsible for administering the award as provided in this section. In applying for and administering an award, a council shall cooperate with relevant county boards of supervisors, county engineers, soil and water conservation districts, local fire departments, township trustees, rural water associations, and landowners. The council shall also seek cooperation from the natural resources and conservation service of the United States department of agriculture, and, if appropriate, the United States army corps of engineers.

4. Applications shall be judged based on criteria established by the department. The fire service institute advisory committee established pursuant to section 266.46 may assist the department in establishing criteria and judging applications. Applicants shall submit a plan that demonstrates the practical advantages of using a dry hydrant, which relies upon natural roadside water impoundments and man-made impoundments fed by rural water mains, to provide viable and economical sources of water required to extinguish fires in rural areas. The plan shall provide for instructing fire departments regarding the installation and operation of dry hydrants, including methods to utilize labor and equipment. In implementing the plan, the dry hydrant project coordinator shall cooperate with the Iowa

fire service institute at Iowa state university as provided in section 266.41, the fire service institute advisory committee, and any association which provides for the training of fire fighters, including the Iowa firemen's association and the Iowa society of fire service instructors.

5. The fire marshal shall prepare a report which shall include findings submitted by each dry hydrant project coordinator who administers an award and recommendations submitted by the fire service institute advisory committee. The committee may provide a plan or model for the installation of dry hydrants throughout the state. The report shall be delivered to the general assembly by January 10, 1996.

Sec. 29. **CENTRALIZED PURCHASING REVOLVING FUND TRANSFER.** Notwithstanding section 18.9, there is transferred from the centralized purchasing revolving fund created under section 18.9 to the general fund of the state on June 30, 1995, the sum of \$200,000.

*\*Sec. 30. **SECRETARY OF STATE OPTICAL IMAGING ACCOUNT TRANSFER.** The secretary of state shall pay to the general fund of the state on June 30, 1995, the sum of \$75,000, or so much thereof as remains of funds appropriated for an optical imaging project. If insufficient unencumbered or unobligated funds remain in the optical imaging account as of June 30, 1995, to pay \$75,000 to the general fund of the state, the deficiency shall be paid from other moneys appropriated to the office of secretary of state pursuant to this Act.\**

Sec. 31. **IMPLEMENTATION OF FUNDING REDUCTIONS – INTENT OF GENERAL ASSEMBLY.** It is the intent of the general assembly that the departments, agencies, and offices of the executive department of state government shall implement funding reductions through organizational changes which reduce supervisory positions, vertically and horizontally, and increase the span of control of the remaining supervisors as recommended by the governor's committee on government spending reform.

Sec. 32. **ELIMINATION OF VACANT UNFUNDED JOBS.** The state departments, agencies, or offices receiving appropriations under this Act shall eliminate, within thirty days after the beginning of a fiscal year, all vacant unfunded positions on the table of organization of the state department, agency, or office.

Sec. 33. **STATE COMMUNICATIONS NETWORK – REDUCTION OF TRAVEL AND RELATED EXPENSES.** The offices of the governor and lieutenant governor, the office of secretary of state, the office of treasurer of state, the auditor of state, the department of commerce, the department of inspections and appeals, the Iowa ethics and campaign disclosure board, the department of general services, the department of management, the department of revenue and finance, and the department of personnel shall use the services of the state communications network as much as possible for interagency communication, meetings, and conferences to reduce travel and related expenses for the respective offices or departments.

Sec. 34. **REPORT OF ADDITIONAL INCOME AND EXPENDITURES.** The state departments, agencies, and offices receiving appropriations under this Act shall report all expenses in excess of the funds appropriated from any statutory revolving funds during the fiscal year beginning July 1, 1994, and ending June 30, 1995. The report shall also include the beginning and ending balances of the revolving funds.

The report required pursuant to this section shall be submitted not later than September 30, 1995, for expenditures made during the fiscal year beginning July 1, 1994, and ending June 30, 1995, to the chairpersons and ranking members of the joint appropriations subcommittee on administration and regulations and the legislative fiscal bureau.

Sec. 35. **FEDERAL GRANTS.** All federal grants to and the federal receipts of agencies appropriated funds under this Act, not otherwise appropriated, are appropriated for the purposes set forth in the federal grants or receipts unless otherwise provided by the general assembly.

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

Sec. 36. Section 12.21, Code 1995, is amended to read as follows:

12.21 ACCEPTING CREDIT CARD PAYMENTS.

The treasurer of state may enter into an agreement with a financial institution to provide credit card receipt processing for state departments which are authorized by the treasurer of state to accept payment by credit card. A department which accepts credit card payments shall may adjust its fees to reflect the cost of processing as determined by the treasurer of state. A fee may be charged by a department for using the credit card payment method notwithstanding any other provision of the Code setting specific fees. The treasurer of state shall adopt rules to implement this section.

Sec. 37. Section 25.2, Code 1995, is amended to read as follows:

25.2 EXAMINATION OF REPORT – APPROVAL OR REJECTION – PAYMENT.

The state appeal board with the recommendation of the special assistant attorney general for claims may approve or reject claims against the state of less than ten years covering the following: Outdated warrants; outdated sales and use tax refunds; license refunds; additional agricultural land tax credits; outdated invoices; fuel and gas tax refunds; outdated homestead and veterans' exemptions; outdated funeral service claims; tractor fees; registration permits; outdated bills for merchandise; services furnished to the state; claims by any county or county official relating to the personal property tax credit; and refunds of fees collected by the state. Payments authorized by the state appeal board shall be paid from the appropriation or fund of original certification of the claim. However, if that appropriation or fund has since reverted under section 8.33 then such payment authorized by the state appeal board shall be out of any money in the state treasury not otherwise appropriated. Notwithstanding the provisions of this section, the director of revenue and finance may reissue outdated warrants. On or before November 1 of each year, the director of revenue and finance shall provide the treasurer of state with a report of all unpaid warrants which have been outdated for two years or more. The treasurer shall include information regarding outdated warrants in the notice published pursuant to section 556.12. The provisions of section 556.11 regarding agreements to pay compensation for recovery or assistance in recovery of unclaimed property are applicable to agreements to pay compensation to recover or assist in the recovery of outdated warrants.

\*Sec. 38. Section 411.36, subsection 1, unnumbered paragraph 1, Code 1995, as amended by 1995 Iowa Acts, Senate File 45, section 5, is amended to read as follows:

A board of trustees for the statewide fire and police retirement system is created. The board shall consist of ~~thirteen~~ fourteen members, including nine voting members and ~~four~~ five nonvoting members. Section 69.16A applies to the appointment of the voting members of the board. The voting members of the board shall be as follows:\*

\*Sec. 39. Section 411.36, subsection 1, unnumbered paragraph 2, Code 1995, as amended by 1995 Iowa Acts, Senate File 45, section 5, is amended to read as follows:

The treasurer of state, or the treasurer's designee, shall serve as an ex officio, nonvoting member. The other nonvoting members of the board shall be two state representatives, one appointed by the speaker of the house of representatives and one by the minority leader of the house, and two state senators, one appointed by the majority leader of the senate and one by the minority leader of the senate.\*

\*Sec. 40. Section 411.36, subsection 2, Code 1995, is amended to read as follows:

2. ~~Except as otherwise provided for the initial appointments, the~~ The voting members shall be appointed for four-year terms, and the nonvoting members who are members of the senate and the house of representatives shall be appointed for two-year terms. Terms begin on May 1 in the year of appointment and expire on April 30 in the year of expiration.\*

\*Sec. 41. Section 411.36, subsection 5, paragraph a, Code 1995, is amended to read as follows:

a. *Members of the board, except the treasurer of state or the treasurer's designee, shall be paid their actual and necessary expenses incurred in the performance of their duties and shall receive a per diem as specified in section 7E.6 for each day of service. Per diem and expenses shall be paid to voting members from the fire and police retirement fund created in section 411.8.\**

Sec. 42. Section 462A.78, subsection 5, Code 1995, is amended to read as follows:

5. The funds collected under subsection 1, paragraph "a", shall be placed in the general fund of the county and used for the expenses of the county conservation board if one exists in that county. Of each surcharge collected as required under subsection 1, paragraph "b", the county recorder shall remit five dollars to the ~~office of treasurer of state~~ department of revenue and finance for deposit in the general fund of the state.

Sec. 43. Section 554.9401, subsection 6, Code 1995, is amended to read as follows:

6. Of each fee collected by the county recorder under sections 570A.4, 554.9403, 554.9405, and 554.9406, the county recorder shall remit five dollars, if filed on a standard form or six dollars otherwise, to the ~~office of the treasurer of state~~ department of revenue and finance for deposit in the general fund of the state.

\*Sec. 44. Section 99D.5, subsection 1, Code 1995, is amended to read as follows:

1. *A state racing and gaming commission is created within the department of inspections and appeals consisting of five members who shall be appointed by the governor subject to confirmation by the senate, and who shall serve not to exceed a three-year term at the pleasure of the governor. The term of each member shall begin and end as provided in section 69.19. Before a person is appointed to the commission, the division of criminal investigation of the department of public safety shall conduct a thorough background investigation of the proposed appointee. The proposed appointee shall provide information on a form as required by the division of criminal investigation. The background investigation shall be the same as conducted for an applicant for a license to conduct pari-mutuel wagering. The information shall be made available to the members of the senate standing committee assigned to investigate and recommend confirmation of an appointee.\**

\*Sec. 45. Section 515A.15, Code 1995, as amended by 1995 Iowa Acts, House File 247, section 24, is amended to read as follows:

515A.15 ASSIGNED RISKS.

*Agreements shall be made among insurers with respect to the equitable apportionment among them of insurance which may be afforded applicants who are in good faith entitled to but who are unable to procure such insurance through ordinary methods and such insurers may agree among themselves on the use of reasonable rate modifications for such insurance, the agreements and rate modifications to be subject to the approval of the commissioner.*

*For purposes of this section, "insurer" includes, in addition to insurers defined pursuant to section 515A.2, an entity which has submitted a plan of self-insurance for approval pursuant to section 87.4 on or before May 1, 1995, and a self-insurance association formed on or after July 1, 1995, pursuant to section 87.4 except for an association comprised of cities or counties, or both, or an association comprised of community colleges as defined in section 260C.2, which have entered into an agreement pursuant to chapter 28E for the purpose of establishing a self-insured program for the payment of workers' compensation benefits.\**

Sec. 46. REPEAL. Sections 12.9, 12.12, and 12.13, Code 1995, are repealed.

Sec. 47. EFFECTIVE DATE. This section and sections 38, 39, 40, and 41, being deemed of immediate importance, take effect upon enactment. Sections 29 and 30 of this Act take effect on June 30, 1995. The remainder of this Act takes effect on July 1, 1995.

*Approved May 31, 1995, except the items which I hereby disapprove and which are designated as that portion of Section 3, subsection 6, paragraph c(1) which is herein*

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

*bracketed in ink and initialed by me; Section 3, subsection 6, paragraphs c(2), c(3), and c(4) in their entirety; Section 14, unnumbered and unlettered paragraph 3 in its entirety; Section 30 in its entirety; Sections 38, 39, 40, and 41 in their entirety; and Sections 44 and 45 in their entirety. 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 Mr. Secretary:

I hereby transmit Senate File 484, an Act relating to and making appropriations to certain state departments, agencies, funds, and certain other entities, providing for regulatory authority and other properly related matters, providing an effective date.

Senate File 484 is, therefore, approved on this date with the following exceptions which I hereby disapprove.

I am unable to approve the designated portion of Section 3, subsection 6, paragraph c, subparagraph (1), and Section 3, subsection 6, paragraph c, subparagraphs (2), (3) and (4), in their entirety. These items would create a new program within the Division of Insurance, however, no funding for the program is provided in the bill.

I am unable to approve the item designated as Section 14, unnumbered and unlettered paragraph 3, in its entirety. This item would require the Department of Management to set staffing targets for agencies in terms of full-time equivalents rather than in terms of head counts. The executive branch should maintain flexibility to use reporting formats that best meet its management needs.

I am unable to approve the item designated as Section 30, in its entirety. This item would require the Secretary of State to pay the general fund \$75,000 from the optical imaging account. The Secretary of State's office has already spent \$22,000 of this amount, and the remaining funds are needed to complete the imaging system.

I am unable to approve the items designated as Section 38, Section 39, Section 40 and Section 41, in their entirety. These items would add the Treasurer of State to the board of trustees for the statewide fire and police retirement system. This retirement system is a local government responsibility. Any interest the state may have in the board is already adequately represented by its four legislative members.

I am unable to approve the item designated as Section 44, in its entirety. This item would require the Division of Criminal Investigation to conduct background investigations of appointees to the Racing and Gaming Commission and to make the information available to a legislative committee. It would be inappropriate to require that legislators routinely receive information otherwise considered confidential.

I am unable to approve the item designated as Section 45, in its entirety. This section is technically incorrect and therefore does not fulfill the purpose for which it was intended.

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 484 are hereby approved as of this date.

Sincerely,  
TERRY E. BRANSTAD, Governor