

16. For elevator upgrades at the Ames complex:

..... \$ 100,000

Notwithstanding section 8.33, moneys appropriated in subsections 10 through 16 that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that begins July 1, 2011.

Sec. 3. 2007 Iowa Acts, chapter 216, section 2, subsection 1, paragraph c, is amended to read as follows:

c. Highways:

..... \$ 209,436,880

..... 219,166,306

..... FTEs 2,454.00

Notwithstanding section 8.33, moneys appropriated in this lettered paragraph that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Sec. 4. EFFECTIVE DATE. The section of this Act amending 2007 Iowa Acts, chapter 216, section 2, subsection 1, paragraph “c”, being deemed of immediate importance, takes effect upon enactment.

Approved May 13, 2008

CHAPTER 1186

HEALTHY IOWANS TOBACCO TRUST AND
TOBACCO SETTLEMENT TRUST FUND — APPROPRIATIONS

S.F. 2417

AN ACT relating to and making appropriations from the healthy Iowans tobacco trust and the tobacco settlement trust fund, and providing for the repeal of the healthy Iowans tobacco trust, and providing effective dates.

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

DIVISION I

HEALTHY IOWANS TOBACCO TRUST — APPROPRIATIONS

Section 1. HEALTHY IOWANS TOBACCO TRUST — APPROPRIATIONS TO DEPARTMENTS. There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the following departments for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. To the department of human services:

a. For child and family services including for reimbursement of adoption, independent living, shelter care, and home studies services providers, and other service providers under the purview of the department of human services:

..... \$ 3,786,677

Of the funds appropriated in this paragraph "a", \$25,000 is allocated for a grant to a child welfare services provider headquartered in a county with a population between 189,000 and 196,000 in the latest preceding certified federal census that provides multiple services including but not limited to a psychiatric medical institution for children, shelter, residential treatment, after school programs, school-based programming, and an Asperger's syndrome program, to be used for support services for children with autism spectrum disorder and their families.

b. To continue supplementation of the state supplementary assistance program including reimbursements for residential care facilities and in-home health services:

..... \$ 182,381

c. For general administration of health-related programs:

..... \$ 274,000

2. To the Iowa department of public health:
a. For the tobacco use prevention and control initiative, including efforts at the state and local levels, as provided in chapter 142A and for not more than the following full-time equivalent positions:

..... \$ 5,928,265

..... FTEs 7.00

(1) The director of public health shall dedicate sufficient resources to promote and ensure retailer compliance with tobacco laws and ordinances relating to persons under 18 years of age, and shall prioritize the state's compliance in the allocation of available funds to comply with 42 U.S.C. § 300x-26 and section 453A.2.

(2) Of the full-time equivalent positions funded in this paragraph "a", 2.00 full-time equivalent positions shall be utilized to provide for enforcement of tobacco laws, regulations, and ordinances under a chapter 28D agreement entered into between the Iowa department of public health and the alcoholic beverages division of the department of commerce.

(3) Of the funds appropriated in this paragraph "a", not more than \$525,759 shall be expended on administration and management of the program.

(4) Of the funds appropriated in this paragraph "a", not less than 80 percent of the amount expended in the fiscal year beginning July 1, 2001, for community partnerships shall be expended in the fiscal year beginning July 1, 2008, for that purpose.

b. For additional substance abuse treatment under the substance abuse treatment program:

..... \$ 13,800,000

*(1) The department shall use funds appropriated in this paragraph "b" to enhance the quality of and to expand the capacity to provide 24-hour substance abuse treatment programs.

(2) The department shall use funds appropriated in this paragraph "b" to expand the length of individual client substance abuse treatment plans, as necessary to reduce program recidivism.

(3) The department shall use funds appropriated in this paragraph "b" to share research-based best practices for treatment with substance abuse treatment facilities.

(4) The department shall use funds appropriated in this paragraph "b" to develop a results-based funding approach for substance abuse treatment services.

(5) The department shall use funds appropriated in this paragraph "b" to develop a program to encourage individuals who are successfully managing their substance abuse problems to serve as role models.

(6) The department shall submit a report annually by March 1, to the governor and the general assembly delineating the success rates of the substance abuse treatment programs that receive funding under this paragraph "b".*

c. For the healthy Iowans 2010 plan within the Iowa department of public health and for not more than the following full-time equivalent positions:

..... \$ 2,509,960

..... FTEs 4.00

(1) Of the funds appropriated in this paragraph "c", not more than \$1,157,482 shall be used for essential public health services that promote healthy aging throughout the lifespan, con-

* Item veto; see message at end of the Act

tracted through a formula for local boards of health, to enhance health promotion and disease prevention services.

(2) Of the funds appropriated in this paragraph "c", not more than \$387,320 shall be used for the continuation and support of a coordinated system of delivery of trauma and emergency medical services.

(3) Of the funds appropriated in this paragraph "c", not more than \$600,000 shall be used for the state poison control center.

(4) Of the funds appropriated in this paragraph "c", not more than \$288,770 shall be used for the development of scientific and medical expertise in environmental epidemiology.

(5) Of the funds appropriated in this paragraph "c", not more than \$76,388 shall be used for the childhood lead poisoning prevention program.

d. For the center for congenital and inherited disorders established pursuant to section 136A.3:

..... \$ 26,000

e. For a grant program to provide substance abuse prevention programming for children: \$ 1,050,000

(1) Of the funds appropriated in this paragraph "e", \$500,000 shall be utilized to provide funding for organizations that provide programming for children by utilizing mentors. Programs approved for grants under this subparagraph (1) shall be certified or will be certified within six months of receiving the grant award by the Iowa commission on volunteer services as utilizing the standards for effective practice for mentoring programs.

(2) Of the funds appropriated in this paragraph "e", \$500,000 shall be utilized to provide funding for organizations that provide programming that includes youth development and leadership. The programs shall also be recognized as being programs that are scientifically based with evidence of their effectiveness in reducing substance abuse in children.

(3) The Iowa department of public health shall utilize a request for proposals process to implement the program under this paragraph "e".

(4) All grant recipients under this paragraph "e" shall participate in a program evaluation as a requirement for receiving grant funds.

(5) Of the funds appropriated in this paragraph "e", \$50,000 shall be used to administer substance abuse prevention grants and for program evaluations.

f. For providing grants to individual patients who have phenylketonuria (PKU) to assist with the costs of necessary special foods:

..... \$ 100,000

g. For additional funding to leverage federal funding through the federal Ryan White Care Act, Title II, AIDS drug assistance program supplemental drug treatment grants:

..... \$ 275,000

h. For a grant to an existing national-affiliated organization to provide education, client-centered programs, and client and family support for people living with epilepsy and their families:

..... \$ 100,000

3. To the department of corrections: \$ 4,477,474

It is the intent of the general assembly that each judicial district department of correctional services shall cooperate with and utilize local community-based treatment providers licensed under chapter 125. Each judicial district department of correctional services shall submit a report to the general assembly and to the co-chairpersons and ranking members of the joint appropriations subcommittee on the justice system and the legislative services agency by December 15, 2008, detailing the utilization of drug court funds allocated in this subsection.

a. Of the funds appropriated in this subsection, \$410,332 is allocated to the first judicial district department of correctional services. Of the funds allocated, \$100,000 shall be used for community-based corrections, \$182,116 shall be used to expand the drug court in Black Hawk county to Dubuque and Delaware counties, and \$128,216 shall be used to replace expired federal funding for dual diagnosis offenders.

b. Of the funds appropriated in this subsection, \$441,215 is allocated to the second judicial district department of correctional services. Of the funds allocated, \$100,000 shall be used for community-based corrections, and \$341,215 shall be used to replace expired federal funding for day programming and to replace expired federal funding for the drug court program.

c. Of the funds appropriated in this subsection, \$220,856 is allocated to the third judicial district department of correctional services. Of the funds allocated, \$100,000 shall be used for community-based corrections, and \$120,856 shall be used to replace expired federal funding for the drug court program.

d. Of the funds appropriated in this subsection, \$310,547 is allocated to the fourth judicial district department of correctional services. Of the funds allocated, \$100,000 shall be used for community-based corrections, and \$210,547 shall be used for the drug court program.

e. Of the funds appropriated in this subsection, \$419,582 is allocated to the fifth judicial district department of correctional services. Of the funds allocated, \$100,000 shall be used for community-based corrections, and \$319,582 shall be used to replace expired federal funding for the drug court program.

f. Of the funds appropriated in this subsection, \$566,750 is allocated to the sixth judicial district department of correctional services. Of the funds allocated, \$100,000 shall be used for community-based corrections, \$64,741 shall be used to replace expired federal funding for dual diagnosis offenders, and \$402,009 shall be used to establish drug court programs in Johnson and Linn counties.

g. Of the funds appropriated in this subsection, \$256,608 is allocated to the seventh judicial district department of correctional services. Of the funds allocated, \$100,000 shall be used for community-based corrections, and \$156,608 shall be used to replace expired federal funding for the drug court program.

h. Of the funds appropriated in this subsection, \$324,299 is allocated to the eighth judicial district department of correctional services. Of the funds allocated, \$100,000 shall be used for community-based corrections, and \$224,299 shall be used to implement an adult drug court program.

i. Of the funds appropriated in this subsection, \$1,497,285 is allocated to the Fort Madison correctional facility for the clinical care unit.

j. Of the funds appropriated in this subsection, \$30,000 is allocated for a transitional housing pilot project for offenders on parole who are in the early stages of recovery from substance abuse. The department of corrections shall contract with a private nonprofit substance abuse treatment provider in a city with a population exceeding 65,000 but not exceeding 75,000 to implement the pilot project. The department shall file a report with the co-chairpersons and ranking members of the joint appropriations subcommittee on the justice system and the legislative services agency by February 1, 2009, detailing the number of offenders served by the pilot project, the recidivism rate, a description of the types of services received by the offenders, and the number of prison bed days saved by the pilot project.

Sec. 2. PURCHASE OF SERVICE CONTRACT PROVIDERS — REIMBURSEMENT INCREASE. There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the property tax relief fund created in section 426B.1 for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For assistance to the counties with limited county mental health, mental retardation, and developmental disabilities services fund balances which were selected in accordance with 2000 Iowa Acts, chapter 1221, section 3, to receive such assistance in the same amount provided during the fiscal year beginning July 1, 2000, and ending June 30, 2001, to pay reimbursement increases in accordance with 2000 Iowa Acts, chapter 1221, section 3:
..... \$ 146,750

Sec. 3. IOWA EMPOWERMENT FUND. There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the Iowa empowerment fund created in section 28.9

for the fiscal year beginning July 1, 2008, and ending June 30, 2009, for deposit in the school ready children grants account:

..... \$ 2,153,250

Sec. 4. IOWA COMMISSION ON VOLUNTEER SERVICES. There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the department of economic development for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For allocation to the Iowa commission on volunteer services for the Iowa's promise and mentoring partnership program and for not more than the following full-time equivalent positions:

..... \$ 125,000
..... FTEs 1.00

Sec. 5. DEPARTMENT OF EDUCATION. There is appropriated from the healthy Iowans tobacco trust created in section 12.65 to the department of education for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

To continue the competitive grants program to expand the availability of the before and after school grant program as provided in section 256.26:

..... \$ 505,000

Of the amount appropriated for purposes of the competitive grants program, not more than \$100,000 may be used to retain a contractor to work with the department on long-term planning and development of a statewide infrastructure to provide coordination, support, and technical assistance to before and after school programs. The contractor shall be qualified to provide services in policy development, before and after school funding mechanisms, public and private partnerships, data collection, the promotion of quality, and working with various state and local interests.

Sec. 6. 2007 Iowa Acts, chapter 208, section 1, subsection 2, paragraph e, is amended to read as follows:

e. For the center for congenital and inherited disorders established pursuant to section 136A.3:

..... \$ 26,000
0

Sec. 7. ENDOWMENT FOR IOWA'S HEALTH ACCOUNT — TRANSFER. Notwithstanding any provision of law to the contrary, the unencumbered or unobligated balance of the endowment for Iowa's health account created in section 12E.12 at the close of the fiscal year beginning July 1, 2007, shall be transferred to the healthy Iowans tobacco trust created in section 12.65.

Sec. 8. EFFECTIVE DATES.

1. The section of this division of this Act transferring the balance at the end of the fiscal year beginning July 1, 2007, in the endowment for Iowa's health account to the healthy Iowans tobacco trust, being deemed of immediate importance, takes effect upon enactment.

2. The section of this division of this Act amending the appropriation for the center for congenital and inherited disorders in 2007 Iowa Acts, chapter 208, being deemed of immediate importance, takes effect upon enactment.

DIVISION II
HEALTHY IOWANS TOBACCO TRUST — REPEAL

Sec. 9. Section 12E.2, subsection 5, Code 2007, is amended by striking the subsection.

Sec. 10. Section 12E.2, subsection 10, Code 2007, is amended to read as follows:

10. "Program plan" means the tobacco settlement program plan dated February 14, 2001,

including exhibits to the program plan, submitted by the authority to the legislative council and the executive council, to provide the state with a secure and stable source of funding for the purposes designated by section 12E.3A and other provisions of this chapter and section 12.65.

Sec. 11. Section 12E.3, subsection 2, paragraph a, Code 2007, is amended to read as follows:

a. To implement and administer the program plan and to establish a stable source of revenue to be used for the purposes designated in section 12E.3A and other provisions of this chapter and section 12.65.

Sec. 12. NEW SECTION. 12E.3A ENDOWMENT FOR IOWA'S HEALTH ACCOUNT — PURPOSES.

1. The general assembly reaffirms and reenacts the purposes stated for the use of moneys deposited in the healthy Iowans tobacco trust, as the purposes were enacted in 2000 Iowa Acts, chapter 1232, section 12, and codified in section 12.65, Code 2007, as the purposes for the endowment for Iowa's health account. The purposes include those purposes related to health care, substance abuse treatment and enforcement, tobacco use prevention and control, and other purposes related to the needs of children, adults, and families in the state.

2. Any net proceeds from the sale of taxable bonds or tax-exempt bonds issued to provide funds for the purposes stated in section 12.65, Code 2007, and as reaffirmed and reenacted in subsection 1 shall continue to be used for such purposes, including but not limited to any such proceeds deposited in the endowment for Iowa's health account or transferred or otherwise credited to the general fund of the state.

Sec. 13. Section 12E.9, subsection 1, paragraph b, subparagraphs (3) and (6), Code 2007, are amended to read as follows:

(3) An agreement that the anticipated use by the state of bond proceeds received pursuant to the sales agreement shall be for capital projects, certain debt service on outstanding obligations that funded capital projects, payment of attorney fees related to the master settlement agreement, and to provide a secure and stable source of funding to the state for purposes designated by section 12E.3A and other provisions of this chapter and section 12.65.

(6) A requirement that the net proceeds received by the authority from the sale of taxable bonds or tax-exempt bonds issued to provide funds for the purposes specified in section ~~12.65~~ 12E.3A be deposited in the endowment for Iowa's health account of the tobacco settlement trust fund as moneys of the authority until transferred to the state pursuant to section 12E.12, subsection 1, paragraph "b", subparagraph (2). Each amount transferred shall be the consideration received by the state for that portion of the state's share.

Sec. 14. Section 12E.10, subsection 1, paragraph a, subparagraph (3), Code 2007, is amended to read as follows:

(3) The authority may also issue taxable bonds or tax-exempt bonds to provide additional amounts to be used for the purposes specified in section ~~12.65~~ 12E.3A.

Sec. 15. Section 12E.11, subsection 1, Code 2007, is amended to read as follows:

1. The authority may issue bonds and, if bonds are issued, shall make the proceeds from the bonds available to the state pursuant to the sales agreement to fund capital projects, certain debt service on outstanding obligations that funded capital projects, and attorney fees related to the master settlement agreement, and to provide a secure and stable source of funding to the state, consistent with the purposes of section 12E.3A and other provisions of this chapter and section 12.65. In connection with the issuance of bonds and subject to the terms of the sales agreement, the authority shall determine the terms and other details of the financing and the method of implementation of the program plan. Bonds issued pursuant to this section may be secured by a pledge of all or a portion of the state's share and any moneys derived from the state's share, and any other sources available to the authority with the exception of moneys

in the tobacco settlement trust fund. The authority may also issue refunding bonds, including advance refunding bonds, for the purpose of refunding previously issued bonds, and may issue other types of bonds, debt obligations, and financing arrangements necessary to fulfill its purposes or the purposes of this chapter.

Sec. 16. Section 12E.12, subsection 1, paragraph b, subparagraph (2), Code 2007, is amended to read as follows:

(2) The endowment for Iowa's health account.

(a) The net proceeds of any taxable bonds or tax-exempt bonds issued to provide funds for the purposes specified in section 12.65 ~~12E.3A~~, which the authority is directed to deposit in the account, any portion of the state's share which is not sold to the authority, and any other moneys appropriated by the state for deposit in the account shall be deposited in the account and shall be used for the purposes specified in section 12.65 ~~12E.3A~~.

~~(a) There is transferred from the endowment for Iowa's health account of the tobacco settlement trust fund to the healthy Iowans tobacco trust for the fiscal year beginning July 1, 2001, and ending June 30, 2002, the amount of fifty-five million dollars, to be used for the purposes specified in section 12.65.~~

(b) ~~For each fiscal year beginning July 1, 2002 2009, and annually thereafter, there is transferred from the moneys deposited in the endowment for Iowa's health account of the tobacco settlement trust fund are transferred to the healthy Iowans tobacco trust fifty-five million dollars plus an inflationary factor of one and one-half percent of the amount transferred in the previous fiscal year. Any transfer in an amount not in accordance with this subparagraph shall not be made unless authorized by a three-fifths majority of each house and approved by the governor general fund of the state. The moneys transferred shall be used for the purposes specified in section 12E.3A.~~

Sec. 17. Section 12E.17, Code 2007, is amended to read as follows:

12E.17 DISSOLUTION OF THE AUTHORITY.

The authority shall dissolve no later than two years from the date of final payment of all outstanding bonds and the satisfaction of all outstanding obligations of the authority, except to the extent necessary to remain in existence to fulfill any outstanding covenants or provisions with bondholders or third parties made in accordance with this chapter. Upon dissolution of the authority, all assets of the authority shall be returned to the state and shall be deposited in the ~~healthy Iowans tobacco trust~~ general fund of the state, unless otherwise directed by the general assembly, and the authority shall execute any necessary assignments or instruments, including any assignment of any right, title, or ownership to the state for receipt of payments under the master settlement agreement.

Sec. 18. Section 12.65, Code 2007, is repealed.

Sec. 19. EFFECTIVE DATE. This division of this Act takes effect June 30, 2009.

DIVISION III APPROPRIATIONS AND BALANCES — REVERSIONS

Sec. 20. HEALTHY IOWANS TOBACCO TRUST AND ENDOWMENT FOR IOWA'S HEALTH ACCOUNT — REVERSION.

1. Notwithstanding any provision of law to the contrary, moneys from appropriations that remain unencumbered or unobligated at the close of the fiscal year beginning July 1, 2008, or the close of any succeeding fiscal year that would otherwise be required by law to revert to, be deposited in, or to be credited to the healthy Iowans tobacco trust or the endowment for Iowa's health account shall instead be credited to the general fund of the state.

2. Notwithstanding any provision of law to the contrary, the unencumbered or unobligated

balances of the healthy Iowans tobacco trust at the close of the fiscal year beginning July 1, 2008, or the endowment for Iowa's health account at the close of the fiscal year beginning July 1, 2008, or the close of any succeeding fiscal year shall be transferred to the general fund of the state.

Approved May 13, 2008, with exceptions noted.

CHESTER J. CULVER, *Governor*

Dear Mr. Secretary:

I hereby transmit Senate File 2417, an Act relating to and making appropriations from the Healthy Iowans Tobacco Trust and the Tobacco Settlement Trust Fund and providing for the repeal of the Healthy Iowans Tobacco Trust, and providing effective dates. Senate File 2417 is approved on this date, with the exceptions noted below, which I hereby disapprove.

I am unable to approve item designated as Section 1, subsection 2, paragraph a, subparagraph (4) in its entirety. This designated language continues general language on substance abuse treatment expenditures. These directives are already in place, and, therefore, this language is unnecessary.

Finally, I am unable to approve item designated as Section 1, subsection 2, paragraph b, subparagraphs (1) through (6) in their entireties. This designated language continues general language on substance abuse treatment expenditures. These directives are in place, and, therefore, this annual report language is unnecessary.

These actions of disapproval are consistent with efforts to remove extraneous bill language.

For the above reasons, I respectfully disapprove the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in Senate File 2417 are hereby approved this date.

Sincerely,
CHESTER J. CULVER, *Governor*