

CHAPTER 199

APPROPRIATIONS — ADMINISTRATION AND REGULATION

S.F. 460

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

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, 1999, and ending June 30, 2000, 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:

.....	\$	1,490,432
.....	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, 1999, and ending June 30, 2000, 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:

.....	\$	488,993
.....	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, 1999, and ending June 30, 2000, the following amounts, or so much thereof as is necessary, for the purposes designated:

1. ADMINISTRATIVE SERVICES DIVISION

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

.....	\$	1,071,739
.....	FTEs	17.50

The administrative services division 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 administrative services division. The pro rata share shall be determined pursuant to a cost allocation plan established by the administrative services division 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 administrative services division. It is the intent of the general assembly that the director of the department of commerce shall review on a quarterly basis all out-of-state travel for the previous quarter for officers and employees of each division of the department if the travel is not already authorized by the executive council.

2. ALCOHOLIC BEVERAGES DIVISION

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

.....	\$	1,534,890
.....	FTEs	24.00

b. For providing education and information to promote compliance with alcoholic beverage laws and rules:

.....	\$	37,000
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Any funds received by the alcoholic beverages division from civil penalties which are collected before July 1, 1999, and remain unobligated or unencumbered shall be credited to the general fund of the state on July 1, 1999.

3. BANKING DIVISION

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

.....	\$	5,656,563
.....	FTEs	81.00

4. CREDIT UNION DIVISION

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

.....	\$	1,107,260
.....	FTEs	17.00

5. INSURANCE DIVISION

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

.....	\$	3,632,350
.....	FTEs	92.50

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.

If 1999 Iowa Acts, Senate File 276, is enacted,* notwithstanding section 505.7, subsection 7, receipts, refunds, and reimbursements generated by the examination function for the fiscal year beginning July 1, 1999, and ending June 30, 2000, may be expended by the division to fund activities required pursuant to 1999 Iowa Acts, Senate File 276,* consumer protection, or both activities for the fiscal year beginning July 1, 1999, and ending June 30, 2000.

6. PROFESSIONAL LICENSING AND REGULATION DIVISION

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

.....	\$	880,796
.....	FTEs	12.00

* Chapter 41 herein

7. UTILITIES DIVISION

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

.....	\$	5,857,407
.....	FTEs	75.00

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. DEPARTMENT OF COMMERCE — PROFESSIONAL LICENSING AND REGULATION. There is appropriated from the housing improvement fund of the Iowa department of economic development to the division of professional licensing and regulation of the department of commerce for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:

.....	\$	62,317
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Sec. 5. LEGISLATIVE AGENCIES. There is appropriated from the general fund of the state to the following named agencies for the fiscal year beginning July 1, 1999, and ending June 30, 2000, 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:

.....	\$	24,000
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2. NATIONAL CONFERENCE OF STATE LEGISLATURES

For support of the membership assessment:

.....	\$	101,393
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3. AMERICAN LEGISLATIVE EXCHANGE COUNCIL

For support of the membership assessment:

.....	\$	7,500
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State reimbursement for the membership assessment shall be made by application to the chairperson of the state American legislative exchange council.

4. NATIONAL CONFERENCE OF INSURANCE LEGISLATORS

For support of the membership assessment:

.....	\$	5,000
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Sec. 6. DEPARTMENT OF GENERAL SERVICES. There is appropriated from the general fund of the state to the department of general services for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION

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

.....	\$	1,924,097
.....	FTEs	45.85

It is the intent of the general assembly that the department of general services shall determine and recommend to the governor and the general assembly a reimbursement amount, if any, to the city of Des Moines for police and fire protection provided by the city for state-owned buildings and facilities located in the city. The recommendation shall be a cost benefit analysis which shall include the economic benefits to the city derived from the multiplier effect of the salaries of state employees employed in the city and the purchase of goods and services used by state agencies located in the city.

2. PROPERTY MANAGEMENT

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

.....	\$	4,395,293
.....	FTEs	114.00

3. CAPITOL PLANNING COMMISSION

For expenses of the members in carrying out their duties under chapter 18A:

.....	\$	2,000
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4. 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:

.....	\$	1,028,898
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5. UTILITY COSTS

For payment of utility costs:

.....	\$	2,324,489
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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, 2000, but shall remain available for expenditure for the purposes of this subsection during the fiscal year beginning July 1, 2000.

6. 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:

.....	\$	237,130
.....	FTEs	5.00

Sec. 7. REVOLVING FUNDS. There is appropriated from the designated revolving funds to the department of general services for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. CENTRALIZED PRINTING

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:

.....	\$	1,036,542
.....	FTEs	27.30

2. CENTRALIZED PRINTING — REMAINDER

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, 1999, and ending June 30, 2000, which are legally payable from this fund.

3. CENTRALIZED PURCHASING

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:

.....	\$	963,208
.....	FTEs	17.95

4. CENTRALIZED PURCHASING — REMAINDER

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, 1999, and ending June 30, 2000, which are legally payable from this fund.

5. STATE FLEET ADMINISTRATOR

From the state fleet administrator revolving fund established by section 18.119 for salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	786,514
.....	FTEs	16.85

6. STATE FLEET ADMINISTRATOR — REMAINDER

The remainder of the state fleet administrator revolving fund is appropriated for the purchase of ethanol blended fuels and other fuels specified in section 18.115, subsection 5, 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, 1999, and ending June 30, 2000, which are legally payable from this fund.

Sec. 8. 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, 1999, and ending June 30, 2000, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. a. GENERAL OFFICE

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:

.....	\$	1,367,444
.....	FTEs	17.25

b. For the funding of technology upgrades in the office of governor and lieutenant governor:

.....	\$	45,000
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Of the funds appropriated in this subsection, the sum of \$45,000 is appropriated from funds in the general fund of the state received from civil penalties collected by the alcoholic beverages division of the department of commerce. The funds received from civil penalties collected by the alcoholic beverages division shall be used to fund the appropriation in this subsection only after the appropriation from such civil penalties as provided in section 14, subsection 4, and section 28, subsection 2 of this Act, are fully satisfied. Notwithstanding section 123.53, subsection 5, of the civil penalties collected by the alcoholic beverages division of the department of commerce during the fiscal year beginning July 1, 1998, and ending June 30, 1999, the sum of \$45,000 shall not be expended, obligated, or encumbered for any other purpose than provided in this subsection.

2. TERRACE HILL QUARTERS

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:

.....	\$	124,356
.....	FTEs	3.00

Of the moneys appropriated and full-time equivalent positions authorized in this subsection, the sum of \$49,042 and 1.00 FTE shall be for an administrative assistant to the first lady.

3. ADMINISTRATIVE RULES COORDINATOR

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:

.....	\$	135,047
.....	FTEs	3.00

4. NATIONAL GOVERNORS ASSOCIATION

For payment of Iowa's membership in the national governors association:	\$	68,800
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5. STATE-FEDERAL RELATIONS

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

.....	\$	274,095
.....	FTEs	3.00

Sec. 9. GUBERNATORIAL STATE GENERAL FUND BUDGET REVIEW AND SAVINGS PROCESS. The governor's fiscal year 2000 state budget assumes that the governor's state budgets for the fiscal years 2001 through 2004 will identify and recommend at least \$10 million in state general fund savings for each of the enumerated fiscal years. The governor has recommended a budget review process that includes the auditor of state, the department of management, and state employees in identifying ways to streamline and make state government operate more efficiently.

Sec. 10. 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, 1999, and ending June 30, 2000, 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:

.....	\$	548,263
.....	FTEs	20.00

2. AUDITS DIVISION

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

.....	\$	474,884
.....	FTEs	12.00

It is the intent of the general assembly that the department of economic development develop a self-reporting process for targeted small businesses to report on state government procurement compliance. The compliance program for targeted small businesses shall include state departments, agencies, commissions, education institutions under the state board of regents, area education agencies, community colleges, and K-12 school districts. The department of economic development may expend moneys available in the Iowa strategic investment fund created pursuant to section 15.313, to develop the self-reporting process as provided in this paragraph. The department of economic development shall report on the results of the compliance program for targeted small businesses for the fiscal year beginning July 1, 1999, to the chairpersons and members of the joint subcommittee on administration and regulation and the legislative fiscal bureau not later than October 1, 2000.

3. APPEALS AND FAIR HEARINGS DIVISION

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

.....	\$	454,779
.....	FTEs	30.00

4. INVESTIGATIONS DIVISION

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

.....	\$	965,905
.....	FTEs	40.00

5. HEALTH FACILITIES DIVISION

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

.....	\$	2,241,150
.....	FTEs	102.00

It is the intent of the general assembly that a conditional license pursuant to section 135C.12 shall not be imposed by the department of inspections and appeals if the failure of full compliance by a health care facility is to result in a single class I citation that is not determined to be an immediate jeopardy.

It is the intent of the general assembly that the department of inspections and appeals institute educational programs for inspectors relating to reporting on actions taken in accordance with physician's orders. The department shall report on the success of the education program to the chairpersons and members of the joint subcommittee on administration and regulation and the legislative fiscal bureau not later than January 15, 2000.

6. INSPECTIONS DIVISION

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

.....	\$	647,150
.....	FTEs	12.00

7. EMPLOYMENT APPEAL BOARD

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

.....	\$	35,178
.....	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:

.....	\$	778,508
.....	FTEs	18.75

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.

Sec. 11. 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, 1999, and ending June 30, 2000, 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 the regulation of pari-mutuel racetracks, and for not more than the following full-time equivalent positions:

.....	\$	2,094,194
.....	FTEs	22.36

Sec. 12. 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, 1999, and ending June 30, 2000, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

* See chapter 208, §69 herein

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:

.....	\$	1,432,906
.....	FTEs	25.05

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 nine riverboats are operating during the fiscal year beginning July 1, 1999, and ending June 30, 2000, the commission may expend no more than \$120,349 for no more than 2.00 FTEs for each additional riverboat in excess of nine. The additional expense associated with the positions shall be paid from fees assessed by the commission as provided in chapter 99F.

Sec. 13. USE TAX APPROPRIATION. There is appropriated from the use tax receipts collected pursuant to sections 423.7 and 423.7A prior to their deposit in the road use tax fund pursuant to section 423.24, to the appeals and fair hearings division of the department of inspections and appeals for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the following amount, or so much thereof as is necessary, for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:

.....	\$	1,075,028
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Sec. 14. 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, 1999, and ending June 30, 2000, 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:

.....	\$	2,242,430
.....	FTEs	30.00

The department of management shall report to the chairpersons and ranking members of the joint appropriations subcommittee on administration and regulation and the legislative fiscal bureau concerning the recommendations received from the \$300,000 fleet management services study received by the department, the recommendations implemented by state agencies, increased service levels attained due to implementation, recommendations to be implemented during the fiscal year ending June 30, 2000, and the savings realized from the recommendations which have been implemented. The report submitted to the joint appropriations subcommittee on administration and regulation and the legislative fiscal bureau shall be for the fiscal year ending June 30, 1999, and shall be submitted not later than January 1, 2000.

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
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3. COUNCIL OF STATE GOVERNMENTS

For support of the membership assessment:

.....	\$	84,033
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4. STATE STRATEGIC PLAN

For expenses related to the completion of a state strategic plan:

.....	\$	130,000
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Of the funds appropriated in this subsection, the sum of \$30,000 is appropriated from funds in the general fund of the state received from civil penalties collected by the alcoholic beverages division of the department of commerce. The funds received from civil penalties collected by the alcoholic beverages division shall be used first to fund the appropriation

provided in this subsection. Notwithstanding section 123.53, subsection 5, of the civil penalties collected by the alcoholic beverages division of the department of commerce during the fiscal year beginning July 1, 1998, and ending June 30, 1999, the sum of \$30,000 shall not be expended, obligated, or encumbered for any other purpose than provided for in this subsection.

It is the intent of the general assembly that documents and records of the names of donors and the amounts and in-kind contributions donated in conjunction with other support services from other departments for a state strategic plan are public records as defined in section 22.1. It is the belief of the general assembly that an additional \$150,000 of support services will be provided by state agencies and departments.

As a condition of the appropriation in this subsection, the director of the department of management shall, in cooperation with the state auditor's office and representatives of state employee groups, develop recommendations for creating and fostering efficiencies in state government. The director of the department of management shall report on the progress of its efficiency efforts and make recommendations to the joint appropriations subcommittee on administration and regulation by February 1, 2000.

Sec. 15. ROAD USE TAX APPROPRIATION. There is appropriated from the road use tax fund to the department of management for the fiscal year beginning July 1, 1999, and ending June 30, 2000, 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

Sec. 16. DEPARTMENT OF PERSONNEL. There is appropriated from the general fund of the state to the department of personnel for the fiscal year beginning July 1, 1999, and ending June 30, 2000, 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:

..... \$ 1,523,928
..... FTEs 19.42

2. PROGRAM DELIVERY SERVICES

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

..... \$ 1,370,734
..... FTEs 32.15

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:

..... \$ 1,702,825
..... FTEs 37.80

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 services under subsection 2 and program administration and development under subsection 3 are payable from the appropriation made in subsection 1.

It is the intent of the general assembly that members of the general assembly serving as members of the deferred compensation advisory board shall be entitled to receive per diem and necessary travel and actual expenses pursuant to section 2.10, subsection 5, while carrying out their official duties as members of the board.

Sec. 17. HEALTH INSURANCE REFORM PROGRAM. There is transferred from the surplus funds in the health insurance operating account to the department of personnel for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the salary and support costs for the insurance reform program and administration costs associated with the health insurance reform effort in Iowa:

.....	\$	831,655
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Of the amount appropriated in this section, \$240,000 shall be considered a nonrecurring appropriation. Notwithstanding section 8.33, unencumbered or unobligated funds remaining on June 30, 2000, from the funds transferred in this section, shall revert to the health insurance operating account on June 30, 2000.

Sec. 18. READY TO WORK PROGRAM COORDINATOR. There is transferred from the surplus funds in the health insurance operating account and the workers' compensation trust fund to the department of personnel for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the salary, support, and miscellaneous expenses for the ready to work program and coordinator, and for not more than the following full-time equivalent positions:

.....	\$	181,290
.....	FTEs	1.00

The moneys transferred pursuant to this section shall be taken in equal proportions from the health insurance operating account and the workers' compensation trust fund.

Notwithstanding section 8.33, unencumbered or unobligated funds remaining on June 30, 2000, from the funds transferred in this section, shall revert in equal proportions to the health insurance operating account and the workers' compensation trust fund on June 30, 2000.

Sec. 19. HEALTH INSURANCE OVERSIGHT PROGRAM. There is transferred from the employer's share of the surplus funds in the health insurance operating account to the department of personnel for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For the salary and support costs to provide reporting and oversight of health care purchasing in Iowa, and for not more than the following full-time equivalent positions:

.....	\$	112,000
.....	FTEs	2.00

Notwithstanding section 8.33, unencumbered or unobligated funds remaining on June 30, 2000, from the funds transferred in this section, shall revert to the health insurance operating account on June 30, 2000.

Sec. 20. IPERS. There is appropriated from the Iowa public employees' retirement system fund to the department of personnel for the fiscal year beginning July 1, 1999, and ending June 30, 2000, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. GENERAL OFFICE

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

.....	\$	5,231,679
.....	FTEs	77.57

2. IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM MANAGEMENT INFORMATION SYSTEM

For salaries, support, maintenance, and other operational purposes to pay one-time funding for the first year of a two-year project to reengineer the Iowa public employees' retirement

system information management system and for not more than the following full-time equivalent positions:

.....	\$	1,477,832
.....	FTEs	11.00

3. INVESTMENT PROGRAM STAFFING

It is the intent of the general assembly that the Iowa public employees' retirement system division employ sufficient staff within the appropriation provided in this section to meet the developing requirements of the investment program.

Sec. 21. PRIMARY ROAD FUND APPROPRIATION. There is appropriated from the primary road fund to the department of personnel for the fiscal year beginning July 1, 1999, and ending June 30, 2000, 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:

.....	\$	410,100
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Sec. 22. ROAD USE TAX FUND APPROPRIATION. There is appropriated from the road use tax fund to the department of personnel for the fiscal year beginning July 1, 1999, and ending June 30, 2000, 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:

.....	\$	66,760
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Sec. 23. 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, 1999, and ending June 30, 2000, 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
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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.

It is the intent of the general assembly that any funds received by the department of personnel for workers' compensation purposes other than funds appropriated in this section shall be used for the payment of workers' compensation claims and administrative costs.

Sec. 24. DEPARTMENT OF REVENUE AND FINANCE. There is appropriated from the general fund of the state to the department of revenue and finance for the fiscal year beginning July 1, 1999, and ending June 30, 2000, 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	525.00
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1. COMPLIANCE

For salaries, support, maintenance, and miscellaneous purposes:

.....	\$	10,740,725
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2. STATE FINANCIAL MANAGEMENT

For salaries, support, maintenance, and miscellaneous purposes: \$ 11,690,329

3. INTERNAL RESOURCES MANAGEMENT

For salaries, support, maintenance, and miscellaneous purposes: \$ 6,210,493

4. COLLECTION COSTS AND FEES

For payment of collection costs and fees pursuant to section 422.26: \$ 45,000

5. 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. 25. LOTTERY. There is appropriated from the lottery fund to the department of revenue and finance for the fiscal year beginning July 1, 1999, and ending June 30, 2000, 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:

\$ 8,218,127
FTEs 117.00

It is the intent of the general assembly that the lottery shall establish a licensee compliance program for education to enhance their compliance on prohibition of sales to persons under 21 years of age. The education program shall include training, marketing, monitoring, and reporting activities in coordination with lottery licensees. The results of the program shall be reported to the chairperson, vice chairpersons, ranking members, and members of the joint appropriations subcommittee on administration and regulation not later than January 15, 2000.

Sec. 26. MOTOR VEHICLE FUEL TAX APPROPRIATION. There is appropriated from the motor fuel tax fund created by section 452A.77 to the department of revenue and finance for the fiscal year beginning July 1, 1999, and ending June 30, 2000, 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:

\$ 1,033,417

Sec. 27. SECRETARY OF STATE. 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, 1999, and ending June 30, 2000, 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:

\$ 704,269
FTEs 10.00

It is the intent of the general assembly that the state department or state agency which provides data processing services to support voter registration file maintenance and storage shall provide those services without charge.

2. BUSINESS SERVICES

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

\$ 1,815,117
FTEs 32.00

3. OFFICIAL REGISTER

For costs incurred in the printing of the official register:	\$	45,000
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4. STUDENT CITIZENSHIP

For expenses relating to the implementation of a student citizenship program:	\$	30,000
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It is the intent of the general assembly that the secretary of state invite the legislators representing local school districts to join with the secretary in citizenship forums to educate students of the importance of participating in the political process.

Sec. 28. 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, 1999, and ending June 30, 2000, 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:

.....	\$	1,022,742
.....	FTEs	26.80

2. OFFICE FURNISHINGS

For the funding for carpet and drapes for the office of treasurer of state:	\$	25,000
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Of the funds appropriated in this subsection, the sum of \$25,000 is appropriated from funds in the general fund of the state received from civil penalties collected by the alcoholic beverages division of the department of commerce. The funds received from civil penalties collected by the alcoholic beverages division shall be used to fund the appropriation in this subsection only after the appropriation from such civil penalties as provided in section 14, subsection 4, is fully satisfied. Notwithstanding section 123.53, subsection 5, of the civil penalties collected by the alcoholic beverages division of the department of commerce during the fiscal year beginning July 1, 1998, and ending June 30, 1999, the sum of \$25,000 shall not be expended, obligated, or encumbered for any other purpose than provided for in this subsection.

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

Sec. 29. ELIMINATION OF VACANT UNFUNDED JOBS. Within sixty days after an unfunded vacancy occurs, a state department, agency, or office receiving appropriations under this Act shall eliminate the vacant unfunded position from the table of organization of the state department, agency, or office.

Sec. 30. DEPARTMENT OF GENERAL SERVICES. There is appropriated from the general fund of the state to the department of general services for the fiscal year beginning July 1, 1998, and ending June 30, 1999, to supplement the appropriations made in 1998 Iowa Acts, chapter 1217, section 5, subsection 4, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

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:

.....	\$	67,500
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Sec. 31. GOVERNOR AND LIEUTENANT GOVERNOR. There is appropriated from the general fund of the state to the offices of the governor and lieutenant governor for the fiscal year beginning July 1, 1998, and ending June 30, 1999, to supplement the appropriations made in 1998 Iowa Acts, chapter 1217, section 7, subsection 1, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

* Item veto; see message at end of the Act

GENERAL OFFICE

For salaries, support, maintenance, and miscellaneous purposes, including vacation and leave payout for departing staff, for the general office of the governor and the general office of the lieutenant governor:

.....	\$	237,000
.....	FTEs	0.30

Of the funds appropriated in this section, not more than \$12,000 may be used for the salary, support, maintenance, and miscellaneous purposes, for an administrative assistant for the first lady.

Sec. 32. Section 123.53, subsection 5, Code 1999, is amended to read as follows:

5. ~~Notwithstanding section 8.33, civil~~ Civil penalties imposed and collected by the division shall ~~not revert be credited~~ to the general fund of the state. The moneys from the civil penalties ~~are appropriated for use~~ shall be used by the division, subject to appropriation by the general assembly, for the purposes of providing educational programs, information and publications for alcoholic beverage licensees and permittees, local authorities, and law enforcement agencies regarding the laws and rules which govern the alcoholic beverages industry, and for promoting compliance with alcoholic beverage laws and rules.

Sec. 33. EFFECTIVE DATES.

1. Section 8, subsection 1, paragraph "b" of this Act, being deemed of immediate importance, takes effect upon enactment.

2. Section 14, subsection 4, of this Act, being deemed of immediate importance, takes effect upon enactment.

3. Section 28, subsection 2, of this Act, being deemed of immediate importance, takes effect upon enactment.

4. Sections 30 and 31 of this Act, being deemed of immediate importance, take effect upon enactment.

Approved May 6, 1999, with the exception of Sec. 29 which is disapproved.

THOMAS J. VILSACK, Governor

Dear Mr. Secretary:

I hereby transmit Senate File 460, an act relating to and making appropriations to certain state departments, agencies, funds, and certain other entities, providing for regulatory authority, other properly related matter, and providing effective dates, which is hereby approved and transmitted to you in accordance with Article III, Section 16, of the Constitution of the State of Iowa, with the exception of Section 29, which is hereby disapproved.

I am unable to approve Section 29 in its entirety.

I am concerned that the language in Section 29 would create a different standard for the departments and agencies funded in this bill than others in state government. While I share the Legislature's concern with vacant unfunded positions in state government, I believe that we must develop an enterprise-wide approach to this issue. I have asked the director of the department of management to study issues relating to vacant positions in state government. I intend to make recommendations to the Legislature to address this issue next year.

For the above reasons, I hereby respectfully approve Senate File 460 with the exception noted above.

Sincerely,
THOMAS J. VILSACK, Governor