

Primary Subject: State Government

SENATE FILE 2088 - State Government Reorganization

BY COMMITTEE ON STATE GOVERNMENT. This Act concerns state government and provides for reorganizing government agencies, eliminating boards and commissions, providing for governmental efficiencies, and includes other matters related to the operation of state government. The Act consists of 53 divisions, relating to digital government, state budgeting and personnel practices, government purchasing, administration and regulation, agriculture and natural resources, economic development, education, health and human services, the justice system, and ongoing government efficiency matters.

Division I— Government Information Technology Services

Division I modifies provisions relative to information technology services provided by the Department of Administrative Services (DAS).

Code Section 8A.201 is amended to add a definition for infrastructure services as it relates to information technology. The Act defines infrastructure services to include data centers, servers and mainframes, wide area and local area networks, cyber security functions, and disaster recovery technology.

Code Section 8A.201(4) is amended to provide that all state agencies, except the State Board of Regents and institutions under its control, are considered participating agencies for purposes of information technology services provided by the DAS. Prior law excluded the State Board of Regents, public broadcasting, the state Department of Transportation (DOT) Mobile Radio Network, the Department of Public Safety (DPS) law enforcement communications systems, the Telecommunications and Technology Commission with respect to information technology that is unique to the Iowa Communications Network, the Iowa Lottery Authority, a judicial district department of correctional services, and the Iowa Finance Authority (IFA) from the definition of a participating agency.

New Code Section 8A.201A provides for the appointment of the chief information officer (CIO) and provides that the CIO shall be appointed by the Governor, and shall have at least five years of experience in the field of information technology and a working knowledge of financial management. Code Section 8A.104(12), which provided that the Director of DAS or the director's designee shall serve as the CIO is stricken by the Act.

Code Section 8A.202, concerning the mission, powers, and duties of the department as it relates to information technology, is amended to provide a process by which agencies may seek a waiver for any of the requirements concerning the acquisition of information technology. Generally, a waiver can be granted if the requesting agency can show that a waiver would be in the best interests of the state.

Code Section 8A.203, concerning the powers and duties of the director of the department as it relates to information technology, is amended to provide that these powers and duties are granted to the CIO in consultation with the director. The Code section is also amended to add duties for the CIO relative to operating the information technology aspects of the department, rulemaking, and entering into contracts.

Code Section 8A.204 is amended to replace the Technology Governance Board with a Technology Advisory Council. The Act establishes the membership of the council and provides that the council's primary role is to advise the CIO and the department concerning information technology services.

Code Section 8A.205, concerning digital government, is amended to provide that the department shall assist agencies in converting printed government materials to electronic materials which can be accessed through an Internet searchable database and to encourage agencies to utilize a print on demand strategy to reduce copying costs.

Code Section 8A.207, concerning the procurement of information technology, is amended to provide that the department shall be the sole provider of infrastructure services to participating state agencies and shall develop policies and procedures that apply to all information technology acquisitions by such agencies.

The Act eliminates the IowaAccess Advisory Council and provides that the department shall establish IowaAccess and shall have the powers relative to IowaAccess previously granted the council relative to setting rates and approving projects.

Division I includes several directives relative to information technology. DAS is directed to consult with and explore opportunities with the legislative and judicial branches of government relative to the providing of information technology services to those branches of government. The CIO shall also conduct a study regarding convenience fees charged by state agencies by credit or debit card or other electronic means of payment. The study shall determine the fees charged and the revenue generated by the fees, and shall explore ways to reduce or eliminate these fees. Finally, state agencies are encouraged to utilize electronic mail to notify holders of permits and licenses that the license or permit needs to be renewed.

Division II — Electronic Records

Division II concerns electronic records. Code Section 7A.11A, concerning reports to the General Assembly, is amended to eliminate the requirement that a printed copy of all reports be filed with the General Assembly. The requirement to file reports electronically remains.

The division requires that the departments of Administrative Services and Cultural Affairs, in consultation with the State Records Commission, to conduct a study on and make recommendations for the creation, storage, and retention of state agency records in an electronic format and to submit a report containing the recommendations to the General Assembly by December 15, 2010.

Division III — General Assembly — Legal Publication Modernization

GENERAL. Division III modernizes the production, distribution, and use of publications by the General Assembly and specifically the Legislative Services Agency (LSA) under the direction of the Legislative Council. The publications include statutes enacted by the General Assembly (Iowa Acts and Iowa Code or Code Supplement), proposed or finalized rules adopted by executive branch agencies (Iowa Administrative Bulletin and Iowa Administrative Code), and rules prescribed by the Iowa Supreme Court (Iowa Court Rules). The division also authorizes the LSA to produce electronic versions of nonlegal publications that it currently publishes in a printed format, including the Iowa Official Register (Redbook) and Roster of State Officials.

GENERAL POLICIES. The division amends Code Section 2.42, which allows the Legislative Council to establish general policies regarding the production and distribution of printed and electronic versions of the legal publications.

PRODUCTION AND DISTRIBUTION OF ELECTRONIC AND PRINTED VERSIONS. The division amends Code Chapter 2A, which provides for the powers and duties of the LSA. The division allows the LSA to produce an electronic version or printed version of legal publications; designate a legal publication as official or unofficial; and make available electronic or printed versions of a legal publication to federal, state, and local governments' officers, offices, or agencies. The LSA is required to establish payment policies for printed versions, and may provide the electronic version free of charge to eligible recipients or require payment to cover mailing and handling costs.

LEGAL PUBLICATIONS. The division amends Code Chapter 2B, which governs legal publications and updates provisions to conform with current practice. The LSA is required to control and maintain custodial information used to produce the publications in a secure electronic repository.

The division provides for publication schedules. The division provides that the Iowa Code must be published each year rather than every other year, but the LSA is provided discretion to continue publishing a Code Supplement in lieu of the Iowa Code every year. The Iowa Administrative Code or its supplements are expressly authorized to be published every other week in the same manner as the Iowa Administrative Bulletin. The LSA is expressly authorized to publish Iowa Court Rules or supplements.

The division details the contents required to be included in the legal publications, provides authority to the LSA to arrange and number statutes and rules, provides for citing statutes and rules according to policies

established by the LSA, and allows the Iowa Code Editor or Administrative Code Editor to authenticate a portion of an electronic or printed version of a legal publication as official.

The division eliminates language which establishes the effective date of the Iowa Code or Code Supplement upon the Iowa Code Editor's approval of the final press proofs for statutory text. The division establishes the effective dates of the Iowa Code or Code Supplement, and Iowa Administrative Code, based on the date when the publication is conclusively deemed to be complete, referred to as the publication date. For the Iowa Code or Code Supplement, the publication date is the first day of the next regular session of the General Assembly, unless the LSA establishes an alternative date. Note, the Iowa Supreme Court has held that a constitutional defect in an Act's title or subject matter is deemed cured when the Iowa Code or its supplement is "complete" and incorporated as part of the Code. See *Iowa v. Marbry*, 460 N.W.2d 472, 475 (Iowa 1990).

OTHER PROVISIONS. The division amends Code Chapter 17A by requiring that on and after January 11, 2011, an agency must submit a notice of intended action to the chairpersons and ranking members of the appropriate legislative standing committees for additional study. An agency must also provide any available electronic copy of a publication containing standards or rules adopted by reference to the Administrative Code Editor for Internet publication. An agency which deposits an electronic version of a publication to the Division of Libraries and Information Services of the Department of Education (DE) is no longer required to deposit printed state publications with the division.

Division IV — State Budgeting and Personnel

Code Section 8.36A, concerning full-time equivalent (FTE) positions, is amended to provide that state agencies shall not convert FTE positions into contract positions unless the state agency receives approval from the Director of the Department of Management (DOM) after the department finding that the conversion will provide comparable or increased services at reduced cost.

Code Section 8.62, concerning the use of retained reversion money for employee training, is amended to provide that an agency can use such reversion money for Internet-based training.

Code Section 8A.413 is amended to require DAS to adopt merit system rules for the development and operation of programs within the executive branch to promote job sharing, telecommuting, and flex-time employment opportunities.

Division IV requires each judicial district department of correctional services to utilize the state accounting system for tracking both appropriations and expenditures, requires state agencies to budget and plan for lean events as described in Code Section 8.70, and encourages state agencies to share resources and services.

Division IV requires each executive branch agency to separately track the budget and actual expenditures for contract services and for employee training. The terms of the contracts entered into or revised during the fiscal year are required to incorporate quality assurance and cost control measures. The training tracking is also required to be further detailed to reflect training categories and each department's report shall address the use of electronically based training. In addition, for FY 2010-2011, if a FTE of a department remains vacant for at least six months during FY 2010-2011, the department's FTE authorization shall be reduced accordingly and the money appropriated for that FTE position shall only be used for FTE positions and not any other purpose.

Division IV directs each joint appropriations subcommittee of the General Assembly to conduct a review of fees charged by agencies within the purview of that budget subcommittee.

Division V — Span of Control

This division revises provisions contained in the 2009 Iowa Acts revising state human resource management requirements under the DAS in Code Section 8A.402 relating to the span of control of supervisory employees in the executive branch.

The term "supervisory employee" is defined to mean a public employee who has authority, in the interest of a public employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other public employees, the responsibility to direct such employees, or to adjust the grievances of such employees, or to effectively recommend any listed action. A supervisory employee is not a member of a collective bargaining unit. If a supervisory employee of an agency other than the DPS is being laid off as part of expanding the number of employees in the ratio of supervisory employees to other employees, the supervisory employee does not have the right to replace or bump a junior employee not being laid off for a position for which the supervisory employee is qualified.

The 2009 Iowa Acts provisions provided for an executive branch span of control policy to have an aggregate ratio in the number of employees per supervisory employee of 14 to one by the target date of July 1, 2011. Division V instead provides for a target ratio of 14 to one for fiscal year 2010-2011, with an increase in the ratio of 15 to one for fiscal year 2011-2012. Prior law, which is maintained, allows a small agency with not more than 28 FTEs to apply for an exception. The Act allows an additional exception when the supervisory employee ratio is subject to a federal requirement.

Beginning July 1, 2011, the Act permits an executive agency which may not be able to reach the applicable target ratio to apply for a waiver through a five-person review board.

The Act provides that if layoffs are implemented, the number of middle management position layoffs are to correspond to the relative number of direct service position layoffs. Reporting requirements are extended to cover the multiyear period addressed by the Act.

The Act eliminates the exemption from the span of control requirements for the Department of Human Services (DHS) and judicial district departments of correctional services.

While the Act retains the exemption from the span of control requirements provided in Code Chapter 8A for the State Board of Regents, the Act requires the state board to develop and maintain a policy regarding the aggregate ratio of the number of employees per supervisory employee at each regents institution with a target span of control ratio of 15 to one.

This division takes effect March 10, 2010.

Division VI — State Board of Regents — Cooperative Purchasing

Division VI provides that the State Board of Regents and institutions under its control shall coordinate interagency cooperation with state agencies in the area of purchasing and acquisition of information technology with the goal of annually increasing the amount of joint purchasing. The state board and the institutions under the control of the state board shall engage DAS, the CIO of the state, and other state agencies authorized to purchase goods and services in pursuing mutually beneficial activities relating to purchasing items and acquiring information technology. The state board and the institutions shall explore ways to leverage resources, identify cost savings, implement efficiencies, and improve effectiveness without compromising the mission of the board and the institutions under the control of the board. The board is required to report annually to the General Assembly and the Governor.

Division VII — Department of Administrative Services — Purchasing

Division VII concerns purchasing items through and by DAS.

Code Section 8A.302(1), concerning the purchase of items of general use, is amended to eliminate the general exemption from the requirement to purchase these items from DAS for the DOT, the Department for the Blind, and any other agencies otherwise exempted. The division authorizes the department to allow these agencies to purchase these items without utilizing DAS if in the best interests of the state.

Code Section 8A.311(10), concerning the authority of agencies to obtain services directly from a vendor, is amended to require the agency to obtain approval from the department to purchase directly from a vendor. In addition, the division requires that a waiver may be granted if purchasing from a vendor is more economical, and not just as economical.

New Code Section 8A.311A provides authority to DAS to require agencies to purchase goods or services of general use as designated by the department pursuant to a master contract established by the department. The new Code section gives governmental subdivisions the option to purchase goods and services pursuant to the contract, but requires the department to establish master contracts for a particular service if the department determines that a high-quality good or service can be acquired by agencies and governmental subdivisions at lower cost through establishment of a master contract. The division provides that an agency can directly purchase the item from a vendor if the department determines that the agency satisfies the requirements for a direct purchase otherwise provided in Code Section 8A.311(10) or the item is acquired pursuant to an existing contract.

Code Section 8A.312, concerning cooperative purchasing, is amended to provide that DAS shall collaborate with the State Board of Regents and any other state agency exempt from centralized purchasing to explore joint purchases of general use items.

This division directs DAS to require agencies to provide it with reports about what agencies plan to buy on an annual basis, require agencies to report on an annual basis about efforts to standardize products and services within their own agencies and with other state agencies, require employees who conduct bids for services to receive training on an annual basis about procurement rules and regulations and procurement best practices, identify procurement compliance employees within the DAS, review the process and basis for establishing DAS fees for purchasing, establish a workgroup to collaborate on best practices to implement the best cost savings for the state, explore interstate and intergovernmental purchasing opportunities, encourage the legislative and judicial branches to participate in consolidated purchasing and efficiencies wherever possible, and to expand the use of procurement cards.

Division VIII — Department of Administrative Services — Operations

Division VIII concerns operations of DAS.

Code Section 8A.104, concerning the duties of the director of the department, is amended to establish the duty of the director to examine and develop best practices for the efficient operation of government and to encourage state agencies to adopt and implement these practices.

New Code Section 8A.459 provides that all state employees, by July 1, 2011, shall, unless a collective bargaining agreement provides otherwise, receive their pay and allowances through electronic funds transfer. The new Code section allows state employees to receive their pay and allowances through a paper warrant, but only after paying the department an administrative fee for processing such paper warrants. The Act allows the department to grant a waiver from paying the administrative fee.

DAS is required to study ways to streamline the hiring process for personnel within state agencies.

The division requires the department to conduct an audit of state real estate and state government leases, study the possibility of selling and leasing back government properties, and submit a report to the General Assembly by January 1, 2011, concerning these audits and studies. The State Board of Regents is also required to conduct a real estate audit of real property owned or leased by the regents or its institutions and to submit a report to the General Assembly and Governor by January 1, 2011.

During FY 2010-2011, the division directs DAS, in collaboration with the departments of Human Services and Corrections, to identify and sell real property under their control that is no longer needed and will maximize the return to the state. The division also directs DAS to identify and sell, or sell and lease back, property under their control that will maximize the return to the state. In both instances, money received from the sale of real property shall be deposited in the General Fund of the State.

Division IX — Alcoholic Beverages Division of the Department of Commerce — Micro-Distilleries

Division IX relates to the manufacture and sale of micro-distilled spirits by a micro-distillery, and provides for the obtaining of a class "A" micro-distilled spirits permit.

A micro-distillery is a distillery that manufactures less than 50,000 proof gallons of micro-distilled spirits annually. Micro-distilled spirits are defined as distilled spirits fermented, distilled, or, for a period of two years, barrel-matured at the micro-distillery.

The division provides that a micro-distillery may sell or offer for sale micro-distilled spirits which also may be sold for off-premises consumption through sales on the micro-distillery's premises. All sales are required to be made through the state's wholesale distribution system.

A micro-distillery shall not sell more than 1.5 liters per person per day and shall maintain records of sales to individuals for three years. A micro-distillery shall not directly ship micro-distilled spirits for sale at retail. Micro-distilled spirits shall not be sold to be consumed within 300 feet of the micro-distillery but a micro-distillery may allow, as part of a tour, no more than two ounces of micro-distilled spirits to be sampled on the premises where made, when no charge is made for the sampling.

The division provides for a new permit applicable to micro-distilled spirits, requiring a fee of \$500 for initial issuance and annual renewal. The division limits the number of permits issued to a person to three and requires a micro-distillery issued a permit to file with the Alcoholic Beverages Division documents the micro-distillery files with the federal Alcohol and Tobacco Tax and Trade Bureau of the U.S. Department of the Treasury.

Division X — Alcoholic Beverages Division of the Department of Commerce — Charity Beer and Wine Auction Permit

Division X allows certain nonprofit entities to obtain a permit from the Alcoholic Beverages Division of the Department of Commerce and conduct a charity auction which includes beer and wine. The objective of the auction shall be to raise funds for educational, religious, or charitable purposes.

An authorized nonprofit entity is eligible to obtain only two charity beer and wine auction permits during a calendar year which permits allow an auction for a period not to exceed 36 consecutive hours and the fee for each permit is \$100.

The authorized nonprofit entity conducting the charity beer and wine auction shall obtain the beer and wine to be auctioned from an Iowa retail beer permittee or an Iowa retail wine permittee, or may receive donations of beer or wine to be auctioned at the charity beer and wine auction from persons who purchased the donated beer or wine from an Iowa retail beer permittee or an Iowa retail wine permittee and who present a receipt documenting the purchase at the time the beer or wine is donated.

The beer and wine sold at the charity beer and wine auction shall be in original containers for consumption off of the premises where the auction is conducted. No other alcoholic beverage may be sold by the nonprofit entity conducting the charity beer and wine auction at the auction. A purchaser of beer or wine at a charity beer and wine auction shall not open the container or consume or permit the consumption of the beer or wine purchased on the premises where the charity beer and wine auction is conducted.

Division XI — Alcoholic Beverages Division of the Department of Commerce — High Alcohol Beer

Division XI establishes two new beer permits concerning high alcoholic content beer.

"High alcoholic content beer" is defined as beer that contains more than 5 percent, but not more than 12 percent, of alcohol by weight that is made by the fermentation of water, barley, malt, and hops. Previously, the law provided that beer with more than 5 percent of alcohol by weight would be considered alcoholic liquor.

Code Section 123.124, concerning permits for the manufacture and sale of beer, is amended to create a class "AA" and a special class "AA" permit which allow for the sale and manufacture of high alcoholic content beer in the same manner as current class "A" and special class "A" permits relative to beer with 5 percent or less of alcohol by weight.

Code Section 123.130 is amended to eliminate the ability of a class "A" beer permit holder to manufacture and sell beer of more than 5 percent of alcohol content for shipment outside the state.

Code Section 123.134 is amended to provide that the annual permit fee for a class "AA" or special class "AA" permit is \$500.

Code Section 123.135(1) is amended to increase the fee for a certificate of compliance allowing a manufacturer or vendor of beer to ship or sell beer for resale by a class "A" permittee from \$100 to \$500. The Code section is also amended to eliminate the exemption from this fee by a brewer whose plant is located in Iowa. In addition, the Act provides that a holder of a special class "A" permit is now subject to the requirements of this Code section.

This division takes effect March 10, 2010.

Division XII — Alcoholic Beverages Division of the Department of Commerce — Operations

Division XII concerns certain operations of the Alcoholic Beverages Division.

The administrator of the Alcoholic Beverages Division is required to close the main state warehouse keeping alcoholic liquors every Friday from July 1, 2010, until June 30, 2015, with the authority to extend this closure requirement for an additional fiscal year. The division authorizes the administrator to keep the warehouse open on designated Fridays if anticipated sales on that Friday justify keeping the warehouse open.

This division also restricts the number of compliance checks conducted to ensure licensed retail establishment compliance with tobacco laws, regulations, and ordinances applicable to minors to one such compliance check for the 2010-2011 fiscal year. The division authorizes one additional compliance check for any retail outlet found in violation during the first check.

Division XIII — Alcoholic Beverages Division of the Department of Commerce — Direct Shipment of Wine

Division XIII authorizes the direct shipment of wine from wine manufacturers to residents of this state under specified circumstances.

Prior law provided that a winery licensed or permitted pursuant to laws regulating alcoholic beverages in another state which affords Iowa an equal reciprocal shipping privilege may ship into Iowa by private common carrier, to a person 21 years of age or older, not more than 18 liters of wine per month, for consumption or use by the person. This division removes the requirement or condition of reciprocity, such that a wine manufacturer may ship wine directly to Iowa residents, subject to the terms and conditions specified in this division of the Act.

The division provides that a wine manufacturer licensed or permitted under Iowa or another state's laws regulating alcoholic beverages must obtain a wine direct shipper license to directly ship wine into Iowa. A license may be obtained upon receipt by the Administrator of the Alcoholic Beverages Division of a written application from a wine manufacturer, accompanied by a true copy of the manufacturer's current alcoholic beverage license or permit and a copy of the manufacturer's winery license issued by the federal Alcohol and Tobacco Tax and Trade Bureau. An application shall be accompanied by a \$25 license fee and a bond in the amount of \$5,000. The license may be annually renewed if the information originally submitted is resubmitted each year together with the \$25 fee. House File 2531 (see Appropriations), Section 165, amended this provision to provide that a wine direct shipper licensee shall also remit to the Alcoholic Beverages Division an amount equivalent to the wine gallonage tax on wine subject to direct shipment at the rate specified in Code Section 123.183.

The division provides that wine may be shipped by a wine direct shipper licensee to an Iowa resident 21 years of age or older, for the resident's personal use and not for resale. Additionally, the wine must be properly registered with the federal Alcohol and Tobacco Tax and Trade Bureau, and fermented on the winery premises of the wine direct shipper licensee. All containers of direct shipped wine must be conspicuously labeled with the words CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY or alternative preapproved wording, and that the containers be shipped by a licensed alcohol carrier.

The shipment of wine pursuant to this license does not require a refund value for beverage container control purposes under Code Chapter 455C. Additionally, a direct shipper licensee shall be deemed to have consented to the jurisdiction of the division or any other agency or court in Iowa, and the division may perform an audit of shipping records upon request.

The division specifies that an alcohol carrier license shall be issued subject to requirements, fees, and upon application forms to be determined by the administrator by rule. An alcohol carrier licensee shall not be authorized to deliver wine to any person under 21 years of age, or to any person who either is or appears to be in an intoxicated state or condition. The division requires a licensee to obtain valid proof of identity and age prior to delivery, and the signature of an adult. The division imposes specified recordkeeping requirements as a condition of maintaining an alcohol carrier license. Finally, the division subjects violators of the division's provisions to the license suspension and revocation provisions, and civil penalty provisions, otherwise applicable to permittees in Code Section 123.39.

Division XIV — Department of Human Rights — Reorganization

Division XIV reorganizes the Department of Human Rights. The department is reorganized into three divisions, the new Division of Community Advocacy and Services, the current Division of Community Action Agencies, and the current Division of Criminal and Juvenile Justice Planning. The current divisions of Latino Affairs, Status of Women, Persons with Disabilities, Deaf Services, Status of African Americans, Iowans of Asian and Pacific Islander heritage, and Native American Affairs, are redesignated as offices within the new division of Community Advocacy and Services. The administrators of the various divisions of the department, currently appointed by the Governor, are eliminated. However, administrators appointed by the department director are retained for the three remaining divisions. Current administrators eliminated by the division shall be retained as employees of the department but shall be subject to the merit system. In addition, except for the Commission of Native American Affairs, all commissions within the new Division of Community Advocacy and Services are limited to seven voting members.

The current Human Rights Administrative-Coordinating Council is eliminated and replaced with a Human Rights Board. The new board consists of 11 voting members and five nonvoting members (Senate File 2367, § 44). Nine voting members shall be selected by the applicable permanent commissions and councils of the department and two voting members shall be appointed by the Governor. The nonvoting members shall consist of the director of the department and four members of the General Assembly. The duties of the board include adopting the proposed budget for the department, adopting rules of the department, and developing a comprehensive strategic plan for the department. Any substantive action taken by the board must be adopted by a two-thirds vote.

The division reassigns duties and responsibilities between the offices and commissions within the department.

The division also establishes transition provisions relative to the reorganization of the department. As part of these provisions, the Governor, in consultation with the Director of the Department of Human Rights, shall establish a process to implement the changes in this division concerning the members of commissions and boards within the department.

This division takes effect March 10, 2010.

Division XV — Gambling Setoffs

Division XV relates to the setoff of debts from gambling winnings.

Previously, a debtor who won money on a wager at a racetrack, excursion gambling boat, or gambling structure in this state was subject to a setoff from those winnings of the amount of debt owed if the winnings were equal to or greater than \$10,000.

Division XV amends Code Sections 99D.28 and 99F.19 so that debtors who win \$1,200 or more are subject to the setoff.

Division XVI — Department of Management — Financial Administration Reorganization

But for subsequent legislation, Division XVI would have transferred the financial administration duties of DAS to the DOM, and would have required the DOM to establish a centralized payroll system for all state agencies.

This division also would have required the DOM to explore the possibility of merging all state payroll systems within the centralized payroll system operated by the department and to provide that state employees be paid on a semimonthly instead of a biweekly basis.

The transfer of the financial administration duties provided in this division is stricken by House File 2531, Division V, which also provides that the DAS, and not the DOM, is required to comply with the requirements provided in this division relative to state payroll systems and payroll frequency.

Division XVII — Administration and Regulation Appropriations

Division XVII appropriates moneys for the FY 2010-2011 to the Department of Revenue to hire additional examiners and to the DOM to create and fill an additional position in the Office of Grants Enterprise Management.

Division XVIII — Elimination of State Entities Associated with the Department of Agriculture and Land Stewardship

ELIMINATION OF ENTITIES. This division eliminates two advisory entities housed within the Department of Agriculture and Land Stewardship (DALs): the Renewable Fuels and Coproducts Advisory Committee (Code Section 159A.4) and the Grape and Wine Development Commission (Code Section 175A.2). The division also eliminates provisions requiring DALs to establish grape and wine development programs and the Grape and Wine Development Fund (Code Chapter 175A). Both advisory entities consisted of heads of state agencies and interested persons. The Renewable Fuels and Coproducts Advisory Committee included individuals representing retail motor fuel dealers, petroleum refiners, farmers (with special representation for livestock producers, corn growers, and soybean producers), and renewable fuel producers. The Grape and Wine Development Commission included individuals representing growers, winemakers, and sellers.

MONEYS ASSOCIATED WITH ENTITIES. Any unobligated moneys remaining in the Grape and Wine Development Fund, originally supported by moneys derived from the wine gallonage tax (Code Section 123.183), are to be transferred to the Wine Gallonage Tax Fund. The division authorizes DALs to increase fees that it collects from persons certified under the National Organic Program (Code Chapter 190C) by 10 percent and authorizes DALs to retain the amount of the increased amount for its purposes. The Organic Advisory Council, which consults with DALs regarding its administration of Code Chapter 190C, is not affected by the division.

Division XIX — Elimination of State Entities Associated with the Department of Natural Resources' Control of the Natural Habitat

Division XIX eliminates the Sustainable Natural Resource Funding Advisory Committee and the Upland Game Bird Study Advisory Committee. Each committee's elimination takes effect March 10, 2010.

Division XX — Elimination of State Entities Associated with the Department of Natural Resources — Iowa Climate Change Advisory Council

Division XX eliminates the Iowa Climate Change Advisory Council established within the Department of Natural Resources (DNR) (Code Section 455B.851) on July 1, 2011. The council consists of persons representing academic and research institutions, farming, public transit, utilities, environmental protection, business, energy conservation, renewable fuel promotion, local government, and alternative energy production.

The DNR is still required to submit a report to the Governor and the General Assembly regarding the greenhouse gas emissions in the state during the previous calendar year and forecasting trends in such

emissions. The department may forward recommendations to the Environmental Protection Commission designed to encourage the reduction of statewide greenhouse gas emissions.

Division XXI — Economic Development — Committees and Councils

Division XXI eliminates some boards, committees, and councils in the areas of cultural affairs and economic development and reassigns some of their functions to other state governmental bodies.

The Small Business Advisory Council and the Microenterprise Development Advisory Committee are eliminated. In addition, the division eliminates the Agricultural Products Advisory Council and provides that applications for assistance under the value-added agriculture component of the Grow Iowa Values Fund, previously considered by this council, will now be considered by the due diligence committee of the Economic Development Board.

Division XXII — Consolidation of Housing Programs

Division XXII transfers authority for the administration of the Shelter Assistance Fund from the Department of Economic Development (DED) to the IFA.

Division XXII also directs the DED and the IFA to conduct a joint review of the housing-related programs they currently administer, including all federal programs. The DED and the IFA are then directed to produce a report recommending how best to transfer all responsibilities for housing-related programs from the DED to the IFA. The report must be submitted by September 1, 2010, to the Governor, the DOM, and the General Assembly.

Division XXIII — Area Education Agencies

Division XXIII of this Act amends Code sections relating to area education agencies (AEAs); repeals the Code chapter creating the Iowa Learning Technology Initiative and Iowa Learning Technology Commission on July 1, 2010, rather than July 1, 2011, as currently provided in the Code; and eliminates the Council for Agricultural Education.

The division requires the Director of the Department of Education (DE) to provide guidance and standards to AEAs for federal and state education initiatives that the AEAs must implement statewide and for which the AEAs are accountable under the state's accreditation standards.

Each AEA board of directors must collaborate with the department to provide a statewide infrastructure for educational data to create cost efficiencies, provide storage and disaster mitigation, and improve interconnectivity between schools and school districts; work with the department to provide systemwide coordination in the implementation of the statewide longitudinal data system; jointly develop a three-year statewide strategic plan that supports the educational goals adopted by the State Board of Education and the state's accreditation standards; establish performance goals; and clearly identify statewide efforts to improve student learning and create efficiencies in management operations for AEAs and school districts. The AEA boards must also jointly provide the state board with annual updates on the performance measures. The AEAs must provide support to school districts' information technology infrastructure consistent with the statewide infrastructure for the educational data collaborative.

AEAs are also accountable under the state's accreditation standards for support for early childhood service coordination for families and children to meet health, safety, and learning needs.

Each board must appoint an advisory group to make recommendations on policy, programs, and services to the board, provide the board with input, feedback, and recommendations regarding projected future needs, and provide a review and response to any state-directed study or task force report on AEA efficiencies or reorganization. Each advisory group must consist of superintendents, principals, and teachers employed by school districts served by the AEA; parents or guardians of school age children receiving services from the AEA, and a member who represents accredited nonpublic schools located within the boundaries of the AEA.

Division XXIV — Early Childhood Iowa Initiative

This division relates to the state and local system for early care of very young children by replacing the Community Empowerment Initiative administered under Code Chapter 28 for state purposes through the DOM with the Early Childhood Iowa (ECI) Initiative in new Code provisions.

Most of the Code provisions for the ECI Initiative are not substantively changed from the Community Empowerment Initiative. Exceptions relating to the ECI state board include the following: the number of citizen members on the state board is reduced from 16 to 15 and a member cannot be a provider of services funded by the initiative; and the board is required to meet at least quarterly, approve the geographic boundaries of local areas and any changes in boundaries, develop and implement a strategic plan, along with common performance measures and data reporting requirements, and develop and implement a levels of excellence rating system for use with the state board's designation process for area boards. The DOM is required to adopt rules in consultation with the state board to provide fiscal oversight of the initiative.

Instead of an empowerment facilitator appointed by the Governor and confirmed by the Senate, the early childhood office administrator and other staff for the office are appointed by the department director.

Community empowerment areas based on school district and county boundaries are replaced with ECI areas using county boundaries to the extent possible. The boundary criteria for ECI areas limit the maximum size to not more than four counties, require the counties to have contiguous borders, and require a single county area to have a minimum population of children zero through age five in excess of 5,000. The state board may waive the criteria under exceptional circumstances.

The majority of local community empowerment area board members is required to be elected officials or members of the public who are not employed by a provider of services for the boards. ECI area boards cannot include any members who are providers of services to the board or employed by a provider. The duties of ECI area boards are similar to area board duties under the empowerment initiative.

The School Ready Children Grant Program requirements, funding provisions, and requirements for maintaining an Internet site are very similar to those under the Community Empowerment Initiative. However, the specific information items required for the Internet site are replaced with general requirements.

The Early Childhood Iowa Council in the Department of Public Health is replaced by the Early Childhood Stakeholders Alliance. The specific duties enumerated for the council are replaced with a general set of duties and the staffing responsibility is assumed by the DOM.

A transition provision provides for the initial membership of the ECI state board to be filled by the members of the state Empowerment Board. The transition from community empowerment areas and boards to ECI areas and boards is delayed until on or after July 1, 2011. Existing administrative rules will remain in effect until replaced and funding held by current area boards is to be remitted to successor ECI area boards.

Division XXV — Community College Accreditation

Division XXV of this Act relates to community college accreditation by requiring the DE to review and evaluate the implementation of the recommendations submitted on January 22, 2010, by the Community College Accreditation Advisory Committee in its final report to the General Assembly, and to submit its findings and recommendations to the General Assembly on or before December 31, 2010; and to convene a working group, whose members shall include, at a minimum, the members of the Community College Accreditation Advisory Committee and the Community College Faculty Advisory Committee, to study the maximum academic credit hour per school term workload appropriate for an instructor beyond the standard workload, and to submit its findings and recommendations to the State Board of Education and the General Assembly on or before December 31, 2010. Community college faculty who have in previous fiscal years exceeded the 18 credit hour standard are permitted, for FY 2010-2011, to continue to exceed the standard if the faculty member so chooses.

Division XXVI — Registration of Postsecondary Schools

Division XXVI requires the College Student Aid Commission to post an application for registration of a postsecondary school on its Internet site. The Code section requiring the commission to establish an advisory committee on postsecondary registration to review and make recommendations relating to applications is repealed.

Division XXVII — Division of Libraries and Information Services

Division XXVII of this Act eliminates the medical library and the position of medical librarian, and makes conforming changes. The division takes effect March 10, 2010.

Division XXVIII — Library Districts

Division XXVIII amends Code Chapter 336, which provides for the establishment of library districts. Library districts are composed of one or more counties, one or more cities, or any combination of cities and counties. The division amends Code provisions as follows:

LIBRARY DISTRICTS FORMED. Under the division, a petition submitted by eligible electors residing within a proposed library district for the establishment of a library district must include the total number of board members and how representation on the board will be divided among the jurisdictions. After the establishment of a library district, other areas may be included if the board of library trustees approves and the electors of the area to be added pass a referendum to join the district. Currently, other areas may be added by mutual agreement of the board of library trustees and the governing body of the area to be added.

GOVERNING BODIES OF JURISDICTIONS. Code references to the boards of supervisors of any county or city and to the taxing unit of the district are changed to the "governing bodies of the jurisdictions," and language is stricken which requires that board membership be apportioned between rural and city areas, and counties and cities, in proportion to population or equitably divided between, respectively, the areas served.

A vacancy on a library district board exists if a member no longer resides in the jurisdiction or is absent for six consecutive regular board meetings.

BOARD POWERS. The board of trustees is authorized to direct and control all affairs of the library district, to authorize the librarian it employs to employ personnel as necessary and to purchase technology, and to have exclusive control of all funds allocated for library expenses and all moneys belonging to the library. The board must keep a record of its proceedings.

LIBRARY FUND. Expenditures paid on order of the board of library trustees must be paid by the city or county treasurer from the treasury of deposit, rather than by the county or city auditor.

ANNUAL REPORT. The board of library trustees has 90 days after the close of the fiscal year to submit a report to the respective jurisdictions comprising the library district. Currently, the board must submit the report immediately after the close of the fiscal year. The division makes minor adjustments to the information that must be included in the report.

REAL ESTATE ACQUIRED. Language limiting the board of library trustees to purchasing real estate in the county or city in which the public library is established is stricken.

MAINTENANCE EXPENSE ON PROPORTIONATE BASIS. Language requiring that unincorporated areas of each county in the library district be considered a separate supporting unit is stricken.

EXISTING CONTRACTS ASSUMED. Whenever a library district is established, its board of trustees must assume all the obligations of the existing library service contracts made by jurisdictions participating in the library district. Currently, the board of trustees must assume all the obligations of the existing contracts made by cities, townships, school corporations, or counties to receive library services.

WITHDRAWAL FROM DISTRICT — TERMINATION. Code Section 336.16 is amended to strike language that provides that the election to terminate a library district must be held upon a motion of the board of supervisors and simultaneously with a general or other county election.

CONTRACTS TO USE CITY LIBRARY. The division provides that if a majority of those voting approves the question of requiring the board to provide library services for them and their area by contract, the board of supervisors, upon such approval, must contract with a library for such services. Prior law required the board of supervisors to appoint a board of library trustees from the residents of the petitioning area within 30 days, which board of trustees may contract for library service.

CONTRACTS TO USE OTHER PUBLIC LIBRARIES. The division permits the board of library trustees to contract with any other board of trustees of a free public library or any other city, school corporation, institution of higher learning, township, or county, or with the trustees of any county library district for the use of the library by their respective residents. The division also establishes two ways in which the contract may be terminated: by mutual consent of the contracting parties or by a majority vote of the electors represented by either of the contracting parties.

REPEALS. The division repeals Code Section 336.6, relating to the vacancy of an office of a library trustee due to the removal or absence of the trustee, but modifies and moves the language to Code Section 336.5, subsection 2; repeals Code Section 336.9, which provides for the methods by which library service must be accomplished; and repeals Code Section 336.17, but moves the language of the provision, which relates to agreements with local county historical associations, to Code Section 336.8.

Division XXIX — Health and Human Services Program Efficiencies

Division XXIX provides directives to various state departments to develop and implement strategies to increase efficiencies and cost savings in programs relating to health and human services. The DHS is directed to develop and implement strategies to increase efficiencies by reducing paperwork, decreasing staff time, and providing more streamlined services to the public relative to programs under the purview of the department. Such strategies may include simplifying and reducing duplication in eligibility determinations among programs by utilizing the same eligibility processes across programs to the extent allowed by federal law. The department is also directed to provide a progress report to the Joint Appropriations Subcommittee on Health and Human Services on an annual basis.

Division XXIX also directs the departments of Human Services, Public Health, Corrections, and Management, and any other appropriate department, to review the provision of pharmaceuticals to populations they serve and programs under their respective purview to determine efficiencies in the purchase of pharmaceuticals. The departments are required to develop strategies to implement efficiencies and reduce costs to the state, and to also determine any changes in state law or approval from the federal government necessary to implement any strategy identified.

Division XXX — Child Support

Division XXX relates to child support and directs DHS to establish criteria and a phased-in schedule to require, no later than June 30, 2015, payors of income to electronically transmit the amounts withheld under an income withholding order. The department is directed to assist payors of income in complying with the required electronic transmission, and to adopt rules setting forth procedures for use in electronic transmission of funds and for the exemption from use of electronic transmission, taking into consideration any undue hardship electronic transmission creates for payors of income.

Division XXXI — False Claims Act

Division XXXI establishes a state False Claims Act to allow a procedure for the state and private individuals to bring an action against another person for fraud that might result in financial loss to the government. Portions of the federal Deficit Reduction Act of 2005, Pub. L. No. 109-171, § 6032, which took effect January 1, 2007, provided financial encouragement to states to have in effect a law dealing with false or fraudulent claims that meets certain federal requirements. If a state has such a law in place, when recoveries are made for Medicaid funds improperly paid, the share owed to the federal government will be decreased by 10 percent.

The division provides definitions including "claim," "knowing" or "knowingly," and "qui tam plaintiff" which means a private plaintiff who brings an action under the division on behalf of the state.

The division provides that a person who commits certain specified acts is liable to the state for three times the amount of damages which the state sustains because of the act of that person, and is also liable to the state for the costs of a civil action brought to recover any of those penalties or damages, and for a civil penalty of not less than \$5,000 and not more than \$10,000 for each violation. The prohibited acts include: knowingly presenting or causing to be presented a false or fraudulent claim for payment or approval; knowingly making, using, or causing to be made or used, a false record or statement material to the false or fraudulent claim; conspiring to commit a specified violation; having possession, custody, or control of property or money used or to be used by the state and knowingly delivering or causing to be delivered less than all of the money or property; being authorized to make or deliver a document certifying receipt of property used or to be used by the state and intending to defraud the state by making or delivering a receipt without completely knowing that the information on the receipt is true; knowingly buying or receiving as a pledge of an obligation or debt, public property from any person who lawfully may not sell or pledge the property; or knowingly making, using, or causing to be made or used, a false record or statement material to an obligation to pay or transmit money or property to the state, or knowingly concealing or avoiding, or decreasing an obligation to pay or transmit money or property to the state.

The division provides for an assessment of a lesser amount of damages under certain circumstances.

The division provides a process for the Attorney General to investigate and bring civil actions under the division. The division also provides a process for a person to bring a civil action for a violation of the division for the person and for the state in the name of the state as a qui tam plaintiff. The division provides for awards to the qui tam plaintiff, specifies actions for which the court does not have jurisdiction under the Act, and provides for relief to a person who is retaliated against for bringing a private action under the Act.

The division provides that a civil action under the division must be brought not more than 10 years after the date on which the violation was committed, requires the state to prove all essential elements of the cause of action by a preponderance of the evidence, and provides a process for civil investigative demands.

The division requires annual reporting and specifies the information to be included in such report.

The division also appropriates additional moneys to the Office of the Attorney General.

Division XXXII — Medicaid Prescription Drugs

Division XXXII relates to prescription drugs under the medical assistance (Medicaid) program by directing DHS to adopt rules to restrict physicians and other prescribers to prescribing not more than a 72-hour or three-day supply of a prescription drug not included on the Medicaid preferred drug list while seeking approval to continue prescribing the medication; and directing the department to adopt rules to require that unless the manufacturer of a chemically unique mental health prescription drug enters into a contract to provide the state with a supplemental rebate, the drug may be placed on the nonpreferred drug list and be subject to prior authorization before a Medicaid program recipient is able to obtain the drug.

The division provides an exemption from this requirement for Medicaid recipients whose drug regimen is established prior to January 1, 2011, for a chemically unique mental health drug, and provides that rules adopted pursuant to the division do not take effect prior to January 1, 2011.

Division XXXIII — Medicaid Disease Management

Division XXXIII relates to Medicaid disease management for children and directs DHS to design and implement a disease management program for children to address the most prevalent chronic diseases among children in Iowa. The program may include technology-based disease management, in-person or telephonic care management, self-management strategies, and health literacy education and training.

Division XXXIV — Medicaid Home and Community-based Services Waiver Payments

Division XXXIV relates to Medicaid home and community-based services waiver payments by directing DHS to evaluate payment records and determine the proper mechanism to trigger a review of payments for

home and community-based services waiver services that are in excess of the median amount for payments through the waivers. Following development of the trigger mechanism, the department must require advance approval for services for which payment is projected to exceed the median amount.

Division XXXV — Divestiture — Medicaid Program

Division XXXV relates to divestiture activities under the Medicaid program. This division amends the definition of "transfer of assets" for the purpose of eligibility for the Medicaid program. The division amends the definition to provide that any transfer or assignment of a legal or equitable interest in property, from a transferor to a transferee for less than fair consideration, made while the transferor is receiving medical assistance or within five years prior to application for medical assistance by the transferor, is presumed to be made with the intent, on the part of not only the transferee, but also the transferor; or another person acting on behalf of a transferor who is an actual or implied agent, guardian, attorney-in-fact, or person acting as a fiduciary, of enabling the transferor to obtain or maintain eligibility for medical assistance or of impacting the recovery or payment of a medical assistance debt. The presumption is then rebuttable only by clear and convincing evidence that the transferor's eligibility or potential eligibility for Medicaid or the impact on the recovery or payment of a medical assistance debt was no part of the reason of not only the transferee, but of any of the other parties specified for making the transfer or assignment.

The division provides that a transfer of assets includes a transfer of an interest in the transferor's home, domicile, or land appertaining to such home or domicile while the transferor is receiving medical assistance, unless otherwise exempt.

The division amends the listing of transfers that are exempt from the definition to provide that a transfer of assets that would have been exempt from consideration as a resource if retained by the transferor pursuant to federal law does not include a transfer of the home or land appertaining to the home.

Division XXXVI — Child Care Advisory Committee

Division XXXVI replaces the Child Care Advisory Council in DHS with a new Child Care Advisory Committee, effective July 1, 2011. The council performs various duties relating to advice concerning the child care policy and rules of DHS. Originally, the new committee was to be part of the Early Childhood Iowa Council and provided for membership slots to be proposed by that council but another division of this Act replaced that council with the Early Childhood Stakeholders Alliance. Consequently, transition duties were shifted to the Early Childhood Iowa State Board and an amendment in House File 2526 requires corrective legislation to be proposed by the DOM for the 2011 Legislative Session.

Division XXXVII — MH/MR/DD/BI Commission Duties

Division XXXVII revises the duties of the Mental Health, Mental Retardation, Developmental Disabilities, and Brain Injury (MH/MR/DD/BI) Commission in Code chapters other than 225C. The division is linked with Division XXXVIII, which addresses other departmental, commission, and county responsibilities involving MH/MR/DD/BI services in Code Chapter 225C and Division XXXIX, which changes the name of the commission.

The division does the following:

- Revises Code references to the state mental health plan to refer instead to the comprehensive mental health and disability services plan which the commission is required to adopt.
- Eliminates various specific analysis, rules adoption, forms development, consultation, data collection, and consideration requirements in Code Chapter 331, relating to county MH/MR/DD services.
- Replaces references to a managed system of care with contracting responsibilities in the enumeration of county MH/MR/DD service planning requirements.

Division XXXVIII — MH/MR/DD/BI Services

Division XXXVIII amends Code Chapter 225C, relating to the services and other support available to a person with mental illness, mental retardation, a developmental disability, or a brain injury (MI/MR/DD/BI), which the Code chapter defines as “disability services,” and enumerates the duties of the DHS and the MH/MR/DD/BI Commission involving disability services. The division is linked with Division XXXVII, which addresses other departmental, commission, and county responsibilities involving MH/MR/DD/BI services in Code chapters other than 225C and Division XXXIX, which changes the name of the commission.

The changes include a shift in responsibility so that the department determines whether to grant, deny, or revoke service provider accreditations instead of the commission, a new requirement for the commission to develop a comprehensive five-year plan for mental health and other disability services instead of separate plans, and a new responsibility for the commission to ensure there is a continuous quality improvement process in place for the disability services system which includes data collection and reporting.

The Act repeals Code Section 225C.27, the purpose section of the Bill of Rights and Service Quality Standards of persons with MR/DD/BI or chronic mental illness. The provision required the commission to adopt rules to promote and encourage fulfillment of the individual due process and participation in planning rights provisions of the Bill of Rights.

Division XXXIX — MH/MR/DD/BI Commission and Waiver Name Change

Division XXXIX changes the name of the Mental Health, Mental Retardation, Developmental Disabilities, and Brain Injury Commission to the Mental Health and Disability Services Commission and the name of the home and community-based services waiver for persons with mental retardation under the Medicaid program to the waiver for persons with intellectual disabilities. Various specific Code provisions are addressed and the Code Editor is authorized to make these changes in other provisions.

Division XL — Consolidation of Advisory Bodies — Council on Human Services

Division XL eliminates the following bodies: the Child Abuse Prevention Program Advisory Council (Code Section 235A.1), the Child Support Advisory Committee (Code Section 252B.18), and the Child Welfare Advisory Committee (Code Section 234.3), and reauthorizes these bodies as advisory committees established by the Council on Human Services. In establishing the advisory committees and appointing members, the Council on Human Services is required to consider reappointing those individuals who were serving as members of these bodies as of June 30, 2009. Corrections are made to the Code references to the bodies.

Division XLI — Health Advisory Bodies

Division XLI eliminates the State Substitute Medical Decision-making Board (Code Section 135.28). House File 2526, § 85 amended this division to restore the Hemophilia Advisory Committee. The Department of Public Health is required to no longer operate advisory committees on swimming pools, radiation therapy and nuclear medicine, and anatomical gift public awareness.

Division XLII — Department of Human Services — Field Services Organization

Division XLII relates to the field services organization for the DHS under Code Section 217.42, providing for service areas to be designated by the department and affecting local offices paid for by counties.

The division eliminates language limiting the field services organization to the service areas designated as of January 1, 2002, requiring consideration of other geographic service areas, requiring consultation with county boards of supervisors regarding selection of service area managers, providing a procedure for counties seeking to change the boundaries of a service area, and requiring consultation with affected counties if it is necessary for the department to significantly modify service areas or related operations.

The division takes effect March 10, 2010.

Division XLIII — Department of Human Services — Family Support Subsidy

Division XLIII prohibits DHS, effective July 1, 2010, from accepting new applications for the Family Support Subsidy Program and from approving pending applications.

Division XLIV — Department of Human Services — Level of Care

Division XLIV requires DHS to amend the Medicaid program home and community-based services waiver for persons with intellectual disabilities so that evaluations made subsequent to the initial diagnosis of mental retardation are for the purpose of determining the appropriate level of care rather than confirming the original diagnosis.

Division XLV — Department of Human Services — Transportation Services

Division XLV requires DHS to amend the Medicaid program home and community-based services waiver for persons with intellectual disabilities as necessary for employment-related transportation to be covered by the supported community living services provider.

Division XLVI — Department of Human Services — Electronic Transactions

Division XLVI directs DHS to utilize electronic documentation and to continue expanding the practice of making payments to program participants and vendors by means of electronic funds transfer. If the department requires or requests that a service consumer, service provider, or other person maintain required documentation in electronic form, the department is prohibited from requiring a physical copy unless it is required by state or federal law. A goal is provided in new Code Section 217.24 that the department seek the capacity for making payment by such means for all departmental programs.

Division XLVII — Department of Human Services — Adoption Subsidy Program

Division XLVII provides that for the fiscal year beginning July 1, 2010, the maximum payment for nonrecurring expenses is limited to \$500 and additional amounts for court costs and other related legal expenses will no longer be allowed.

Division XLVIII — County Commissions of Veteran Affairs Fund

Division XLVIII amends Code Section 35A.16, relating to \$10,000 grants provided to county veteran affairs commissions. Each county receiving a grant is required to annually report on expenditure of the grant.

Division XLIX — Department of Corrections

Division XLIX concerns the Department of Corrections (DOC).

The division reduces the minimum number of required meetings of the Board of Corrections from 12 meetings per year to quarterly meetings per year.

Code Section 904.505 is amended to allow the DOC to impose an administrative fee for the filing of a report of a major disciplinary rule infraction for which an inmate is found guilty. The fee shall be deposited in the General Fund of the State.

This division requires the closure, by July 1, 2010, of Farm 1, and by January 1, 2010, of Farm 3, which are facilities of the DOC, and the transfer of the inmates confined at such facilities to other institutions under the control of the DOC. The requirement to close farm 1 and farm 3 takes effect March 10, 2010.

Division L — State Public Defender

Division L eliminates the Indigent Defense Advisory Commission and requires the State Public Defender to prepare the reports required of the commission and requires the State Public Defender, instead of the commission, to make recommendations regarding the hourly rates paid to court-appointed counsel and per-case fee limitations.

This division also appropriates, for FY 2010-2011, additional moneys to the Office of the State Public Defender of the Department of Inspections and Appeals for 16 additional local public defender and staff positions.

Division LI — Iowa Law Enforcement Academy

Division LI provides for the charging of costs for peace officer candidates attending a training school held by the DPS or by the Iowa Law Enforcement Academy.

For a training school held by the DPS, the peace officer candidate shall pay one-third of the costs with the remaining costs paid by the department. The division allows the department to pay for all or part of the candidate's share of the cost.

For candidates attending the basic training course at the Iowa Law Enforcement Academy, the division provides for charging the costs of the training depending on what entity is sponsoring the candidate. For candidates of the DNR and the DOT, the departments are required to pay the entire cost of providing the basic training course. For candidates from any other state agency or department, the candidate shall pay one-third of the cost and the agency or department shall pay the remainder of the cost. For candidates sponsored by a political subdivision, the candidate shall pay one-third of the cost, the political subdivision shall pay one-third of the cost, and the state shall pay the remainder of the cost. However, in both cases, the state agency or department, or political subdivision, may pay all or part of the candidate's costs. For all other candidates, including candidates from a tribal government, the candidate shall pay the total cost.

Division LI also provides that the Iowa Law Enforcement Academy, subject to the approval of the Iowa Law Enforcement Academy Council, shall develop and administer a pilot program consisting of training seminars for private security personnel, consisting of 50 hours of training for each of 10 trainees at a cost of \$50 per hour of training. The moneys received from the training seminars are required to be deposited in the General Fund of the State.

Division LII — State Government Efficiency Review Committee

Division LII establishes a State Government Efficiency Review Committee which shall meet at least every two years to review the operations of state government. The committee shall consist of five members of the Senate and five members of the House of Representatives who shall be appointed prior to January 31 of the first regular session of each General Assembly. The committee shall meet as directed by the Legislative Council. The division requires the committee to review and consider options for reorganizing state government to improve efficiency, modernize processes, eliminate duplication and outdated processes, reduce costs, and increase accountability. The committee is required to issue its first report by January 1, 2013, and at least every second year thereafter.

Division LIII — Boards and Commissions — Establishment Criteria

Division LIII creates new Code Section 69.16D which provides that, prior to establishing a new board or commission, the General Assembly shall consider whether an existing board or commission can perform the duties of the new board or commission, the estimated cost of the new board or commission, and whether a repeal date is needed for the new board or commission.