

CHAPTER 142

APPROPRIATIONS — INFRASTRUCTURE AND CAPITAL PROJECTS

H.F. 638

AN ACT relating to and making appropriations to state departments and agencies from the rebuild Iowa infrastructure fund and the technology reinvestment fund, providing for related matters, and including effective date provisions.

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

DIVISION I REBUILD IOWA INFRASTRUCTURE FUND

Section 1. There is appropriated from the rebuild Iowa infrastructure fund to the following departments and agencies for the following fiscal years, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF ADMINISTRATIVE SERVICES

a. For projects related to major repairs and major maintenance for state buildings and facilities:

FY 2013-2014:

..... \$ 4,000,000¹

Of the amount appropriated in this lettered paragraph for the fiscal year beginning July 1, 2013, \$250,000 shall be allocated for the disposition and relocation of structures located at 707 east locust and 709 east locust, Des Moines, Iowa.

Of the amount appropriated in this lettered paragraph for the fiscal year beginning July 1, 2013, \$1,800,000 shall be allocated for relocation costs for moving employees out of the Wallace building including moving costs and lease adjustments. As a condition of this allocation, all employees currently located in the Wallace building shall be relocated to a new office location by December 31, 2013, pursuant to the department's competitive bidding process for office space.

FY 2014-2015:

..... \$ 14,000,000

**b. For costs associated with the planning and design of the Wallace office building including roof replacement:*

FY 2013-2014:

..... \$ 500,000

Of the amount appropriated in this lettered paragraph for FY 2013-2014, \$500,000 shall be allocated for relocation costs for moving employees out of the Wallace building including moving costs and lease adjustments. As a condition of this allocation, all employees currently located in the Wallace building shall be relocated to a new office location by December 31, 2013, pursuant to the department's competitive bidding process for office space.

FY 2014-2015:

..... \$ 3,900,000

*By October 15, 2014, the department shall submit a report to the general assembly on the results of the planning and study of the building including the use of and anticipated cash flow needs for the final building design.**

2. DEPARTMENT OF CULTURAL AFFAIRS

a. For deposit into the Iowa great places program fund created in section 303.3D for Iowa great places program projects that meet the definition of "vertical infrastructure" in section 8.57, subsection 5, paragraph "c":

FY 2013-2014:

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

b. For the planning, design, construction, and renovation of the state historical building:

FY 2014-2015:

¹ See chapter 143, §16, 18 herein

* Item veto; see message at end of the Act

..... \$ 3,800,000
 By October 15, 2014, the department shall submit a report to the general assembly on the results of the planning and study of the building including the use of and anticipated cash flow needs for the final building design.

3. ECONOMIC DEVELOPMENT AUTHORITY

a. For equal distribution to regional sports authority districts certified by the economic development authority pursuant to section 15E.321, notwithstanding section 8.57, subsection 5, paragraph “c”:

FY 2013-2014:

..... \$ 500,000

*b. For deposit into the river enhancement community attraction and tourism fund created in section 15F.205:

FY 2013-2014:

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

c. For administration and support of the world food prize including the Borlaug/Ruan scholar program, notwithstanding section 8.57, subsection 5, paragraph “c”:

FY 2013-2014:

..... \$ 100,000

*4. DEPARTMENT OF HUMAN SERVICES

For the renovation and construction of certain nursing facilities, consistent with the provisions of chapter 249K:

FY 2013-2014:

..... \$ 300,000*

5. DEPARTMENT OF PUBLIC DEFENSE

a. For major maintenance projects at national guard armories and facilities:

FY 2013-2014:

..... \$ 2,000,000

b. For construction improvement projects at statewide readiness centers:

FY 2013-2014:

..... \$ 2,000,000

c. For construction upgrades at Camp Dodge:

FY 2013-2014:

..... \$ 500,000

6. DEPARTMENT OF NATURAL RESOURCES

a. For implementation of lake projects that have established watershed improvement initiatives and community support in accordance with the department’s annual lake restoration plan and report, notwithstanding section 8.57, subsection 5, paragraph “c”:

FY 2013-2014:

..... \$ 8,600,000

b. For the administration of a water trails and low head dam public hazard statewide plan, including salaries, support, maintenance, and miscellaneous purposes, notwithstanding section 8.57, subsection 5, paragraph “c”:

FY 2013-2014:

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

7. BOARD OF REGENTS

For allocation by the state board of regents to the state university of Iowa, Iowa state university of science and technology, and the university of northern Iowa to reimburse the institutions for deficiencies in the operating funds resulting from the pledging of tuition, student fees and charges, and institutional income to finance the cost of providing academic and administrative buildings and facilities and utility services at the institutions:

FY 2013-2014:

..... \$ 27,867,775

8. DEPARTMENT OF TRANSPORTATION

a. For acquiring, constructing, and improving recreational trails within the state:

FY 2013-2014:

* Item veto; see message at end of the Act

..... \$ 3,000,000
 b. For deposit into the public transit infrastructure grant fund created in section 324A.6A, for projects that meet the definition of “vertical infrastructure” in section 8.57, subsection 5, paragraph “c”:

FY 2013-2014:
 \$ 1,500,000

c. For infrastructure improvements at the commercial service airports within the state:
 FY 2013-2014:

..... \$ 1,500,000

d. For infrastructure improvements at general aviation airports within the state:
 FY 2013-2014:

..... \$ 750,000

9. TREASURER OF STATE

For distribution in accordance with chapter 174 to qualified fairs which belong to the association of Iowa fairs for county fair infrastructure improvements:

FY 2013-2014:
 \$ 1,060,000

Sec. 2. REVERSION. For purposes of section 8.33, unless specifically provided otherwise, unencumbered or unobligated moneys made from an appropriation in this division of this Act shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that ends three years after the end of the fiscal year for which the appropriation is made. However, if the project or projects for which such appropriation was made are completed in an earlier fiscal year, unencumbered or unobligated moneys shall revert at the close of that same fiscal year.

DIVISION II
 TECHNOLOGY REINVESTMENT FUND

Sec. 3. There is appropriated from the technology reinvestment fund created in section 8.57C to the following departments and agencies for the following fiscal years, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF ADMINISTRATIVE SERVICES

For technology consolidation and technology improvement projects approved by the state chief information officer appointed pursuant to section 8A.201A:

FY 2014-2015:
 \$ 6,613,663

2. DEPARTMENT OF EDUCATION

a. For maintenance and lease costs associated with connections for part III of the Iowa communications network:
 FY 2013-2014:

..... \$ 2,727,000

b. For the continued development and implementation of an education data warehouse to be utilized by teachers, parents, school district administrators, area education agency staff, department of education staff, and policymakers:

FY 2013-2014:
 \$ 600,000

The department may use a portion of the moneys appropriated in this lettered paragraph for an e-transcript data system capable of tracking students throughout their education via interconnectivity with multiple schools.

c. To the public broadcasting division for the replacement of equipment and for tower and facility maintenance:
 FY 2013-2014:

..... \$ 960,000

d. For hardware and software equipment for the state library, including laptop and tablet computers, audio and video equipment, and the purchase of online resources:

FY 2013-2014:

..... \$ 250,000

3. DEPARTMENT OF HUMAN RIGHTS

For the cost of equipment and computer software for the implementation of Iowa’s criminal justice information system:

FY 2013-2014:

..... \$ 1,454,734

4. DEPARTMENT OF HUMAN SERVICES

For a grant to a nonprofit agency that provides innovative solutions to children and adults with autism in a city with a population between 14,500 and 15,500 in the latest preceding certified federal census, for the cost associated with internet services and video communications systems for clinics:

FY 2013-2014:

..... \$ 154,156

5. IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

For replacement of equipment for the Iowa communications network:

FY 2013-2014:

..... \$ 2,248,653

The commission may continue to enter into contracts pursuant to section 8D.13 for the replacement of equipment and for operations and maintenance costs of the network.

In addition to moneys appropriated in this subsection, the commission may use a financing agreement entered into by the treasurer of state in accordance with section 12.28 for the replacement of equipment for the network. For purposes of this subsection, the treasurer of state is not subject to the maximum principal limitation contained in section 12.28, subsection 6. Repayment of any amounts financed shall be made from receipts associated with fees charged for use of the network.

6. DEPARTMENT OF MANAGEMENT

For the continued development and implementation of a searchable database that can be placed on the internet for budget and financial information:

FY 2013-2014:

..... \$ 45,000

7. DEPARTMENT OF PUBLIC HEALTH

For technology consolidation projects:

FY 2013-2014:

..... \$ 480,000

Sec. 4. REVERSION. For purposes of section 8.33, unless specifically provided otherwise, unencumbered or unobligated moneys made from an appropriation in this division of this Act shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that ends three years after the end of the fiscal year for which the appropriation was made. However, if the project or projects for which such appropriation was made are completed in an earlier fiscal year, unencumbered or unobligated moneys shall revert at the close of that same fiscal year.

DIVISION III

CHILDREN’S HEALTH INSURANCE PROGRAM — TECHNOLOGY REINVESTMENT FUND

Sec. 5. CHILDREN’S HEALTH INSURANCE PROGRAM — DEPARTMENT OF ADMINISTRATIVE SERVICES. Moneys received from the federal government through the child enrollment contingency fund established pursuant to section 103 of the federal Children’s Health Insurance Program Reauthorization Act of 2009, Pub. L. No. 111-3, are transferred to the rebuild Iowa infrastructure fund created in section 8.57 and appropriated to the department of administrative services for the following fiscal year, to be used for projects related to major repairs and major maintenance for state buildings and facilities:

FY 2013-2014:

..... \$ 11,310,648

The moneys appropriated pursuant to this section shall not be used for any appropriations

that receive federal funding. Notwithstanding section 8.33, the moneys appropriated in this section shall not revert to the fund from which appropriated. The department of human services shall work with the department of management and the department of administrative services in drawing down the federal moneys.

DIVISION IV
FEDERAL ECONOMIC STIMULUS AND JOBS HOLDING FUND AND VALUES FUND
MONEY TRANSFER

Sec. 6. 2009 Iowa Acts, chapter 179, section 7, is amended by adding the following new subsection:

NEW SUBSECTION. 4. Loan payments or repayments and recaptures of principal, interest, or other moneys accruing to the economic development authority pursuant to an economic development agreement under a program funded using moneys appropriated in 2004 Acts,² First Extraordinary Session, chapter 1002, from the federal economic stimulus and jobs holding fund shall be transferred to a fund established by the authority in the state treasury under the control of the authority pursuant to section 15.106A, subsection 1, paragraph “o”.

Sec. 7. 2011 Iowa Acts, chapter 133, is amended by adding the following new section:

SEC. 13A. TRANSITION UPON REPEAL. Any moneys in the economic development fund created pursuant to section 15G.111, Code Supplement 2011, that remain unobligated on July 1, 2013, shall be transferred to the rebuild Iowa infrastructure fund. The authority shall provide notification to the department of management and to the legislative services agency at the time of the transfer.

DIVISION V
PROPERTY TAX CREDIT FUND BALANCE TRANSFER — REBUILD IOWA
INFRASTRUCTURE FUND

Sec. 8. **PROPERTY TAX CREDIT FUND BALANCE TRANSFER — REBUILD IOWA INFRASTRUCTURE FUND.** Moneys in the property tax credit fund created in 2010 Iowa Acts, chapter 1193, section 8, that remain unencumbered or unobligated on June 30, 2013, shall be transferred to the rebuild Iowa infrastructure fund.

Sec. 9. **EFFECTIVE UPON ENACTMENT.** This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION VI
IOWA COMMUNICATIONS NETWORK

Sec. 10. **IOWA COMMUNICATIONS NETWORK — AUTHORIZATION FOR CONTRACTS.** Pursuant to section 8D.11, subsection 1, paragraph “a”, the general assembly authorizes the Iowa telecommunications and technology commission to enter into contracts in excess of the contract limitation amount established in section 8D.11, subsection 1, paragraph “c”, for purposes of the commission’s project associated with implementing a managed services solution to provide unified communications services on or related to the capitol complex. This authorization applies for the duration of the commission’s project and to all affected contracts associated with the project.

Sec. 11. **EFFECTIVE UPON ENACTMENT.** This division of this Act, being deemed of immediate importance, takes effect upon enactment.

² According to enrolled Act; the phrase “2004 Iowa Acts” probably intended

DIVISION VII
IOWA JOBS BOARD

Sec. 12. Section 12.87, subsection 12, Code 2013, is amended to read as follows:

12. Neither the treasurer of state, the Iowa ~~jobs board~~ finance authority, nor any person acting on behalf of the treasurer of state or the Iowa ~~jobs board~~ finance authority while acting within the scope of their employment or agency, is subject to personal liability resulting from carrying out the powers and duties conferred by this section and sections 12.88 through 12.90.

Sec. 13. Section 16.193, subsection 1, Code 2013, is amended to read as follows:

1. The Iowa ~~finance authority~~, ~~subject to approval by the Iowa jobs board~~, shall adopt administrative rules pursuant to chapter 17A necessary to administer the Iowa jobs program and Iowa jobs II program. The authority shall ~~provide the board with assistance in implementing administrative functions~~, be responsible for providing technical assistance and application assistance to applicants under the programs, negotiating contracts, and providing project follow up. ~~The authority, in cooperation with the board, may conduct negotiations on behalf of the board with applicants regarding terms and conditions applicable to awards under the program.~~

Sec. 14. Section 16.194, subsection 2, Code 2013, is amended to read as follows:

2. A city or county or a public organization in this state may submit an application to the Iowa ~~jobs board~~ authority for financial assistance for a local infrastructure competitive grant for an eligible project under the program, notwithstanding any limitation on the state's percentage in funding as contained in section 29C.6, subsection 17.

Sec. 15. Section 16.194, subsection 4, unnumbered paragraph 1, Code 2013, is amended to read as follows:

The ~~board~~ authority shall consider the following criteria in evaluating eligible projects to receive financial assistance under the program:

Sec. 16. Section 16.194, subsection 7, Code 2013, is amended to read as follows:

7. In order for a project to be eligible to receive financial assistance from the ~~board~~ authority, the project must be a public construction project pursuant to subsection 1 with a demonstrated substantial local, regional, or statewide economic impact.

Sec. 17. Section 16.194, subsection 8, unnumbered paragraph 1, Code 2013, is amended to read as follows:

The ~~board~~ authority shall not approve an application for assistance for any of the following purposes:

Sec. 18. Section 16.194, subsection 9, paragraph b, Code 2013, is amended to read as follows:

b. Any portion of an amount allocated for projects that remains unexpended or unencumbered one year after the allocation has been made may be reallocated to another project category, at the discretion of the ~~board~~ authority. The ~~board~~ authority shall ensure that all bond proceeds be expended within three years from when the allocation was initially made.

Sec. 19. Section 16.194, subsection 10, Code 2013, is amended to read as follows:

10. The ~~board~~ authority shall ensure that funds obligated under this section are coordinated with other federal program funds received by the state, and that projects receiving funds are located in geographically diverse areas of the state.

Sec. 20. Section 16.194A, subsections 2, 7, 9, and 10, Code 2013, are amended to read as follows:

2. A city or county in this state that applies the smart planning principles and guidelines pursuant to sections 18B.1 and 18B.2 may submit an application to the Iowa ~~jobs board~~ authority for financial assistance for a local infrastructure competitive grant for an eligible

project under the program, notwithstanding any limitation on the state's percentage in funding as contained in section 29C.6, subsection 17.

7. In order for a project to be eligible to receive financial assistance from the board authority, the project must be a public construction project pursuant to subsection 1 with a demonstrated substantial local, regional, or statewide economic impact.

9. Any portion of an amount allocated for projects that remains unexpended or unencumbered one year after the allocation has been made may be reallocated to another project category, at the discretion of the board authority. The board authority shall ensure that all bond proceeds be expended within three years from when the allocation was initially made.

10. The board authority shall ensure that funds obligated under this section are coordinated with other federal program funds received by the state, and that projects receiving funds are located in geographically diverse areas of the state.

Sec. 21. Section 16.194A, subsection 4, unnumbered paragraph 1, Code 2013, is amended to read as follows:

The board authority shall consider the following criteria in evaluating eligible projects to receive financial assistance under the program:

Sec. 22. Section 16.194A, subsection 8, unnumbered paragraph 1, Code 2013, is amended to read as follows:

The board authority shall not approve an application for assistance for any of the following purposes:

Sec. 23. Section 16.195, Code 2013, is amended to read as follows:

16.195 Iowa jobs program application review.

1. Applications for assistance under the Iowa jobs program and Iowa jobs II program shall be submitted to the Iowa finance authority for review and approval. ~~The authority shall provide a staff review and evaluation of applications to the Iowa jobs program review committee referred to in subsection 2 and to the Iowa jobs board.~~

2. ~~A review committee composed of members of the board as determined by the board shall review Iowa jobs program applications submitted to the board and make recommendations regarding the applications to the board.~~ When reviewing the applications, the ~~review committee and the~~ authority shall consider the project criteria specified in sections 16.194 and 16.194A. The board authority shall develop the appropriate level of transparency regarding project fund allocations.

3. Upon approval of an application for financial assistance under the program, the board authority shall notify the treasurer of state regarding the amount of moneys needed to satisfy the award of financial assistance and the terms of the award. The treasurer of state shall notify the Iowa finance authority any time moneys are disbursed to a recipient of financial assistance under the program.

Sec. 24. Section 16.196, Code 2013, is amended to read as follows:

16.196 Iowa jobs restricted capitals fund — fund appropriations.

1. ~~An Iowa jobs restricted capitals fund is created and established as a separate and distinct fund in the state treasury. The fund consists of moneys appropriated from the revenue bonds capitals fund created in section 12.88. The moneys in the fund are appropriated to the Iowa jobs board for purposes of the Iowa jobs program established in section 16.194. Moneys in the fund shall not be subject to appropriation for any other purpose by the general assembly, but shall be used only for the purposes of the Iowa jobs program. The treasurer of state shall act as custodian of the fund and disburse moneys contained in the fund. The fund shall be administered by the board which shall make allocations from the fund consistent with the purposes of the Iowa jobs program.~~

2. 1. There is appropriated from the revenue bonds capitals fund created in section 12.88, to the Iowa jobs restricted capitals fund authority, for the fiscal year beginning July 1, 2009, and ending June 30, 2010, one hundred sixty-five million dollars to be allocated as follows:

a. One hundred eighteen million five hundred thousand dollars for competitive grants for local infrastructure projects relating to disaster rebuilding, reconstruction and replacement of

local buildings, flood control and flood protection, and future flood prevention public projects. An applicant for a local infrastructure grant shall not receive more than fifty million dollars in financial assistance from the fund.

b. Forty-six million five hundred thousand dollars for disaster relief and mitigation and local infrastructure grants for the following renovation and construction projects, notwithstanding any limitation on the state's percentage participation in funding as contained in section 29C.6, subsection 17:

(1) For grants to a county with a population between one hundred eighty-nine thousand and one hundred ninety-six thousand in the latest preceding certified federal census, to be distributed as follows:

(a) Ten million dollars for the construction of a new, shared facility between nonprofit human service organizations serving the public, especially the needs of low-income Iowans, including those displaced as a result of the disaster of 2008.

(b) Five million dollars for the construction or renovation of a facility for a county-funded workshop program serving the public and particularly persons with mental illness or developmental disabilities.

(2) For grants to a city with a population between one hundred ten thousand and one hundred twenty thousand in the latest preceding certified federal census, to be distributed as follows:

(a) Five million dollars for an economic redevelopment project benefiting the public by improving energy efficiency and the development of alternative and renewable energy technologies.

(b) Ten million dollars for a museum serving the public and dedicated to the preservation of an eastern European cultural heritage through the collection, exhibition, preservation, and interpretation of historical artifacts.

(c) Five million dollars for a theater serving the public and promoting culture, entertainment, and tourism.

(d) Five million dollars for a public library.

(e) Five million dollars for a public works building.

(3) One million five hundred thousand dollars, to be distributed as follows:

(a) Five hundred thousand dollars to a city with a population between six hundred and six hundred fifty in the latest preceding certified federal census, for a public fire station.

(b) Five hundred thousand dollars to a city with a population between one thousand four hundred and one thousand five hundred in the latest preceding certified federal census, for a public fire station.

(c) Five hundred thousand dollars for a city with a population between seven thousand eight hundred and seven thousand eight hundred fifty, for a public fire station.

~~3. 2. Grant awards for a project under subsection 2 1, paragraph "b", are contingent upon submission of a plan for each project by the applicable county or city governing board or in the case of a project submitted pursuant to subsection 2 1, paragraph "b", subparagraph (2), subparagraph division (b), by the board of directors, to the Iowa jobs board authority, no later than September 1, 2009, detailing a description of the project, the plan to rebuild, and the amount or percentage of federal, state, local, or private matching moneys which will be or have been provided for the project. Funds not utilized in accordance with subsection 2, paragraph "b", due to failure to file a plan by the September 1 deadline 1, shall revert to the Iowa jobs restricted revenue bonds capitals fund to be available for local infrastructure competitive grants. A grant recipient under subsection 2 1, paragraph "b", shall not be precluded from applying for a local infrastructure competitive grant pursuant to this section and section 16.195.~~

~~4. Moneys in the fund are not subject to section 8.33. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.~~

~~5. 3. Annually, on or before January 15 of each year, the board authority shall report to the legislative services agency and the department of management the status of all projects receiving moneys from the fund completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds~~

expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

6. 4. Payment of moneys appropriated from the fund shall be made in a manner that does not adversely affect the tax-exempt status of any outstanding bonds issued by the treasurer of state.

Sec. 25. Section 16.197, Code 2013, is amended to read as follows:

16.197 Limitation of liability.

~~A member of the Iowa jobs board, a person acting on behalf of the board while acting within the scope of their employment or agency, The authority or the treasurer of state, shall not be subject to personal liability resulting from carrying out the powers and duties of the board authority or the treasurer, as applicable, in sections 16.192 16.193 through 16.196.~~

Sec. 26. IOWA JOBS BOARD — TRANSITION PROVISIONS — LIMITATION OF LIABILITY.

1. Any contract or agreement issued or entered into by the Iowa jobs board relating to the provisions of this division of this Act, in effect on the effective date of this division of this Act, shall continue in full force and effect and any responsibility of the board relative to the contracts or agreements as provided in those contracts or agreements shall be transferred to the Iowa finance authority.

2. A member of the Iowa jobs board or a person acting on behalf of the board while acting within the scope of that person's employment or agency shall not be subject to personal liability resulting from carrying out the powers and duties of the board prior to the effective date of this division of this Act, as applicable, in sections 12.87 through 12.90 and in sections 16.192 through 16.196, Code 2013.

Sec. 27. REPEAL. Sections 16.191 and 16.192, Code 2013, are repealed.

*DIVISION VIII
ECONOMIC DEVELOPMENT AUTHORITY —
COMMUNITY ATTRACTION AND TOURISM PROJECT STUDY

Sec. 28. *ECONOMIC DEVELOPMENT AUTHORITY — COMMUNITY ATTRACTION AND TOURISM PROJECT STUDY. The economic development authority shall conduct a study to determine the effectiveness of giving priority to projects that receive moneys from the community attraction and tourism fund that attract the highest number of visitors and that attain the highest match levels. The authority shall submit a report and recommendations to the general assembly by January 1, 2014.**

DIVISION IX
MISCELLANEOUS CODE CHANGES

Sec. 29. Section 8.57, subsection 5, paragraph e, Code 2013, is amended to read as follows:

e. (1) (a) (i) ~~Notwithstanding provisions to the contrary in sections 99D.17 and 99F.11, for~~ For the fiscal year beginning July 1, 2000, and for each fiscal year thereafter, through the fiscal year beginning July 1, 2012, not more than a total of sixty-six million dollars shall be deposited in the general fund of the state in any fiscal year pursuant to sections 99D.17 and 99F.11.

(ii) However, in lieu of the deposit in subparagraph subdivision (i), for the fiscal year beginning July 1, 2010, and for each fiscal year thereafter ~~until the principal and interest on all bonds issued by the treasurer of state pursuant to section 12.87 are paid,~~ through the fiscal year beginning July 1, 2012, as determined by the treasurer of state, the first fifty-five million dollars of the moneys directed to be deposited in the general fund of the state under subparagraph subdivision (i) shall be deposited in the revenue bonds debt service fund created in section 12.89, and the next three million seven hundred fifty thousand dollars of

* Item veto; see message at end of the Act

the moneys directed to be deposited in the general fund of the state under subparagraph subdivision (i) shall be deposited in the revenue bonds federal subsidy holdback fund created in section 12.89A, and the next one million two hundred fifty thousand dollars of the moneys directed to be deposited in the general fund of the state under subparagraph subdivision (i) shall be deposited in the general fund of the state.

(b) The next fifteen million dollars of the moneys directed to be deposited in the general fund of the state in a fiscal year pursuant to sections 99D.17 and 99F.11 shall be deposited in the vision Iowa fund created in section 12.72 for the fiscal year beginning July 1, 2000, and for each fiscal year thereafter through the fiscal year beginning July 1, 2019 2012.

(c) The next five million dollars of the moneys directed to be deposited in the general fund of the state in a fiscal year pursuant to sections 99D.17 and 99F.11 shall be deposited in the school infrastructure fund created in section 12.82 for the fiscal year beginning July 1, 2000, and for each fiscal year thereafter until the principal and interest on all bonds issued by the treasurer of state pursuant to section 12.81 are paid, as determined by the treasurer of state through the fiscal year beginning July 1, 2012.

(d) (i) The total moneys in excess of the moneys deposited under this paragraph "e" in the revenue bonds debt service fund, the revenue bonds federal subsidy holdback fund, the vision Iowa fund, the school infrastructure fund, and the general fund of the state in a fiscal year shall be deposited in the rebuild Iowa infrastructure fund and shall be used as provided in this section, notwithstanding section 8.60.

(ii) (A) Except as otherwise provided in subparagraph part (B), in lieu of the deposit in subparagraph subdivision (i), for the fiscal years beginning July 1, 2010, and July 1, 2011, and July 1, 2013, and for each fiscal year thereafter until the principal and interest on all bonds issued by the treasurer of state pursuant to section 12.87 are paid, as determined by the treasurer of state, sixty-four million seven hundred fifty thousand dollars of the excess moneys directed to be deposited in the rebuild Iowa infrastructure fund under subparagraph subdivision (i) shall be deposited in the general fund of the state.

(B) For the fiscal year beginning July 1, 2012, and ending June 30, 2013, thirty-eight million seven hundred fifty thousand dollars shall be deposited in the general fund of the state and the next twenty million dollars shall be deposited in the technology reinvestment fund.

(2) If the total amount of moneys directed to be deposited in the general fund of the state under sections 99D.17 and 99F.11 in a any fiscal year through the fiscal year beginning July 1, 2012, is less than the total amount of moneys directed to be deposited in the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund in the fiscal year pursuant to this paragraph "e", the difference shall be paid from moneys deposited in the beer and liquor control fund created in section 123.53 in the manner provided in section 123.53, subsection 3.

(3) After the deposit of moneys directed to be deposited in the general fund of the state, the revenue bonds debt service fund, and the revenue bonds federal subsidy holdback fund, as provided in subparagraph (1), subparagraph division (a), if the total amount of moneys directed to be deposited in the general fund of the state under sections 99D.17 and 99F.11 in a any fiscal year through the fiscal year beginning July 1, 2012, is less than the total amount of moneys directed to be deposited in the vision Iowa fund and the school infrastructure fund in the fiscal year pursuant to this paragraph "e", the difference shall be paid from lottery revenues in the manner provided in section 99G.39, subsection 3.

Sec. 30. Section 8.57, subsection 5, Code 2013, is amended by adding the following new paragraph:

NEW PARAGRAPH. *Of.* (1) (a) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter until the principal and interest on all bonds issued by the treasurer of state pursuant to section 12.87 are paid, as determined by the treasurer of state, of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, the first fifty-five million dollars shall be deposited in the revenue bonds debt service fund created in section 12.89, and the next three million seven hundred fifty thousand dollars shall be deposited in the revenue bonds federal subsidy holdback fund created in section 12.89A.

(b) For the fiscal year beginning July 1, 2013, and for each fiscal year through the fiscal year beginning July 1, 2019, of the wagering tax receipts received pursuant to sections 99D.17 and

99F.11, the next fifteen million dollars shall be deposited in the vision Iowa fund created in section 12.72.

(c) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter until the principal and interest on all bonds issued by the treasurer of state pursuant to section 12.81 are paid, as determined by the treasurer of state, of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, the next five million dollars shall be deposited in the school infrastructure fund created in section 12.82.

(d) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, the next sixty-six million dollars shall be deposited in the Iowa skilled worker and job creation fund created in section 8.75, if enacted by 2013 Iowa Acts, House File 604.³

(e) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, the total moneys in excess of the moneys deposited under this paragraph “Of” in the revenue bonds debt service fund, the revenue bonds federal subsidy holdback fund, the vision Iowa fund, the school infrastructure fund, and the Iowa skilled worker and job creation fund if enacted by 2013 Iowa Acts, House File 604,⁴ shall be deposited in the rebuild Iowa infrastructure fund and shall be used as provided in this section, notwithstanding section 8.60.

(2) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, if the total amount of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, and to be deposited pursuant to subparagraph (1), subparagraph division (a), is less than the total amount of moneys directed to be deposited in the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund in the fiscal year pursuant to subparagraph (1), subparagraph division (a), the difference shall be paid from moneys deposited in the beer and liquor control fund created in section 123.53 in the manner provided in section 123.53, subsection 3.

(3) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, after the deposit of moneys directed to be deposited in the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund, as provided in subparagraph (1), subparagraph division (a), if the total amount of the wagering tax receipts received pursuant to sections 99D.17 and 99F.11, and to be deposited pursuant to subparagraph (1), subparagraph divisions (b) and (c), is less than the total amount of moneys directed to be deposited in the vision Iowa fund and the school infrastructure fund in the fiscal year pursuant to subparagraph (1), subparagraph divisions (b) and (c), the difference shall be paid from lottery revenues in the manner provided in section 99G.39, subsection 3.

Sec. 31. Section 8.57C, subsection 3, Code 2013, is amended to read as follows:

3. a. There is appropriated from the general fund of the state for the fiscal year beginning July 1, ~~2013~~ 2014, and for each subsequent fiscal year thereafter, the sum of seventeen million five hundred thousand dollars to the technology reinvestment fund.

b. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2008, and ending June 30, 2009, the sum of seventeen million five hundred thousand dollars, and for the fiscal year beginning July 1, 2009, and ending June 30, 2010, the sum of fourteen million five hundred twenty-five thousand dollars to the technology reinvestment fund, notwithstanding section 8.57, subsection 5, paragraph “c”.

c. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2010, and ending June 30, 2011, the sum of ten million dollars to the technology reinvestment fund, notwithstanding section 8.57, subsection 5, paragraph “c”.

d. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2011, and ending June 30, 2012, the sum of fifteen million five hundred forty-one thousand dollars to the technology reinvestment fund, notwithstanding section 8.57, subsection 5, paragraph “c”.

e. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2013, and ending June 30, 2014, the sum of fourteen million three hundred

³ Chapter 141 herein

⁴ Chapter 141 herein

ten thousand dollars to the technology reinvestment fund, notwithstanding section 8.57, subsection 5, paragraph “c”.

Sec. 32. Section 15F.204, subsection 8, paragraph g, Code 2013, is amended to read as follows:

g. For each fiscal ~~period~~ year for the fiscal period beginning July 1, 2012, and ending June 30, 2014 ~~2013~~, the sum of five million dollars.

Sec. 33. Section 15F.204, subsection 8, Code 2013, is amended by adding the following new paragraphs:

NEW PARAGRAPH. h. For the fiscal year beginning July 1, 2013, and ending June 30, 2014, the sum of seven million dollars.

NEW PARAGRAPH. i. For the fiscal year beginning July 1, 2014, and ending June 30, 2015, the sum of five million dollars.

Sec. 34. Section 99D.14, subsection 2, paragraph c, Code 2013, is amended to read as follows:

c. Notwithstanding sections 8.60 and 99D.17, the portion of the fee paid pursuant to paragraph “a” relating to the costs of the commission shall ~~not be deposited in the general fund of the state but instead shall~~ be deposited into the gaming regulatory revolving fund established in section 99F.20.

Sec. 35. Section 99D.17, Code 2013, is amended to read as follows:

99D.17 Use of funds.

Funds received pursuant to sections 99D.14 and 99D.15 shall be deposited ~~in the general fund of the state as provided in section 8.57, subsection 5,~~ and shall be subject to the requirements of section 8.60. These funds shall first be used to the extent appropriated by the general assembly. The commission is subject to the budget requirements of chapter 8 and the applicable auditing requirements and procedures of chapter 11.

Sec. 36. Section 99F.10, subsection 4, paragraph c, Code 2013, is amended to read as follows:

c. Notwithstanding sections 8.60 and 99F.4, the portion of the fee paid pursuant to paragraph “a” relating to the costs of the commission shall ~~not be deposited in the general fund of the state but instead shall~~ be deposited into the gaming regulatory revolving fund established in section 99F.20.

Sec. 37. Section 99F.11, subsection 3, paragraph d, Code 2013, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (4) One-half of the moneys remaining after the appropriation in subparagraph (1) shall be credited, on a quarterly basis, to the rebuild Iowa infrastructure fund.

Sec. 38. Section 99F.11, subsection 3, paragraph e, Code 2013, is amended to read as follows:

e. The remaining amount of the adjusted gross receipts tax shall be credited ~~to the general fund of the state~~ as provided in section 8.57, subsection 5.

Sec. 39. CONTINGENT EFFECTIVENESS. The amendment to section 99F.11, subsection 3, paragraph “d”, in this division of this Act is effective contingent upon the amendment to section 99F.11, subsection 3, paragraph “d”, subparagraph (3), in 2013 Iowa Acts, House File 620.⁵

⁵ Chapter 126 herein

DIVISION X
CHANGES TO PRIOR APPROPRIATIONS

Sec. 40. 2007 Iowa Acts, chapter 219, section 2, as amended by 2011 Iowa Acts, chapter 133, section 32, and 2012 Iowa Acts, chapter 1138, section 10, is amended to read as follows:

SEC. 2. REVERSION.

1. Except as provided in subsection 2 and notwithstanding section 8.33, moneys appropriated for the fiscal year beginning July 1, 2007, in this division of this Act that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2010, or until the project for which the appropriation was made is completed, whichever is earlier.

2. a. Notwithstanding section 8.33, moneys appropriated in section 1, subsection 1, paragraphs "a" and "f" of this division of this Act that remain unencumbered or unobligated at the close of the fiscal year for which they were appropriated shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, ~~2012~~ 2013, or until the project for which the appropriation was made is completed, whichever is earlier.

b. The department of administrative services is authorized to provide for the disposition and relocation of structures located at 707 east locust and 709 east locust, Des Moines, Iowa, in a manner as deemed appropriate by the department. The disposition of the structures, if possible, shall be completed in a manner that reduces or eliminates the costs of the state associated with the removal of the structures from their current locations. Any amount received from the disposition of the structures as permitted under this section shall be retained by the department to pay for improvement costs associated with the restoration of the west capitol terrace. The department, if unable to otherwise dispose of the structures, is authorized to demolish the structures using other appropriate funding available to the department.

Sec. 41. 2008 Iowa Acts, chapter 1179, section 20, as amended by 2009 Iowa Acts, chapter 173, section 25, is amended to read as follows:

SEC 20. REVERSION.

1. Notwithstanding Except as provided in subsections 2 through 4 and notwithstanding section 8.33, moneys appropriated in this division of this Act for the fiscal year beginning July 1, 2008, and ending June 30, 2009, shall not revert at the close of the fiscal year for which they are appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2012, or until the project for which the appropriation was made is completed, whichever is earlier.

2. Notwithstanding section 8.33, moneys appropriated in section 18, subsection 9, paragraph "a", of this division as amended by 2009 Iowa Acts, chapter 173, section 24, that remain unencumbered or unobligated at the close of the fiscal year for which they were appropriated shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2017, or until the project for which the appropriation was made is completed, whichever is earlier.

3. Notwithstanding section 8.33, moneys appropriated in section 18, subsection 1, paragraph "h", of this division of this Act as amended by 2009 Iowa Acts, chapter 173, section 23, that remain unencumbered or unobligated at the close of the fiscal year for which the appropriation was made shall not revert but shall remain available for the purpose designated until the close of the fiscal year that begins July 1, 2013, or until the project for which the appropriation was made is completed, whichever is earlier.

4. Notwithstanding section 8.33, moneys appropriated to the department of economic development in section 18 of this division of this Act as amended by 2009 Iowa Acts, chapter 173, section 24, and 2011 Iowa Acts, chapter 133, section 34, that remain unencumbered or unobligated at the close of the fiscal year for which the appropriation was made shall not revert but shall remain available for the purpose designated until the close of the fiscal year that begins July 1, 2014, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 42. 2008 Iowa Acts, chapter 1179, section 23, is amended to read as follows:

SEC 23. REVERSION. Notwithstanding section 8.33, moneys appropriated in this division of this Act for the fiscal year beginning July 1, 2008, and ending June 30, 2009, shall not revert at the close of the fiscal year for which they are appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2012 2013, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 43. 2009 Iowa Acts, chapter 173, section 15, is amended to read as follows:

SEC 15. REVERSION.

1. ~~Notwithstanding~~ Except as provided in subsections 2 and 3 and notwithstanding section 8.33, moneys appropriated in this division of this Act for the fiscal year beginning July 1, 2009, and ending June 30, 2010, shall not revert at the close of the fiscal year for which they are appropriated but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2012, or until the project for which the appropriation was made is completed, whichever is earlier.

2. Notwithstanding section 8.33, moneys appropriated in section 13, subsection 4, paragraph "a", of this division of this Act that remain unencumbered or unobligated at the close of the fiscal year for which the appropriation was made shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2014, or until the projects for which the appropriation was made are completed, whichever is earlier.

3. Notwithstanding section 8.33, moneys appropriated in section 13, subsection 4, paragraph "d", of this division of this Act as amended by 2010 Iowa Acts, chapter 1184, section 65, that remain unencumbered or unobligated at the close of the fiscal year for which the appropriation was made shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2013, or until the projects for which the appropriation was made are completed, whichever is earlier.

*Sec. 44. 2009 Iowa Acts, chapter 184, section 1, subsection 1, paragraph c, is amended to read as follows:

c. For costs associated with improvements to and renovation of the Wallace building for extending the useful life of the building:

..... \$ 1,500,000

*Of the amount appropriated in this lettered paragraph, \$800,000 shall be allocated for relocation costs for moving employees out of the Wallace building including moving costs and lease adjustments. As a condition of this allocation, all employees currently located in the Wallace building shall be relocated to a new office location by December 31, 2013, pursuant to the department's competitive bidding process for office space.**

Sec. 45. 2009 Iowa Acts, chapter 184, section 4, is amended to read as follows:

SEC. 20. REVERSION.

1. ~~For~~ Except as provided in subsection 2, for purposes of section 8.33, unless specifically provided otherwise, unencumbered or unobligated moneys made from an appropriation in this division of this Act shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that ends three years after the end of the fiscal year for which the appropriation was made. However, if the project or projects for which such appropriation was made are completed in an earlier fiscal year, unencumbered or unobligated moneys shall revert at the close of that same fiscal year.

2. Notwithstanding section 8.33, moneys appropriated in section 1, subsection 1, paragraphs "c" and "e", of this division of this Act shall not revert but shall remain available for the purposes designated until the close of the fiscal year that begins July 1, 2013, or until the project for which the appropriation was made is completed, whichever is earlier.

* Item veto; see message at end of the Act

Sec. 46. 2011 Iowa Acts, chapter 133, section 1, subsection 3, paragraph b, as amended by 2012 Iowa Acts, chapter 1140, section 14, is amended to read as follows:

b. For the construction project and one-time furniture, fixture, and equipment costs at the Iowa correctional facility for women at Mitchellville:

FY 2011-2012	\$	3,061,556
FY 2012-2013	\$	5,391,062
FY 2013-2014	\$	26,769,040
		<u>15,569,040</u>

Sec. 47. 2011 Iowa Acts, chapter 133, section 3, subsection 5, paragraph a, as amended by 2012 Iowa Acts, chapter 1140, section 17, is amended to read as follows:

a. To be used for medical contracts under the medical assistance program for technology upgrades necessary to support Medicaid claims and other health operations, worldwide HIPAA claims transactions and coding requirements, and the Iowa automated benefits calculation system:

FY 2011-2012	\$	3,494,176
FY 2012-2013	\$	4,120,037
FY 2013-2014	\$	4,815,163
		<u>3,415,163</u>
FY 2014-2015	\$	1,945,684
		<u>3,345,684</u>

Moneys appropriated in this lettered paragraph for FY 2013-2014 shall be used only for the purposes of the eligibility integrated application solution system, the HIPAA 5010/ICD-10 claims system, and the pharmacy point of sale replacement system.

In seeking to contract with a private organization or organizations for the Medicaid management information system, the state’s chief information officer shall oversee the procurement process. An advisory panel shall be established to review the final scoring of the evaluators and to make a recommendation to the director regarding the contract award for the Medicaid management information system. The advisory panel, which shall be appointed by the governor, shall consist of no less than three members. All members of the advisory panel shall be from the private sector and shall not have participated in any previous procurement for the Medicaid management information system or any procurement related to consulting or oversight of the Medicaid management information system. At least one member of the advisory panel shall have experience and knowledge in the area of management information systems and at least one member of the advisory panel shall be a provider of Medicaid services in the state of Iowa.

Sec. 48. 2012 Iowa Acts, chapter 1140, section 1, subsection 1, paragraph a, unnumbered paragraph 2, is amended to read as follows:

The moneys appropriated in this lettered paragraph shall be used according to the department’s major maintenance project recommendation list ~~submitted to the Governor’s vertical infrastructure advisory committee.~~

Sec. 49. 2012 Iowa Acts, chapter 1140, section 1, subsection 3, paragraph a, is amended to read as follows:

a. For exterior and interior repairs and related improvements to the state historical building, including the addition of a visitor center:

FY 2012-2013	\$	1,450,000
FY 2013-2014	\$	1,000,000

Notwithstanding section 8.57, subsection 5, paragraph “c”, moneys appropriated in this lettered paragraph, may be used for planning purposes, including for soliciting public user feedback, relating to the preliminary design for renovations for the state historical building.

Sec. 50. 2012 Iowa Acts, chapter 1140, section 3, subsection 3, paragraph c, is amended to read as follows:

c. For maintenance and lease costs associated with connections for part III of the Iowa communications network:

FY 2013-2014 <u>2012-2013</u>	\$	2,727,000
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Sec. 51. 2012 Iowa Acts, chapter 1140, section 3, subsection 7, is amended to read as follows:

7. IOWA JUDICIAL BRANCH

For costs associated with the continued development and implementation of the electronic document management system:

FY 2012-2013	\$	1,000,000
FY 2013-2014	\$	3,000,000
		<u>0</u>

Sec. 52. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Approved June 20, 2013, with exceptions noted.

TERRY E. BRANSTAD, *Governor*

Dear Mr. Secretary:

I hereby transmit House File 638, an Act relating to and making appropriations to state departments and agencies from the Rebuild Iowa Infrastructure Fund and the Technology Reinvestment Fund, providing for related matters, and including effective date provisions.

House File 638 is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the designated portion of the item designated as Section 1, subsection 1, lettered paragraph a. This item allocates funds for the moving of all employees housed in the Wallace Building to a new location, and for the repairs and maintenance of the Wallace Building. I made it clear that my top priority for the State Capitol Complex is the repair and remodeling of the State Historical Building. The \$1.8 million shall revert to the Rebuild Iowa Infrastructure Fund.

I am unable to approve Section 1, subsection 1, lettered paragraph b in its entirety. These items allocate funds in fiscal years 2014 and 2015 for the moving of all employees housed in the Wallace Building to a new location, and for the repairs and maintenance of the Wallace Building. Infrastructure investments must be made pursuant to a long-term strategic plan. I made it clear that my top priority for the State Capitol Complex is the repair and remodeling of the State Historical Building.

I am unable to approve Section 1, subsection 3, lettered paragraph b in its entirety. This item appropriates \$1 million for the River Enhancement Community Attraction and Tourism program. The Iowa Economic Development Authority (IEDA) did not request this item and it was not a part of the budget recommendation I submitted to the General Assembly.

I am unable to approve the item designated as Section 1, subsection 4 in its entirety. This item appropriates \$300,000 for the renovation and construction of certain nursing facilities. Currently, the State of Iowa reimburses nursing facilities for construction and renovation through the current Medicaid cost reporting and reimbursement rates. The Department of Human Services did not request this item. Additionally, nursing facilities are receiving a \$15,268,148 provider rate increase based on the cost reports submitted to the State, \$1 million more than I recommended as part of the budget recommendation I submitted to the General Assembly.

I am unable to approve the item designated as Division VIII in its entirety. This item requires the IEDA to conduct a study to determine the effectiveness of giving priority to projects that attract the highest number of visitors and highest match levels from the Community Attraction and Tourism (CAT) fund. The CAT program has been an important economic

development tool for smaller communities throughout our state. This provision suggests a shift in the program's policy focus which I cannot support.

I am unable to approve Section 44 in its entirety. This item allocates \$800,000 for the moving of all employees housed in the Wallace Building to a new location, and for the repairs and maintenance of the Wallace Building. I made it clear that my top priority for the State Capitol Complex is the repair and remodeling of the State Historical Building. The \$800,000 shall revert to the Rebuild Iowa Infrastructure Fund.

For the above reasons, I respectfully disapprove the designated items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 638 are hereby approved as of this date.

Sincerely,
TERRY E. BRANSTAD, *Governor*