

shall be refunded by the lessor. Upon application by the lessor to the appropriate court prior to the termination period provided for in the notice, any relief granted in this subsection shall be subject to such modifications or restrictions as in the opinion of the court justice and equity may in the circumstances require.

Sec. 34. **MAXIMUM RATE OF INTEREST.** No obligation or liability bearing interest at a rate in excess of six percent per year incurred by a person in military service before that person's entry into that service shall, during any part of the period of military service, bear interest at a rate in excess of six percent per year unless, in the opinion of the court, upon application thereto by the obligee, the ability of such person in military service to pay interest upon such obligation or liability at a rate in excess of six percent per year is not materially affected by reason of such service, in which case the court may make such order as in its opinion may be just. As used in this section the term "interest" includes service charges, renewal charges, fees, or any other charges, except bona fide insurance, in respect of such obligation or liability.

Sec. 35. **PROVISIONS APPLY NOTWITHSTANDING CONTRARY CODE PROVISIONS.** Sections 29 through 34 of this Act apply notwithstanding any contrary provision of state law, which may include but is not limited to Titles XIII, XIV, and XV.

Sec. 36. Sections 29 through 35 of this Act are repealed on January 31, 2002.

Approved November 14, 2001

CHAPTER 2

STATE BUDGETING PRACTICES

H.F. 760

AN ACT relating to the state general fund expenditure limitation and budgeting practices and including effective date and applicability provisions.

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

Section 1. Section 2.47A, subsection 1, paragraph c, Code 2001, is amended by striking the paragraph.

Sec. 2. Section 8.6, subsection 14, Code 2001, is amended by striking the subsection.

Sec. 3. Section 8.6, subsection 15, Code 2001, is amended to read as follows:

15. **CAPITAL PROJECT PLANNING AND BUDGETING AUTHORITY.** To call upon any state agency, as defined in section 8.3A, for assistance the director may require in performing the director's duties under ~~subsections~~ subsection 13 ~~and 14~~. All state agencies, upon the request of the director, shall assist the director and are authorized to make available to the director any existing studies, surveys, plans, data, and other materials in the possession of the state agencies which are relevant to the director's duties.

Sec. 4. Section 8.21, unnumbered paragraph 2, Code 2001, is amended to read as follows:

If the governor is required to use a lesser amount in the budget process because of a later meeting of the state revenue estimating conference under section 8.22A, subsection 3, the governor shall transmit recommendations for a ~~balanced budget meeting~~ this in conform-

ance with that requirement within fourteen days of the later meeting of the state revenue estimating conference.

Sec. 5. Section 8.22A, subsection 5, Code 2001, is amended to read as follows:

5. At the meeting in which the conference agrees to the revenue estimate for the succeeding fiscal year in accordance with the provisions of subsection 3, the conference shall also agree to the following ~~estimate~~ estimates which shall be used by the governor ~~and the general assembly~~ in preparation of the budget message under section 8.22 and the general assembly in the budget process for the succeeding fiscal year:

a. The amount of lottery revenues for the following fiscal year to be available for disbursement following the deductions made pursuant to section 99E.10, subsection 1.

b. The amount of revenue for the following fiscal year from gambling revenues and from interest earned on the cash reserve fund and the economic emergency fund to be deposited in the rebuild Iowa infrastructure fund under section 8.57, subsection 5, paragraph "e".

c. The amount of accruals of those revenues collected by or due from entities other than the state on or before June 30 of the fiscal year but not remitted to the state until after June 30.

d. The amount of accrued lottery revenues collected on or before June 30 of the fiscal year but not transferred to the general fund of the state until after June 30.

Sec. 6. Section 8.25, Code 2001, is amended to read as follows:

8.25 TENTATIVE BUDGET.

Upon the receipt of the estimates of expenditure requirements called for by section 8.23 ~~and the preparation of the estimates of income called for by section 8.24~~ and not later than ~~the following~~ December 1, next succeeding, the director of the department of management, ~~hereinabove provided for~~, shall cause to be prepared a tentative budget conforming as to scope, contents and character to the requirements of section 8.22 and containing the estimates of expenditures ~~and revenue~~ as called for by ~~sections~~ section 8.23 and 8.24, which tentative budget shall be transmitted to the governor.

Sec. 7. Section 8.29, unnumbered paragraphs 1, 2, and 3, Code 2001, are amended by striking the unnumbered paragraphs.

Sec. 8. Section 8.35A, subsection 1, Code 2001, is amended to read as follows:

1. By July 1, the director of the department of management, in conjunction with the director of revenue and finance, shall provide a projected expenditure breakdown of each appropriation for the beginning fiscal year to the legislative fiscal bureau in the form and level of detail requested by the bureau. By the fifteenth of each month, the director, in conjunction with the director of revenue and finance, shall transmit to the legislative fiscal bureau a record for each appropriation of actual expenditures for the prior month of the fiscal year and the fiscal year to date in the form and level of detail as requested by the bureau. By October 1, the director, in conjunction with the director of revenue and finance, shall transmit the total record of an appropriation, including reversions and transfers for the prior fiscal year ending June 30, to the legislative fiscal bureau.

Sec. 9. Section 8.53, unnumbered paragraph 1, Code 2001, is amended by striking the unnumbered paragraph.

Sec. 10. Section 8.54, subsection 4, Code 2001, is amended to read as follows:

4. The state general fund expenditure limitation amount provided for in this section shall be used by the governor in the preparation of the budget under section 8.22 and approval of the budget and by the general assembly in the budget process. If a source for new revenues is proposed, the budget revenue projection used for that new revenue source for the period beginning on the effective date of the new revenue source and ending in the fiscal year in which the source is included in the revenue base shall be an amount determined by subtracting estimated tax refunds payable from the projected revenue from that new revenue source, multiplied by

ninety-five percent. If a new revenue source is established and implemented, the original state general fund expenditure limitation amount provided for in subsection 3 shall be readjusted to include ninety-five percent of the estimated revenue from the new revenue source.

Sec. 11. Section 8.54, subsections 7 and 8, Code 2001, are amended by striking the subsections and inserting in lieu thereof the following:

7. The governor shall transmit to the general assembly, in accordance with section 8.21, a budget which does not exceed the state general fund expenditure limitation. The general assembly shall pass a budget which does not exceed the state general fund expenditure limitation. The governor shall not transmit a budget with recommended appropriations in excess of the state general fund expenditure limitation and the general assembly shall not pass a budget with appropriations in excess of the state general fund expenditure limitation. The governor shall not approve or disapprove appropriation bills or items of appropriation bills passed by the general assembly in a manner that would cause the final budget approved by the governor to exceed the state general fund expenditure limitation. In complying with the requirements of this subsection, the governor and the general assembly shall not rely on any anticipated reversion of appropriations in order to meet the state general fund expenditure limitation.

Sec. 12. Sections 8.24, 8.37, 8.39A, and 8.42, Code 2001, are repealed.

Sec. 13. EFFECTIVE DATE — APPLICABILITY. This Act, being deemed of immediate importance, takes effect upon enactment. Sections 1 through 5, 7, 8, 10, and 11 are first applicable to the budget and appropriations made for the fiscal year beginning July 1, 2002, and ending June 30, 2003.

Approved November 16, 2001

CHAPTER 3
HOSPITAL TRUST FUND
H.F. 763

AN ACT relating to the establishment of a hospital trust fund, providing an effective date, and providing for retroactive applicability.

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

DIVISION I
TITLE AND FINDINGS

Section 1. NEW SECTION. 249I.1 TITLE.

This chapter shall be known and may be cited as the "Iowa Hospital Trust Fund".

Sec. 2. NEW SECTION. 249I.2 LEGISLATIVE FINDINGS — GOAL.

1. The general assembly finds that:

a. The preservation, improvement, and coordination of the health care infrastructure of Iowa is critical to the health and safety of Iowans.

b. Iowa hospital providers are a vital and critical component of Iowa's health care and economic infrastructure.

c. An increasing number of Iowans are eligible for and enrolled in Iowa's medical assistance program.

2. The goal of the trust fund is to provide a continuing source of funding to ensure the