

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing for the reorganization of certain state
2 departments by establishing a department of administrative
3 services and abolishing the executive council and transferring
4 or eliminating its duties.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HF 2573

DIVISION I

DEPARTMENT OF ADMINISTRATIVE SERVICES

1
2
3 Section 1. Section 2.12, Code Supplement 2001, is amended
4 to read as follows:

5 2.12 EXPENSES OF GENERAL ASSEMBLY AND LEGISLATIVE AGENCIES
6 -- BUDGETS.

7 There is appropriated out of any funds in the state
8 treasury not otherwise appropriated a sum sufficient to pay
9 for legislative printing and all current and miscellaneous
10 expenses of the general assembly, authorized by either the
11 senate or the house, and the director of ~~revenue-and-finance~~
12 the department of administrative services shall issue warrants
13 for such items of expense upon requisition of the president,
14 majority leader, and secretary of the senate or the speaker
15 and chief clerk of the house.

16 There is appropriated out of any funds in the state
17 treasury not otherwise appropriated, such sums as are
18 necessary, for each house of the general assembly for the
19 payment of any unpaid expense of the general assembly incurred
20 during or in the interim between sessions of the general
21 assembly, including but not limited to salaries and necessary
22 travel and actual expenses of members, expenses of standing
23 and interim committees or subcommittees, and per diem or
24 expenses for members of the general assembly who serve on
25 statutory boards, commissions, or councils for which per diem
26 or expenses are authorized by law. The director of ~~revenue~~
27 ~~and-finance~~ the department of administrative services shall
28 issue warrants for such items of expense upon requisition of
29 the president, majority leader, and secretary of the senate
30 for senate expense or the speaker and chief clerk of the house
31 for house expense.

32 There is appropriated out of any funds in the state
33 treasury not otherwise appropriated, such sums as are
34 necessary for the renovation, remodeling, or preparation of
35 the legislative chambers, legislative offices, or other areas

1 or facilities used or to be used by the legislative branch of
2 government, and for the purchase of legislative equipment and
3 supplies deemed necessary to properly carry out the functions
4 of the general assembly. The director of ~~revenue-and-finance~~
5 the department of administrative services shall issue warrants
6 for such items of expense, whether incurred during or between
7 sessions of the general assembly, upon requisition of the
8 president, majority leader, and secretary of the senate for
9 senate expense or the speaker and chief clerk of the house for
10 house expense.

11 There is appropriated out of any funds in the state
12 treasury not otherwise appropriated such sums as may be
13 necessary for the fiscal year budgets of the legislative
14 service bureau, the legislative fiscal bureau, the citizens'
15 aide office and the computer support bureau for salaries,
16 support, maintenance, and miscellaneous purposes to carry out
17 their statutory responsibilities. The legislative service
18 bureau, the legislative fiscal bureau, the citizens' aide
19 office and the computer support bureau shall submit their
20 proposed budgets to the legislative council not later than
21 September 1 of each year. The legislative council shall
22 review and approve the proposed budgets not later than
23 December 1 of each year. The budget approved by the
24 legislative council for each of its statutory legislative
25 agencies shall be transmitted by the legislative council to
26 the department of management on or before December 1 of each
27 year for the fiscal year beginning July 1 of the following
28 year. The department of management shall submit the approved
29 budgets received from the legislative council to the governor
30 for inclusion in the governor's proposed budget for the
31 succeeding fiscal year. The approved budgets shall also be
32 submitted to the chairpersons of the committees on
33 appropriations. The committees on appropriations may allocate
34 from the funds appropriated by this section the funds
35 contained in the approved budgets, or such other amounts as

1 specified, pursuant to a concurrent resolution to be approved
2 by both houses of the general assembly. The director of
3 revenue and finance shall issue warrants for salaries,
4 support, maintenance, and miscellaneous purposes upon
5 requisition by the administrative head of each statutory
6 legislative agency. If the legislative council elects to
7 change the approved budget for a legislative agency prior to
8 July 1, the legislative council shall transmit the amount of
9 the budget revision to the department of management prior to
10 July 1 of the fiscal year, however, if the general assembly
11 approved the budget it cannot be changed except pursuant to a
12 concurrent resolution approved by the general assembly.

13 Sec. 2. Section 2.13, Code 2001, is amended to read as
14 follows:

15 2.13 ISSUANCE OF WARRANTS.

16 The director of ~~revenue-and-finance~~ the department of
17 administrative services shall also issue to each officer and
18 employee of the general assembly, during legislative sessions
19 or interim periods, upon vouchers signed by the president,
20 majority leader, and secretary of the senate or the speaker
21 and chief clerk of the house, warrants for the amount due for
22 services rendered. The warrants shall be paid out of any
23 moneys in the treasury not otherwise appropriated.

24 Sec. 3. Section 7E.5, subsection 1, paragraph b, Code
25 2001, is amended to read as follows:

26 b. The department of ~~personnel~~ administrative services,
27 created in section ~~19A-1~~ 8A.102, which has primary
28 responsibility for ~~personnel~~ the management and coordination
29 of the major resources of state government.

30 Sec. 4. Section 7E.5, subsection 1, paragraphs c and x,
31 Code 2001, are amended by striking the paragraphs.

32 Sec. 5. Section 7E.5, subsection 1, paragraph d, Code
33 2001, is amended to read as follows:

34 d. The department of revenue and finance, created in
35 section 421.2, which has primary responsibility for revenue

1 collection and revenue law compliance, ~~financial-management~~
2 ~~and-assistance~~, and the Iowa lottery.

3 Sec. 6. Section 8.31, unnumbered paragraph 6, Code 2001,
4 is amended to read as follows:

5 The procedure to be employed in controlling the
6 expenditures and receipts of the state fair board and the
7 institutions under the state board of regents, whose
8 collections are not deposited in the state treasury, is that
9 outlined in section ~~421-31~~ 8A.503, subsection 6 9.

10 Sec. 7. Section 8.34, Code 2001, is amended to read as
11 follows:

12 8.34 CHARGING OFF UNEXPENDED APPROPRIATIONS.

13 Except as otherwise provided by law, the director of the
14 department of ~~revenue-and-finance~~ administrative services
15 shall transfer to the fund from which an appropriation was
16 made, any unexpended or unencumbered balance of that
17 appropriation remaining at the expiration of two months after
18 the close of the fiscal term for which the appropriation was
19 made. At the time the transfer is made on the books of the
20 department of ~~revenue-and-finance~~ administrative services, the
21 director shall certify that fact to the treasurer of state,
22 who shall make corresponding entries on the books of the
23 treasurer's office.

24 Sec. 8. NEW SECTION. 8A.101 DEFINITIONS.

25 As used in this chapter, unless the context otherwise
26 requires:

27 1. "Department" means the department of administrative
28 services.

29 2. "Director" means the director of the department of
30 administrative services.

31 Sec. 9. NEW SECTION. 8A.102 DEPARTMENT CREATED.

32 The department of administrative services is created. The
33 director of the department shall be appointed by the governor
34 to serve at the pleasure of the governor and is subject to
35 confirmation by the senate. If the office becomes vacant, the

1 vacancy shall be filled in the same manner as provided for the
2 original appointment.

3 Sec. 10. NEW SECTION. 8A.103 PURPOSE OF THE DEPARTMENT.

4 The department is created for the purpose of managing and
5 coordinating the major resources of state government including
6 the human, financial, physical, and information resources of
7 state government.

8 Sec. 11. NEW SECTION. 8A.104 POWERS AND DUTIES OF THE
9 DIRECTOR.

10 The director or designees of the director shall:

11 1. Coordinate the internal operations of the department
12 and develop and implement policies and procedures designed to
13 ensure the efficient administration of the department.

14 2. Appoint the administrators of the divisions within the
15 department and all other personnel deemed necessary for the
16 administration of this chapter, except for the chief executive
17 officer of the Iowa public employees' retirement system
18 division and other employees of the division.

19 3. Prepare an annual budget for the department.

20 4. Develop and recommend legislative proposals deemed
21 necessary for the continued efficiency of department
22 functions, and review legislative proposals generated outside
23 of the department which are related to matters within the
24 department's purview.

25 5. Adopt rules deemed necessary for the administration of
26 this chapter in accordance with chapter 17A. In addition,
27 rulemaking authority provided to the divisions of the
28 department shall be subject to review and approval of the
29 director.

30 6. Develop and maintain enterprise-wide support systems
31 within the department to provide appropriate administrative
32 support and sufficient data for the effective and efficient
33 operation of the enterprise.

34 7. Enter into contracts for the receipt and provision of
35 services as deemed necessary. The director and the governor

1 may obtain and accept grants and receipts to or for the state
2 to be used for the administration of this chapter.

3 Notwithstanding any provision of law to the contrary,
4 decisions made by an administrator of a division of the
5 department may be appealed to the director and the director's
6 determination shall constitute final agency action.

7 Sec. 12. NEW SECTION. 8A.105 DIVISIONS OF THE
8 DEPARTMENT.

9 The department is comprised of the following divisions:

- 10 1. Information technology division.
- 11 2. Physical resources division.
- 12 3. Human resources division.
- 13 4. Financial administration division.

14 The allocation of departmental duties to the divisions of
15 the department in chapters 14B, 18, and 19A, does not prohibit
16 the director from reallocating departmental duties within the
17 department. The director shall not reallocate any of the
18 duties of the Iowa public employees' retirement system
19 division, created by section 97B.1, to any other unit or
20 division of the department.

21 Sec. 13. NEW SECTION. 8A.106 ENERGY CONSERVATION LEASE-
22 PURCHASE.

23 1. As used in this section:

24 a. "Energy conservation measure" means installation or
25 modification of an installation in a building which is
26 primarily intended to reduce energy consumption or allow the
27 use of an alternative energy source, which may contain
28 integral control and measurement devices.

29 b. "State agency" means a board, department, commission,
30 or authority of or acting on behalf of the state having the
31 power to enter into contracts to acquire property in its own
32 name or in the name of the state. "State agency" does not
33 mean the general assembly, the courts, the governor, or a
34 political subdivision of the state.

35 2. a. A state agency may, with the approval of the

1 department, lease as lessee real and personal properties and
2 facilities for use as or in connection with any energy
3 conservation measure for which it may so acquire real and
4 personal properties and facilities, upon the terms,
5 conditions, and considerations the official or officials
6 having the authority with or without the approval of the
7 department to commit the state agency to acquire real and
8 personal property and facilities deemed in the best interests
9 of the state agency. A lease may include provisions for
10 ultimate ownership by the state or by the state agency and may
11 obligate the state agency to pay costs of maintenance,
12 operation, insurance, and taxes. The state agency shall pay
13 the rentals and the additional costs from the annual
14 appropriations for the state agency by the general assembly or
15 from other funds legally available. The lessor of the
16 properties or facilities may retain a security interest in
17 them until title passes to the state or state agency. The
18 security interest may be assigned or pledged by the lessor.
19 In connection with the lease, the state agency may contract
20 for a letter of credit, insurance, or other security
21 enhancement obligation with respect to its rental and other
22 obligations and pay the cost from annual appropriations for
23 such state agency by the general assembly or from other funds
24 legally available. The security enhancement arrangement may
25 contain customary terms and provisions, including
26 reimbursement and acceleration if appropriate. This section
27 is a complete and independent authorization and procedure for
28 a state agency, with the approval of the department, to enter
29 into a lease and related security enhancement arrangements,
30 and this section is not a qualification of any other powers
31 which a state agency may possess, including those under
32 chapter 262, and the authorization and powers granted under
33 this section are not subject to the terms or requirements of
34 any other provision of the Code.

35 b. Before a state agency seeks approval of the department

1 for leasing real or personal properties or facilities for use
2 as or in connection with any energy conservation measure, the
3 state agency shall have a comprehensive engineering analysis
4 done on a building in which it seeks to improve the energy
5 efficiency by an engineering firm approved by the department
6 of natural resources through a competitive selection process
7 and the engineering firm is subject to approval of the
8 department. Provisions of this section shall only apply to
9 energy conservation measures identified in the comprehensive
10 engineering analysis.

11 c. Before the department gives its approval for a state
12 agency to lease real and personal properties or facilities for
13 use as or in connection with any energy conservation measure,
14 the department shall in conjunction with the department of
15 natural resources and after review of the engineering analysis
16 submitted by the state agency make a determination that the
17 properties or facilities will result in energy cost savings to
18 the state in an amount that results in the state recovering
19 the cost of the properties or facilities within six years
20 after the initial acquisition of the properties or facilities.

21 Sec. 14. NEW SECTION. 8A.107 DISPUTE RESOLUTION.

22 The department shall resolve any disputes transmitted to it
23 by the department of natural resources, the state building
24 code commissioner, or both, arising under section 470.7.

25 Sec. 15. NEW SECTION. 8A.108 RULES -- DEPOSIT OF
26 DEPARTMENTAL MONEYS.

27 The director, in coordination with the administrator of the
28 financial administration division, shall further prescribe by
29 rule the manner and methods by which all departments and
30 agencies of the state who collect money for and on behalf of
31 the state shall cause the money to be deposited with the
32 treasurer of state or in a depository designated by the
33 treasurer of state. All such moneys collected shall be
34 deposited at such times and in such depositories to permit the
35 state of Iowa to deposit the funds in a manner consistent with

1 the state's investment policies. All such moneys shall be
2 promptly deposited, as directed, even though the individual
3 amount remitted may not be correct. If any individual amount
4 remitted is in excess of the amount required, the department
5 or agency receiving the same shall refund the excess amount
6 thereof. If the individual amount remitted is insufficient,
7 the person, firm, or corporation concerned shall be
8 immediately billed for the amount of the deficiency.

9 Sec. 16. NEW SECTION. 8A.201 INFORMATION TECHNOLOGY
10 DIVISION.

11 The information technology division is created within the
12 department of administrative services. The responsibilities
13 and organization of the division is provided by chapters 8D
14 and 14B. The mission of the division is to foster the
15 development and application of information technology to
16 improve the lives of Iowans. The division assists in the
17 management and coordination of information and information
18 technology resources for state government.

19 Sec. 17. NEW SECTION. 8A.301 PHYSICAL RESOURCES
20 DIVISION.

21 The physical resources division is created within the
22 department of administrative services. The responsibilities
23 and organization of the division is provided by chapter 18.

24 Sec. 18. NEW SECTION. 8A.401 HUMAN RESOURCES DIVISION.

25 The human resources division is created within the
26 department of administrative services. The responsibilities
27 and organization of the division is provided by chapter 19A.

28 Sec. 19. NEW SECTION. 8A.501 DEFINITIONS.

29 As used in this article, unless the context otherwise
30 requires:

- 31 1. "Administrator" means the administrator of the
32 financial administration division.
- 33 2. "Division" means the financial administration division
34 of the department of administrative services.

35 Sec. 20. NEW SECTION. 8A.502 FINANCIAL ADMINISTRATION

1 DIVISION CREATED.

2 The financial administration division is created within the
3 department of administrative services. The responsibilities
4 and organization of the division shall be established by the
5 director and as provided for in this article and shall provide
6 for the efficient management and administration of the
7 financial resources of state government.

8 Sec. 21. NEW SECTION. 8A.503 DIVISION DUTIES.

9 In addition to those duties delegated to the division by
10 the director of the department, the division shall have and
11 assume the following powers and duties:

12 1. CENTRALIZED ACCOUNTING SYSTEM. Assume the
13 responsibilities related to a centralized accounting system
14 for state government.

15 2. SETOFF PROCEDURES. Establish and maintain a setoff
16 procedure as provided in section 8A.504.

17 3. COST ALLOCATION SYSTEM. Establish a cost allocation
18 system as provided in section 8A.505.

19 4. COLLECTION AND PAYMENT OF FUNDS -- MONTHLY PAYMENTS.
20 To control the payment of all moneys into the treasury, and
21 all payments from the treasury by the preparation of
22 appropriate warrants, or warrant checks, directing such
23 collections and payment, and to advise the state treasurer
24 monthly in writing of the amount of public funds not currently
25 needed for operating expenses. Whenever the state treasury
26 includes state funds that require distribution to counties,
27 municipalities, or other political subdivisions of this state,
28 and the counties, municipalities, and other political
29 subdivisions certify to the director that warrants will be
30 stamped for lack of funds within the thirty-day period
31 following certification, the administrator may partially
32 distribute the funds on a monthly basis. Whenever the law
33 requires that any funds be paid by a specific date, the
34 administrator shall prepare a final accounting and shall make
35 a final distribution of any remaining funds prior to that

1 date.

2 5. PREAUDIT SYSTEM. To establish and fix a reasonable
3 imprest cash fund for each state department and institution
4 for disbursement purposes where needed. These revolving funds
5 shall be reimbursed only upon vouchers approved by the
6 administrator. It is the purpose of this subsection to
7 establish a preaudit system of settling all claims against the
8 state, but the preaudit system is not applicable to any of the
9 following:

10 a. Institutions under the control of the state board of
11 regents.

12 b. The state fair board as established in chapter 173.

13 c. The Iowa dairy industry commission as established in
14 chapter 179, the Iowa beef cattle producers association as
15 established in chapter 181, the Iowa pork producers council as
16 established in chapter 183A, the Iowa egg council as
17 established in chapter 184, the Iowa turkey marketing council
18 as established in chapter 184A, the Iowa soybean promotion
19 board as established in chapter 185, and the Iowa corn
20 promotion board as established in chapter 185C.

21 6. AUDIT OF CLAIMS. To audit all demands by the state,
22 and to preaudit all accounts submitted for the issuance of
23 warrants.

24 7. CONTRACTS. To certify, record, and encumber all formal
25 contracts to prevent overcommitment of appropriations and
26 allotments.

27 8. ACCOUNTS. To keep the central budget and proprietary
28 control accounts of the general fund of the state and special
29 funds, as defined in section 8.2, of the state government.
30 Upon elimination of the state deficit under generally accepted
31 accounting principles, including the payment of items budgeted
32 in a subsequent fiscal year which under generally accepted
33 accounting principles should be budgeted in the current fiscal
34 year, the recognition of revenues received and expenditures
35 paid and transfers received and paid within the time period

1 required pursuant to section 8.33 shall be in accordance with
2 generally accepted accounting principles. Budget accounts are
3 those accounts maintained to control the receipt and
4 disposition of all funds, appropriations, and allotments.
5 Proprietary accounts are those accounts relating to assets,
6 liabilities, income, and expense. For each fiscal year, the
7 financial position and results of operations of the state
8 shall be reported in a comprehensive annual financial report
9 prepared in accordance with generally accepted accounting
10 principles, as established by the governmental accounting
11 standards board.

12 9. FAIR BOARD AND BOARD OF REGENTS. To control the
13 financial operations of the state fair board and the
14 institutions under the state board of regents:

15 a. By charging all warrants issued to the respective
16 educational institutions and the state fair board to an
17 advance account to be further accounted for and not as an
18 expense which requires no further accounting.

19 b. By charging all collections made by the educational
20 institutions and state fair board to the respective advance
21 accounts of the institutions and state fair board, and by
22 crediting all such repayment collections to the respective
23 appropriations and special funds.

24 c. By charging all disbursements made to the respective
25 allotment accounts of each educational institution or state
26 fair board and by crediting all such disbursements to the
27 respective advance and inventory accounts.

28 d. By requiring a monthly abstract of all receipts and of
29 all disbursements, both money and stores, and a complete
30 account current each month from each educational institution
31 and the state fair board.

32 10. ENTITIES REPRESENTING AGRICULTURAL PRODUCERS. To
33 control the financial operations of the Iowa dairy industry
34 commission as provided in chapter 179, the Iowa beef cattle
35 producers association as provided in chapter 181, the Iowa

1 pork producers council as provided in chapter 183A, the Iowa
2 egg council as provided in chapter 184, the Iowa turkey
3 marketing council as provided in chapter 184A, the Iowa
4 soybean promotion board as provided in chapter 185, and the
5 Iowa corn promotion board as provided in chapter 185C.

6 11. CUSTODY OF RECORDS. To have the custody of all books,
7 papers, records, documents, vouchers, conveyances, leases,
8 mortgages, bonds, and other securities appertaining to the
9 fiscal affairs and property of the state, which are not
10 required to be kept in some other office.

11 12. INTEREST OF THE PERMANENT SCHOOL FUND. To transfer
12 the interest of the permanent school fund to the credit of the
13 interest for Iowa schools fund.

14 13. FORMS. To prescribe all accounting and business forms
15 and the system of accounts and reports of financial
16 transactions by all departments and agencies of the state
17 government other than those of the legislative branch.

18 14. FEDERAL CASH MANAGEMENT AND IMPROVEMENT ACT
19 ADMINISTRATOR. To serve as administrator for state actions
20 relating to the federal Cash Management and Improvement Act of
21 1990, Pub. L. No. 101-453, as codified in 31 U.S.C. § 6503.
22 The administrator shall perform the following duties relating
23 to the federal law:

24 a. Act as the designated representative of the state in
25 the negotiation and administration of contracts between the
26 state and federal government relating to the federal law.

27 b. Modify the centralized statewide accounting system and
28 develop, or require to be developed by the appropriate
29 departments of state government, the necessary reports and
30 procedures necessary to complete the managerial and financial
31 reports required to comply with the federal law.

32 There is annually appropriated from the general fund of the
33 state to the department an amount sufficient to pay interest
34 costs that may be due the federal government as a result of
35 implementation of the federal law. Nothing in this paragraph

1 authorizes the payment of interest from the general fund of
2 the state for any departmental revolving, trust, or special
3 fund where monthly interest earnings accrue to the credit of
4 the departmental revolving, trust, or special fund. For any
5 departmental revolving, trust, or special fund where monthly
6 interest is accrued to the credit of the fund, the
7 administrator may authorize a supplemental expenditure to pay
8 interest costs from the individual fund which are due the
9 federal government as a result of implementation of the
10 federal law.

11 15. ADMINISTRATIVE RULES. Adopt rules under chapter 17A
12 relating to the administration of the division.

13 Sec. 22. NEW SECTION. 8A.504 SETOFF PROCEDURES.

14 1. DEFINITIONS. As used in this section, unless the
15 context otherwise requires:

16 a. "Division" means the division of financial
17 administration of the department of administrative services
18 and any other state agency that maintains a separate
19 accounting system and elects to establish a debt collection
20 setoff procedure for collection of debts owed to the state or
21 its agencies.

22 b. The term "person" does not include a state agency.

23 c. "State agency" means a board, commission, department,
24 including the department of administrative services, or other
25 administrative office or unit of the state of Iowa or any
26 other state entity reported in the Iowa comprehensive annual
27 financial report. The term "state agency" does not include
28 the general assembly, the governor, or any political
29 subdivision of the state, or its offices and units.

30 2. SETOFF PROCEDURE. The division shall establish and
31 maintain a procedure to set off against any claim owed to a
32 person by a state agency any liability of that person owed to
33 a state agency or a support debt being enforced by the child
34 support recovery unit pursuant to chapter 252B, except the
35 setoff procedures provided for in section 421.17, subsections

1 21, 23, and 25. The procedure shall only apply when at the
2 discretion of the administrator it is feasible. The procedure
3 shall meet the following conditions:

4 a. Before setoff, a person's liability to a state agency
5 and the person's claim on a state agency shall be in the form
6 of a liquidated sum due, owing, and payable.

7 b. Before setoff, the state agency shall obtain and
8 forward to the division the full name and social security
9 number of the person liable to it or to whom a claim is owing
10 who is a natural person. If the person is not a natural
11 person, before setoff, the state agency shall forward to the
12 division the information concerning the person as the division
13 shall, by rule, require. The division shall cooperate with
14 other state agencies in the exchange of information relevant
15 to the identification of persons liable to or claimants of
16 state agencies. However, the division shall provide only
17 relevant information required by a state agency. The
18 information shall be held in confidence and used for the
19 purpose of setoff only. Section 422.72, subsection 1, does
20 not apply to this paragraph.

21 c. Before setoff, a state agency shall, at least annually,
22 submit to the division the information required by paragraph
23 "b" along with the amount of each person's liability to and
24 the amount of each claim on the state agency. The division
25 may, by rule, require more frequent submissions.

26 d. Before setoff, the amount of a person's claim on a
27 state agency and the amount of a person's liability to a state
28 agency shall constitute a minimum amount set by rule of the
29 division.

30 e. Upon submission of an allegation of liability by a
31 state agency, the division shall notify the state agency
32 whether the person allegedly liable is entitled to payment
33 from a state agency, and, if so entitled, shall notify the
34 state agency of the amount of the person's entitlement and of
35 the person's last address known to the division. Section

1 422.72, subsection 1, does not apply to this paragraph.

2 f. Upon notice of entitlement to a payment, the state
3 agency shall send written notification to that person of the
4 state agency's assertion of its rights to all or a portion of
5 the payment and of the state agency's entitlement to recover
6 the liability through the setoff procedure, the basis of the
7 assertion, the opportunity to request that a jointly or
8 commonly owned right to payment be divided among owners, and
9 the person's opportunity to give written notice of intent to
10 contest the amount of the allegation. The state agency shall
11 send a copy of the notice to the division. A state agency
12 subject to chapter 17A shall give notice, conduct hearings,
13 and allow appeals in conformity with chapter 17A.

14 However, upon submission of an allegation of the liability
15 of a person which is owing and payable to the clerk of the
16 district court and upon the determination by the division that
17 the person allegedly liable is entitled to payment from a
18 state agency, the division shall send written notification to
19 the person which states the assertion by the clerk of the
20 district court of rights to all or a portion of the payment,
21 the clerk's entitlement to recover the liability through the
22 setoff procedure, the basis of the assertions, the person's
23 opportunity to request within fifteen days of the mailing of
24 the notice that the division divide a jointly or commonly
25 owned right to payment between owners, the opportunity to
26 contest the liability to the clerk by written application to
27 the clerk within fifteen days of the mailing of the notice,
28 and the person's opportunity to contest the division's setoff
29 procedure.

30 g. Upon the timely request of a person liable to a state
31 agency or of the spouse of that person and upon receipt of the
32 full name and social security number of the person's spouse, a
33 state agency shall notify the division of the request to
34 divide a jointly or commonly owned right to payment. Any
35 jointly or commonly owned right to payment is rebuttably

1 presumed to be owned in equal portions by its joint or common
2 owners.

3 h. The division shall, after the state agency has sent
4 notice to the person liable or, if the liability is owing and
5 payable to the clerk of the district court, the division has
6 sent notice to the person liable, set off the amount owed to
7 the agency against any amount which a state agency owes that
8 person. The division shall refund any balance of the amount
9 to the person. The division shall periodically transfer
10 amounts set off to the state agencies entitled to them. If a
11 person liable to a state agency gives written notice of intent
12 to contest an allegation, a state agency shall hold a refund
13 or rebate until final disposition of the allegation. Upon
14 completion of the setoff, a state agency shall notify in
15 writing the person who was liable or, if the liability is
16 owing and payable to the clerk of the district court, shall
17 comply with the procedures as provided in paragraph "j".

18 i. The department of revenue and finance's existing right
19 to credit against tax due or to become due under section
20 422.73 is not to be impaired by a right granted to or a duty
21 imposed upon the division or other state agency by this
22 section. This section is not intended to impose upon the
23 division or the department of revenue and finance any
24 additional requirement of notice, hearing, or appeal
25 concerning the right to credit against tax due under section
26 422.73.

27 j. If the alleged liability is owing and payable to the
28 clerk of the district court and setoff as provided in this
29 section is sought, all of the following shall apply:

30 (1) The judicial branch shall prescribe procedures to
31 permit a person to contest the amount of the person's
32 liability to the clerk of the district court.

33 (2) The division shall, except for the procedures
34 described in subparagraph (1), prescribe any other applicable
35 procedures concerning setoff as provided in this subsection.

1 (3) Upon completion of the setoff, the division shall
2 file, at least monthly, with the clerk of the district court a
3 notice of satisfaction of each obligation to the full extent
4 of all moneys collected in satisfaction of the obligation.
5 The clerk shall record the notice and enter a satisfaction for
6 the amounts collected and no separate written notice is
7 required.

8 3. Under substantive rules established by the
9 administrator, the division shall seek reimbursement from
10 other state agencies to recover its costs for setting off
11 liabilities.

12 Sec. 23. NEW SECTION. 8A.505 COST ALLOCATION SYSTEM.

13 The division shall develop and administer an indirect cost
14 allocation system for state agencies. The system shall be
15 based upon standard cost accounting methodologies and shall be
16 used to allocate both direct and indirect costs of state
17 agencies or state agency functions in providing centralized
18 services to other state agencies. A cost that is allocated to
19 a state agency pursuant to this system shall be billed to the
20 state agency and the cost is payable to the general fund of
21 the state. The source of payment for the billed cost shall be
22 any revenue source except for the general fund of the state.
23 If a state agency is authorized by law to bill and recover
24 direct expenses, the state agency shall recover indirect costs
25 in the same manner. For the purposes of this section, "state
26 agency" means a board, commission, department, including the
27 department of administrative services, or other administrative
28 office, institution, bureau, or unit of the state of Iowa.
29 The term "state agency" does not include the general assembly,
30 the governor, the courts, or any political subdivision of the
31 state, or its offices and units.

32 Sec. 24. NEW SECTION. 8A.506 ACCOUNTING.

33 The administrator may at any time require any person
34 receiving money, securities, or property belonging to the
35 state, or having the management, disbursement, or other

1 disposition of them, an account of which is kept in the
2 division, to render statements thereof and information in
3 reference thereto.

4 Sec. 25. NEW SECTION. 8A.507 STATING ACCOUNT.

5 If an officer who is accountable to the treasury for any
6 money or property neglects to render an account to the
7 administrator within the time prescribed by law, or, if no
8 time is so prescribed, within twenty days after being required
9 so to do by the administrator, the administrator shall state
10 an account against the officer from the books of the officer's
11 office, charging ten percent damages on the whole sum
12 appearing due, and interest at the rate of six percent per
13 annum on the aggregate from the time when the account should
14 have been rendered; all of which may be recovered by action
15 brought on the account, or on the official bond of the
16 officer.

17 Sec. 26. NEW SECTION. 8A.508 COMPELLING PAYMENT.

18 If an officer fails to pay into the treasury the amount
19 received by the officer within the time prescribed by law, or,
20 having settled with the administrator, fails to pay the amount
21 found due, the administrator shall charge the officer with
22 twenty percent damages on the amount due, with interest on the
23 aggregate from the time it became due at the rate of six
24 percent per annum, and the whole may be recovered by an action
25 brought on the account, or on the official bond of the
26 officer, and the officer shall forfeit the officer's
27 commission.

28 Sec. 27. NEW SECTION. 8A.509 DEFENSE TO CLAIM.

29 The penal provisions in sections 8A.507 and 8A.508 are
30 subject to any legal defense which the officer may have
31 against the account as stated by the administrator, but
32 judgment for costs shall be rendered against the officer in
33 the action, whatever its result, unless the officer rendered
34 an account within the time named in those sections.

35 Sec. 28. NEW SECTION. 8A.510 REQUESTED CREDITS -- OATH

1 REQUIRED.

2 When a county treasurer or other receiver of public money
3 seeks to obtain credit on the books of the division for
4 payment made to the treasurer, before giving such credit the
5 administrator shall require that person to take and subscribe
6 an oath that the person has not used, loaned, or appropriated
7 any of the public money for the person's private benefit, nor
8 for the benefit of any other person.

9 Sec. 29. NEW SECTION. 8A.511 REQUISITION FOR
10 INFORMATION.

11 In those cases where the director or administrator is
12 authorized to call upon persons or officers for information,
13 or statements, or accounts, the administrator may issue a
14 requisition therefor in writing to the person or officer
15 called upon, allowing reasonable time, which, having been
16 served and return made to the administrator, as a notice in a
17 civil action, is evidence of the making of the requisition.

18 Sec. 30. NEW SECTION. 8A.512 LIMITS ON CLAIMS.

19 The administrator is limited in authorizing the payment of
20 claims, as follows:

21 1. a. FUNDING LIMIT. A claim shall not be allowed by the
22 division if the appropriation or fund of certification
23 available for paying the claim has been exhausted or proves
24 insufficient.

25 b. The authority of the administrator is subject to the
26 following exceptions:

27 (1) Claims by state employees for benefits pursuant to
28 chapters 85, 85A, 85B, and 86 are subject to limitations
29 provided in those chapters.

30 (2) Claims for medical assistance payments authorized
31 under chapter 249A are subject to the time limits imposed by
32 rule adopted by the division.

33 (3) Claims approved by an agency according to the
34 provisions of sections 25.1 and 25.2.

35 2. CONVENTION EXPENSES. Claims for expenses in attending

1 conventions, meetings, conferences, or gatherings of members
2 of an association or society organized and existing as a
3 quasi-public association or society outside the state of Iowa
4 shall not be allowed at public expense, unless authorized by
5 the division; and claims for these expenses outside of the
6 state shall not be allowed unless the voucher is accompanied
7 by a certified copy of the document showing that the expense
8 was authorized by the division. This section does not apply
9 to claims in favor of the governor, attorney general,
10 utilities board members, or to trips referred to in section
11 97B.7A.

12 3. PAYMENT FROM FEES. No claims for per diem and expenses
13 payable from fees shall be approved for payment in excess of
14 those fees if the law provides that such expenditures are
15 limited to the special funds collected and deposited in the
16 state treasury.

17 Sec. 31. NEW SECTION. 8A.513 CLAIMS -- APPROVAL.

18 The administrator before approving a claim on behalf of the
19 division shall determine:

20 1. That the creation of the claim is clearly authorized by
21 law. Statutes authorizing the expenditure may be referenced
22 through account coding authorized by the administrator.

23 2. That the claim has been authorized by an officer or
24 official body having legal authority to so authorize and that
25 the fact of authorization has been certified to the
26 administrator by such officer or official body.

27 3. That all legal requirements have been observed,
28 including notice and opportunity for competition, if required
29 by law.

30 4. That the claim is in proper form as the administrator
31 may provide.

32 5. That the charges are reasonable, proper, and correct
33 and no part of the claim has been paid.

34 Sec. 32. NEW SECTION. 8A.514 VOUCHERS -- INTEREST --
35 PAYMENT OF CLAIMS.

1 1. Before a warrant or its equivalent is issued for a
2 claim payable from the state treasury, the division shall file
3 an itemized voucher showing in detail the items of service,
4 expense, thing furnished, or contract for which payment is
5 sought. However, the administrator may authorize the
6 prepayment of claims when the best interests of the state are
7 served under rules adopted by the division. The claimant's
8 original invoice shall be attached to a division's approved
9 voucher. The administrator shall adopt rules specifying the
10 form and contents for invoices submitted by a vendor to a
11 department. The requirements apply to acceptance of an
12 invoice by a division. A department shall not impose
13 additional or different requirements on submission of invoices
14 than those contained in rules of the administrator unless the
15 administrator exempts the department from the invoice
16 requirements or a part of the requirements upon a finding that
17 compliance would result in poor accounting or management
18 practices.

19 2. Vouchers for postage, stamped envelopes, and postal
20 cards may be audited as soon as an order for them is entered.

21 3. The departments, the general assembly, and the courts
22 shall pay their claims in a timely manner. If a claim for
23 services, supplies, materials, or a contract which is payable
24 from the state treasury remains unpaid after sixty days
25 following the receipt of the claim or the satisfactory
26 delivery, furnishing, or performance of the services,
27 supplies, materials, or contract, whichever date is later, the
28 state shall pay interest at the rate of one percent per month
29 on the unpaid amount of the claim. This subsection does not
30 apply to claims against the state under chapters 25 and 669 or
31 to claims paid by federal funds. The interest shall be
32 charged to the appropriation or fund to which the claim is
33 certified. Departments may enter into contracts for goods or
34 services on payment terms of less than sixty days if the state
35 may obtain a financial benefit or incentive which would not

1 otherwise be available from the vendor. The division, in
2 consultation with the physical resources division and other
3 affected agencies, shall develop policies to promote
4 consistency and fiscal responsibility relating to payment
5 terms authorized under this subsection. The administrator
6 shall adopt rules under chapter 17A relating to the
7 administration of this subsection.

8 Sec. 33. NEW SECTION. 8A.515 WARRANTS -- FORM.

9 Each warrant shall bear on its face the signature or its
10 facsimile of the director, or the signature or its facsimile
11 of an assistant in case of a vacancy in the office of the
12 director; a proper number, date, amount, and name of payee; a
13 reference to the law under which it is drawn; whether for
14 salaries or wages, services, or supplies, and what kind of
15 supplies; and from what office or department, or for what
16 other general or special purposes; or in lieu thereof, a
17 coding system may be used, which particulars shall be entered
18 in a warrant register kept for that purpose in the order of
19 issuance; and as soon as practicable after issuing a warrant
20 register, the director shall certify a duplicate of it to the
21 treasurer.

22 Sec. 34. NEW SECTION. 8A.516 REQUIRED PAYEE.

23 All warrants shall be drawn to the order of the person
24 entitled to payment or compensation, except that when goods or
25 materials are purchased in foreign countries, warrants may be
26 drawn upon the treasurer of state, payable to bearer for the
27 net amount of invoice and current exchange, and the treasurer
28 of state shall furnish a foreign draft payable to the order of
29 the person from whom purchase is made.

30 Sec. 35. NEW SECTION. 8A.517 PROHIBITED PAYEE.

31 In no case shall warrants be drawn in the name of the
32 certifying office, department, board, or institution, or in
33 the name of an employee of it, except for personal service
34 rendered or expense incurred by the employee, unless there is
35 express statutory authority therefor.

1 Sec. 36. NEW SECTION. 8A.518 CLAIMS EXCEEDING
2 APPROPRIATIONS.

3 No claim shall be allowed when the claim will exceed the
4 amount specifically appropriated for it.

5 Sec. 37. NEW SECTION. 8A.519 CANCELLATION OF STATE
6 WARRANTS.

7 On the last business day of each month, the administrator
8 shall cancel and request the treasurer of state to stop
9 payment on all state warrants which have been outstanding and
10 unredeemed by the treasurer of state for six months or longer.

11 Sec. 38. Section 8D.2, subsection 2, Code Supplement 2001,
12 is amended to read as follows:

13 2. ~~"Director"-means-the-executive-director-appointed~~
14 ~~pursuant-to-section-8D-4~~ "Division" means the information
15 technology division of the department of administrative
16 services created in section 8A.201.

17 Sec. 39. Section 8D.3, Code 2001, is amended by striking
18 the section and inserting in lieu thereof the following:

19 8D.3 IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION --
20 MEMBERS -- DUTIES.

21 1. COMMISSION ESTABLISHED. A telecommunications and
22 technology commission is established with the authority to
23 advise and assist the division in supervising the management,
24 development, and operation of the network and ensuring that
25 all components of the network are technically compatible.

26 2. MEMBERS. The commission is composed of five members
27 appointed by the governor and subject to confirmation by the
28 senate. Members of the commission shall not serve in any
29 manner or be employed by an authorized user of the network or
30 by an entity seeking to do or doing business with the network.
31 The governor shall appoint a member as the chairperson of the
32 commission from the five members appointed by the governor,
33 subject to confirmation by the senate. Members of the
34 commission shall serve six-year staggered terms as designated
35 by the governor and appointments to the commission are subject

1 to the requirements of sections 69.16, 69.16A, and 69.19.
2 Vacancies shall be filled by the governor for the duration of
3 the unexpired term. The salary of the members of the
4 commission shall be determined by the governor. Members of
5 the commission shall also be reimbursed for all actual and
6 necessary expenses incurred in the performance of duties as
7 members. Meetings of the commission shall be held at the call
8 of the chairperson of the commission.

9 The benefits and salary paid to the members of the
10 commission shall be adjusted annually equal to the average of
11 the annual pay adjustments, expense reimbursements, and
12 related benefits provided under collective bargaining
13 agreements negotiated pursuant to chapter 20.

14 3. DUTIES. The commission shall do all of the following:

15 a. Adopt rules pursuant to chapter 17A as deemed
16 appropriate and necessary, and directly related to the
17 implementation and administration of the duties of the
18 commission.

19 b. Review and make recommendations to the division rules
20 as proposed and submitted by an authorized user group
21 necessary for the authorized user group's access and use of
22 the network.

23 c. All duties referred to the commission as the division
24 shall direct.

25 d. Serve as members of the information technology council
26 created in section 14B.105.

27 Sec. 40. Section 8D.4, Code 2001, is amended by striking
28 the section and inserting in lieu thereof the following:

29 8D.4 DIVISION OF INFORMATION TECHNOLOGY -- DUTIES.

30 1. DIVISION RESPONSIBILITIES. The division shall have the
31 sole authority to supervise the management, development, and
32 operation of the network and ensure that all components of the
33 network are technically compatible. The management,
34 development, and operation of the network shall not be subject
35 to the jurisdiction or control of any other state agency.

1 However, the division is subject to the general operations
2 practices and procedures which are generally applicable to
3 other state agencies.

4 The division shall ensure that the network operates in an
5 efficient and responsible manner consistent with the
6 provisions of this chapter for the purpose of providing the
7 best economic service attainable to the network users
8 consistent with the state's financial capacity. The division
9 shall ensure that educational users and the use, design, and
10 implementation for educational applications be given the
11 highest priority concerning use of the network. The division
12 shall provide for the centralized, coordinated use and control
13 of the network.

14 2. DUTIES. The division shall do all of the following:

15 a. Enter into agreements pursuant to chapter 28E as
16 necessary and appropriate for the purposes of the division.
17 However, the division shall not enter into an agreement with
18 an unauthorized user or any other person pursuant to chapter
19 28E for the purpose of providing such user or person access to
20 the network.

21 b. Adopt rules pursuant to chapter 17A as deemed
22 appropriate and necessary, and directly related to the
23 implementation and administration of the duties of the
24 division. The division, in consultation with the physical
25 resources division, shall also adopt and provide for standard
26 communications procedures and policies relating to the use of
27 the network which recognize, at a minimum, the need for
28 reliable communications services.

29 c. Establish an appeal process for review by the
30 commission of a scheduling conflict decision, including a
31 scheduling conflict involving an educational user, or the
32 establishment of a fee associated with the network upon the
33 request of a person affected by such decision or fee. A
34 determination made by the commission pursuant to this
35 paragraph shall be final.

1 d. Review and approve for adoption, rules as proposed and
2 submitted by an authorized user group necessary for the
3 authorized user group's access and use of the network. The
4 division may refuse to approve and adopt a proposed rule, and
5 upon such refusal, shall return the proposed rule to the
6 respective authorized user group proposing the rule with a
7 statement indicating the division's reason for refusing to
8 approve and adopt the rule.

9 e. (1) Develop and issue for response all requests for
10 proposals for any construction, installation, repair,
11 maintenance, or equipment and parts necessary for the network.
12 In preparing the request for proposals, the division shall do
13 all of the following:

14 (a) Review existing requests for proposals related to the
15 network.

16 (b) Consider and evaluate all competing technologies which
17 could be used in any construction, installation, repair, or
18 maintenance project.

19 (c) Allow flexibility for proposals to be submitted in
20 response to a request for proposals issued by the commission
21 such that any qualified provider may submit a bid on a site-
22 by-site basis, or on a merged area or defined geographic area
23 basis, or both, and by permitting proposals to be submitted
24 for use of competing or alternative technologies in each
25 defined area.

26 (d) Ensure that rural communities have access to
27 comparable services to the services provided in urban areas
28 resulting from any plans to construct, install, repair, or
29 maintain any part of the network.

30 (2) In determining which proposal to recommend to the
31 general assembly to accept, consider what is in the long-term
32 best interests of the citizens of the state and the network,
33 and utilize, if possible, the provision of services with
34 existing service providers consistent with those best
35 interests. In determining what is in the long-term best

1 interests of the citizens of the state and the network, the
2 division, at a minimum, shall consider the cost to taxpayers
3 of the state.

4 (3) The division shall not enter into any agreement
5 related to proposals for Part III without prior authorization
6 by a constitutional majority of each house of the general
7 assembly and approval by the governor.

8 f. Annually prepare a written five-year financial plan for
9 the network which shall be provided to the director for
10 submission to the general assembly and the governor no later
11 than January 15 of each year. The plan shall include
12 estimates for income and expenses for the network for the
13 five-year period and the actual income and expenses for the
14 preceding fiscal year. The plan shall include the amount of
15 general fund appropriations to be requested for the payment of
16 operating expenses and debt service. The plan shall also
17 include any recommendations of the commission related to
18 changes in the system and other items as deemed appropriate by
19 the commission. The recommendations of the division contained
20 in the plan shall include a detailed plan for the connection
21 of all public schools to the network, including a discussion
22 and evaluation of all potential financing options, an estimate
23 of all costs incurred in providing such connections, and a
24 schedule for completing such connections, including the
25 anticipated final completion date for such connections.

26 g. Review existing maintenance contracts and past
27 contracts to determine vendor capability to perform the
28 obligations under such contracts. The division shall report
29 to the general assembly prior to January 1 of each year as to
30 the performance of all vendors under each contract and shall
31 make recommendations concerning continued funding for the
32 contracts.

33 h. Pursue available opportunities to cooperate and
34 coordinate with the federal government for the use and
35 potential expansion of the network and for the financing of

1 any such expansion.

2 i. Evaluate existing and projected rates for use of the
3 system and ensure that rates are sufficient to pay for the
4 operation of the system excluding the cost of construction and
5 lease costs for Parts I, II, and III. The division shall
6 establish all hourly rates to be charged to all authorized
7 users for the use of the network. A fee established by the
8 division to be charged to a hospital licensed pursuant to
9 chapter 135B, a physician clinic, or the federal government
10 shall be at an appropriate rate so that, at a minimum, there
11 is no state subsidy related to the costs of the connection or
12 use of the network related to such user.

13 j. Make recommendations to the general assembly, as deemed
14 appropriate by the division, concerning the operation of the
15 network.

16 k. Provide necessary telecommunications cabling to provide
17 state communications.

18 Sec. 41. Section 8D.6, Code 2001, is amended to read as
19 follows:

20 8D.6 ADVISORY GROUPS ESTABLISHED.

21 1. The division, with the advice of the commission, shall
22 establish an advisory group to examine the use of the network
23 for telemedicine applications. The advisory group shall
24 consist of representatives of hospitals and other health care
25 facilities as determined by the commission.

26 2. The division, with the advice of the commission, may
27 establish other advisory committees as necessary representing
28 authorized users of the network.

29 Sec. 42. Section 8D.7, Code 2001, is amended to read as
30 follows:

31 8D.7 TELECOMMUNICATIONS ADVISORY COMMITTEE.

32 A telecommunications advisory committee is established to
33 advise the commission division on telecommunications matters.
34 The commission division shall appoint five members to the
35 advisory committee who shall represent specific

1 telecommunications industries or persons with technical
2 expertise related to the network.

3 Sec. 43. Section 8D.8, Code 2001, is amended to read as
4 follows:

5 8D.8 SCHEDULING FOR AUTHORIZED USERS.

6 Except as provided in section 8D.5, an authorized user is
7 responsible for all scheduling of the use of the authorized
8 user's facility. A person who disputes a scheduling decision
9 of such user may petition the commission division for a review
10 of such decision pursuant to section ~~8D.3~~ 8D.4, subsection 3
11 2, paragraph "c".

12 Sec. 44. Section 8D.9, Code Supplement 2001, is amended to
13 read as follows:

14 8D.9 CERTIFICATION OF USE -- NETWORK USE BY CERTAIN
15 AUTHORIZED USERS.

16 1. A private or public agency, other than a state agency,
17 local school district or nonpublic school, city library,
18 library service area, county library, judicial branch,
19 judicial district department of correctional services, agency
20 of the federal government, a hospital or physician clinic, or
21 a post office authorized to be offered access pursuant to this
22 chapter as of May 18, 1994, ~~shall~~ which did not certify to the
23 commission ~~no-later-than~~ by July 1, 1994, that the agency ~~is~~
24 was a part of or ~~intends~~ intended to become a part of the
25 network. ~~---Upon-receiving-such-certification-from-an-agency-not~~
26 ~~a-part-of-the-network-on-May-18,-1994,-the-commission-shall~~
27 ~~provide-for-the-connection-of-such-agency-as-soon-as~~
28 ~~practical.---An-agency-which-does-not-certify-to-the-commission~~
29 ~~that-the-agency-is-a-part-of-or-intends-to-become-a-part-of~~
30 ~~the-network-as-required-by-this-subsection~~ shall be prohibited
31 from using the network.

32 2. a. A private or public agency which certifies to the
33 commission division pursuant to subsection 1 that the agency
34 is a part of or intends to become a part of the network shall
35 use the network for all video, data, and voice requirements of

1 the agency unless the private or public agency petitions the
2 commission for a waiver and one of the following applies:

3 (1) The costs to the authorized user for services provided
4 on the network are not competitive with the same services
5 provided by another provider.

6 (2) The authorized user is under contract with another
7 provider for such services, provided the contract was entered
8 into prior to April 1, 1994. The agency shall use the network
9 for video, data, and voice requirements which are not provided
10 pursuant to such contract.

11 (3) The authorized user has entered into an agreement with
12 the commission to become part of the network prior to June 1,
13 1994, which does not provide for use of the network for all
14 video, data, and voice requirements of the agency. The
15 commission may enter into an agreement described in this
16 subparagraph upon a determination that the use of the network
17 for all video, data, and voice requirements of the agency
18 would not be in the best interests of the agency.

19 b. A private or public agency shall petition the
20 commission division for a waiver of the requirement to use the
21 network as provided in paragraph "a", if the agency determines
22 that paragraph "a", subparagraph (1) or (2),l applies. The
23 commission division shall establish by rule a review process
24 for determining, upon application of an authorized user,
25 whether paragraph "a", subparagraph (1) or (2),l applies. An
26 authorized user found by the commission division to be under
27 contract for such services as provided in paragraph "a",
28 subparagraph (2), shall not enter into another contract upon
29 the expiration of such contract, but shall utilize the network
30 for such services as provided in this section unless paragraph
31 "a", subparagraph (1), applies.

32 Sec. 45. Section 8D.11, Code Supplement 2001, is amended
33 to read as follows:

34 8D.11 POWERS -- FACILITIES -- LEASES.

35 1. The commission division may purchase, lease, and

1 improve property, equipment, and services for
2 telecommunications for public and private agencies and may
3 dispose of property and equipment when not necessary for its
4 purposes. However, the commission division shall not enter
5 into a contract for the purchase, lease, or improvement of
6 property, equipment, or services for telecommunications
7 pursuant to this subsection in an amount greater than one
8 million dollars without prior authorization by a
9 constitutional majority of each house of the general assembly,
10 or approval by the legislative council if the general assembly
11 is not in session. The commission division shall not issue
12 any bonding or other long-term financing arrangements as
13 defined in section 12.30, subsection 1, paragraph "b". Real
14 or personal property to be purchased by the commission
15 division through the use of a financing agreement shall be
16 done in accordance with the provisions of section 12.28,
17 provided, however, that the commission division shall not
18 purchase property, equipment, or services for
19 telecommunications pursuant to this subsection in an amount
20 greater than one million dollars without prior authorization
21 by a constitutional majority of each house of the general
22 assembly, or approval by the legislative council if the
23 general assembly is not in session.

24 2. The commission division also shall not provide or
25 resell communications services to entities other than public
26 and private agencies. The public or private agency shall not
27 provide communication services of the network to another
28 entity unless otherwise authorized pursuant to this chapter.
29 The commission division may arrange for joint use of available
30 services and facilities, and may enter into leases and
31 agreements with private and public agencies with respect to
32 the Iowa communications network, and public agencies are
33 authorized to enter into leases and agreements with respect to
34 the network for their use and operation. Rentals and other
35 amounts due under the agreements or leases entered into

1 pursuant to this section by a state agency are payable from
2 funds annually appropriated by the general assembly or from
3 other funds legally available. Other public agencies may pay
4 the rental costs and other amounts due under an agreement or
5 lease from their annual budgeted funds or other funds legally
6 available or to become available.

7 3. This section comprises a complete and independent
8 authorization and procedure for a public agency, with the
9 approval of the commission division, to enter into a lease or
10 agreement and this section is not a qualification of any other
11 powers which a public agency may possess and the
12 authorizations and powers granted under this section are not
13 subject to the terms, requirements, or limitations of any
14 other provisions of law, except that the commission division
15 must comply with the provisions of section 12.28 when entering
16 into financing agreements for the purchase of real or personal
17 property. All moneys received by the commission division from
18 agreements and leases entered into pursuant to this section
19 with private and public agencies shall be deposited in the
20 Iowa communications network fund.

21 4. A political subdivision receiving communications
22 services from the state as of April 1, 1986, may continue to
23 do so but communications services shall not be provided or
24 resold to additional political subdivisions other than a
25 school corporation, a city library, a library service area as
26 provided in chapter 256, and a county library as provided in
27 chapter 336. The rates charged to the political subdivision
28 shall be the same as the rates charged to state agencies.

29 Sec. 46. Section 8D.11A, Code Supplement 2001, is amended
30 to read as follows:

31 8D.11A PROPRIETARY INTERESTS.

32 The commission division may charge a negotiated fee, to
33 recover a share of the costs related to the research and
34 development, initial production, and derivative products of
35 its proprietary software and hardware, telecommunications

1 architecture design, and proprietary technology applications
2 developed to support authorized users, to private vendors and
3 to other political entities and subdivisions, including but
4 not limited to states, territories, protectorates, and foreign
5 countries. The ~~commission~~ division may enter into
6 nondisclosure agreements to protect the state of Iowa's
7 proprietary interests. The provisions of chapter 23A relating
8 to noncompetition by state agencies and political subdivisions
9 with private enterprise shall not apply to ~~commission~~ division
10 activities authorized under this section.

11 Sec. 47. Section 8D.12, Code 2001, is amended to read as
12 follows:

13 8D.12 DISPOSITION OF NETWORK -- APPROVAL OF GENERAL
14 ASSEMBLY AND GOVERNOR.

15 Notwithstanding any provision to the contrary, the
16 ~~commission-or-the-department-of-general-services~~ division
17 shall not sell, lease, or otherwise dispose of the network
18 without prior authorization by a constitutional majority of
19 each house of the general assembly and approval by the
20 governor.

21 Sec. 48. Section 8D.13, subsections 1, 3, 4, 7, 8, 10, 11,
22 12, 13, 15, 17, and 18, Code Supplement 2001, are amended to
23 read as follows:

24 1. Moneys in the Iowa communications network fund are
25 appropriated to the ~~Iowa-telecommunications-and-technology~~
26 commission division for purposes of providing financing for
27 the procurement, operation, and maintenance of the Iowa
28 communications network with sufficient capacity to serve the
29 video, data, and voice requirements of the educational
30 telecommunications system consisting of Part I, Part II, and
31 Part III, and other public and private agencies.

32 3. The financing for the procurement costs for the
33 entirety of Part I except for the communications connections
34 between central switching and institutions under the control
35 of the board of regents, and nonprofit institutions of higher

1 education eligible for tuition grants, and for the video,
2 data, and voice capacity for state agencies and for Part II
3 and Part III, shall be provided by the state. The financing
4 for the procurement and maintenance costs for Part III shall
5 be provided by the state. A local school board, governing
6 authority of a nonpublic school, or an area education agency
7 board may elect to provide one hundred percent of the
8 financing for the procurement and maintenance costs for Part
9 III to become part of the network. The basis for the amount
10 of state financing is one hundred percent of a single
11 interactive audio and interactive video connection for Part
12 III, and such data and voice capacity as is necessary. If a
13 school board, governing authority of a nonpublic school, or
14 area education agency board elects to provide one hundred
15 percent of the financing for the leasing costs for Part III,
16 the school district or area education agency may become part
17 of the network as soon as the network can reasonably connect
18 the district or agency. A local school board, governing
19 authority of a nonpublic school, or an area education agency
20 board may also elect not to become part of the network.
21 Construction of Part III, related to a school board, governing
22 authority of a nonpublic school, or area education agency
23 board which provides one hundred percent of the financing for
24 the leasing costs for Part III, may proceed as determined by
25 the commission division and consistent with the purpose of
26 this chapter.

27 4. The commission division shall develop the requests for
28 proposals that are needed for the Iowa communications network
29 with sufficient capacity to serve the video, data, and voice
30 requirements of state agencies and for educational
31 telecommunications applications. The commission division
32 shall develop a request for proposals for each of the systems
33 that will make up the network. The commission division may
34 develop a request for proposals for each definitive component
35 of the network or the commission division may provide in the

1 request for proposals for each such system that separate
2 contracts may be entered into for each definitive component
3 covered by the request for proposals. The requests for
4 proposals may be for the purchase, lease-purchase, or lease of
5 the component parts of the network consistent with the
6 provisions of this chapter, may require maintenance costs to
7 be identified, and the resulting contract may provide for
8 maintenance for parts of the network. The master contract may
9 provide for electronic classrooms, satellite equipment,
10 receiving equipment, studio and production equipment, and
11 other associated equipment as required.

12 7. The commission division shall be responsible for the
13 network design and shall be responsible for the implementation
14 of each component of the network as it is incorporated into
15 the network. The final design selected shall optimize the
16 routing for all users in order to assure maximum utilization
17 by all agencies of the state. Efficiencies achieved in the
18 implementation of the network shall be used to fund further
19 implementation and enhancement of the network, and shall be
20 considered part of the operational cost of the network. The
21 commission division shall be responsible for all management,
22 operations, control switching, diagnostics, and maintenance
23 functions of network operations as provided in this chapter.
24 The performance of these duties is intended to provide optimal
25 utilization of the facilities, and the assurance that future
26 growth requirements will be provided for, and that sufficient
27 network capacity will be available to meet the needs of all
28 users.

29 8. The education telecommunications council shall review
30 all requests for grants for educational telecommunications
31 applications, if they are a part of the Iowa communications
32 network, to ensure that the educational telecommunications
33 application is consistent with the telecommunications plan.
34 All other grant requests shall be reviewed as determined by
35 the commission division. If the education telecommunications

1 council finds that a grant request is inconsistent with the
2 telecommunications plan, the grant request shall not be
3 allowed.

4 10. In addition to the other evaluation criteria specified
5 in the request for proposals issued pursuant to this section,
6 the commission division, in evaluating proposals, shall base
7 up to two percent of the total possible points on the public
8 benefit that can be derived from a given proposal due to the
9 increased private telecommunications capacity available to
10 Iowa citizens located in rural Iowa. For purposes of this
11 subsection, an area of the state is considered rural if it is
12 not part of a federally designated standard metropolitan
13 statistical area.

14 11. The fees charged for use of the network and state
15 communications shall be based on the ongoing operational costs
16 of the network and of providing state communications only.
17 For the services rendered to state agencies by the commission
18 division, the commission division shall prepare a statement of
19 services rendered and the agencies shall pay in a manner
20 consistent with procedures established by the department of
21 revenue-and-finance administrative services.

22 12. The commission division, on its own or as recommended
23 by the commission or an advisory committee of the commission
24 division and approved by the commission division, shall permit
25 a fee to be charged by a receiving site to the originator of
26 the communication provided on the network. The fee charged
27 shall be for the purpose of recovering the operating costs of
28 a receiving site. The fee charged shall be reduced by an
29 amount received by the receiving site pursuant to a state
30 appropriation for such costs, or federal assistance received
31 for such costs. Fees established under this subsection shall
32 be paid by the originator of the communication directly to the
33 receiving site. For purposes of this section, "operating
34 costs" include the costs associated with the management or
35 coordination, operations, utilities, classroom, equipment,

1 maintenance, and other costs directly related to providing the
2 receiving site.

3 13. The auditor of state shall, no less than annually,
4 examine the financial condition and transactions of the
5 commission division as provided in chapter 11. A copy of the
6 auditor's report concerning such examination shall be provided
7 to the general assembly.

8 15. Access to the network shall be offered to the judicial
9 district departments of correctional services established in
10 section 905.2, provided that such departments contribute an
11 amount consistent with their share of use for the part of the
12 system in which the departments participate, as determined by
13 the commission division.

14 17. Access shall be offered to the judicial branch
15 provided that the judicial branch contributes an amount
16 consistent with the judicial branch's share of use for the
17 part of the network in which the judicial branch participates,
18 as determined by the commission division.

19 18. Notwithstanding chapter 476, the provisions of chapter
20 476 shall not apply to a public utility in furnishing a
21 telecommunications service or facility to the commission
22 division for the Iowa communications network or to any
23 authorized user of the Iowa communications network for such
24 authorized user's connection to the network.

25 Sec. 49. Section 8D.14, Code 2001, is amended to read as
26 follows:

27 8D.14 IOWA COMMUNICATIONS NETWORK FUND.

28 There is created in the office of the treasurer of state a
29 fund to be known as the Iowa communications network fund under
30 the control of the ~~Iowa-telecommunications-and-technology~~
31 commission division. There shall be deposited into the Iowa
32 communications network fund proceeds from bonds issued for
33 purposes of projects authorized pursuant to section 8D.13,
34 funds received from leases pursuant to section 8D.11, and
35 other moneys by law credited to or designated by a person for

1 deposit into the fund.

2 Sec. 50. Section 9.3, Code 2001, is amended to read as
3 follows:

4 9.3 COMMISSIONS.

5 All commissions issued by the governor shall be
6 countersigned by the secretary, who shall register each
7 commission in a book to be kept for that purpose, specifying
8 the office, name of officer, date of commission, and tenure of
9 office, and forthwith forward to the directors of the
10 departments of management and of ~~revenue-and-finance~~
11 administrative services copies of the registration.

12 Sec. 51. Section 11.2, subsection 1, unnumbered paragraph
13 3, Code 2001, is amended to read as follows:

14 Provided further, that a preliminary audit of the
15 educational institutions and the state fair board shall be
16 made periodically, at least quarterly, to check the monthly
17 reports submitted to the director of ~~revenue-and-finance~~ the
18 department of administrative services as required by section
19 ~~421-31~~ 8A.503, subsection 4 7, and that a final audit of such
20 state agencies shall be made at the close of each fiscal year.

21 Sec. 52. Section 12.5, Code 2001, is amended to read as
22 follows:

23 12.5 PAYMENT.

24 The treasurer shall pay no money from the treasury but upon
25 the warrants of the director of ~~revenue-and-finance~~ the
26 department of administrative services, and only in the order
27 of their presentation.

28 Sec. 53. Section 12.6, Code 2001, is amended to read as
29 follows:

30 12.6 REPORT TO AND ACCOUNT WITH DIRECTOR OF REVENUE-AND
31 ~~FINANCE~~ THE DEPARTMENT OF ADMINISTRATIVE SERVICES.

32 Once in each week the treasurer shall certify to the
33 director of ~~revenue-and-finance~~ the department of
34 administrative services the number, date, amount, and payee of
35 each warrant taken up by the treasurer, with the date when

1 taken up, and the amount of interest allowed; and on the first
2 Monday of January, and the first day of April, July, and
3 October, annually, the treasurer is directed to account with
4 the director of revenue-and-finance the department of
5 administrative services and deposit with the department of
6 revenue-and-finance administrative services all such warrants
7 received at the treasury, and take the director's receipt
8 therefor.

9 Sec. 54. Section 12.14, Code 2001, is amended to read as
10 follows:

11 12.14 STATEMENT ITEMIZED.

12 Each deposit shall be accompanied by an itemized statement
13 of the sources from which the money has been collected, and
14 the funds to be credited, a duplicate of which shall, at the
15 time, be filed with the department of revenue-and-finance
16 administrative services.

17 Sec. 55. Section 12.15, Code 2001, is amended to read as
18 follows:

19 12.15 DIRECTOR AND TREASURER TO KEEP ACCOUNT.

20 The treasurer and director of revenue-and-finance the
21 department of administrative services shall each keep an
22 accurate account of the moneys so deposited.

23 Sec. 56. Section 14B.101, Code Supplement 2001, is amended
24 by adding the following new subsection before subsection 1:

25 NEW SUBSECTION. 0A. "Administrator" means the
26 administrator of the information technology division.

27 Sec. 57. Section 14B.101, subsection 2, Code Supplement
28 2001, is amended to read as follows:

29 2. "Director" "Division" means the director-of-the
30 information technology department-appointed-as-provided-in
31 section-14B-104 division established in section 8A.201.

32 Sec. 58. Section 14B.102, Code Supplement 2001, is amended
33 to read as follows:

34 14B.102 DEPARTMENT DIVISION ESTABLISHED----MISSION --
35 POWERS AND DUTIES.

1 1. ~~DEPARTMENT-ESTABLISHED--The-information-technology~~
2 ~~department-is-established-as-a-state-department--The-mission~~
3 ~~of-the-department-is-to-foster-the-development-and-application~~
4 ~~of-information-technology-to-improve-the-lives-of-Iowans.~~

5 2. POWERS AND DUTIES OF DEPARTMENT DIVISION. The powers
6 and duties of the department division shall include, but are
7 not limited to, all of the following:

8 a. Providing information technology to participating
9 agencies and other governmental entities as provided in this
10 chapter.

11 b. Implementing the strategic information technology plan
12 as prepared and updated by the information technology council.

13 c. Developing and implementing a business continuity plan,
14 as the director administrator determines is appropriate, to be
15 used if a disruption occurs in the provision of information
16 technology to participating agencies and other governmental
17 entities.

18 d. Developing and implementing recommended standards for
19 information technology, including but not limited to system
20 design and systems integration and interoperability, which
21 when implemented shall apply to all participating agencies
22 except as otherwise provided in this chapter. The department
23 division shall implement information technology standards as
24 established pursuant to this chapter which are applicable to
25 information technology procurements for participating
26 agencies.

27 e. Recommending and implementing standards for an
28 electronic repository for maintaining mandated agency reports
29 as provided in section 304.13A. Such repository shall be
30 developed and maintained for the purpose of providing public
31 access to such mandated reports. The department division
32 shall develop such standards in consultation with the state
33 librarian.

34 f. Developing and maintaining security policies and
35 systems to ensure the integrity of the state's information

1 resources and to prevent the disclosure of confidential
2 records.

3 g. Developing and implementing effective and efficient
4 strategies for the use and provision of information technology
5 for participating agencies and other governmental entities.

6 h. Coordinating the acquisition of information technology
7 by participating agencies in furtherance of the purposes of
8 this chapter. The information-technology-department division
9 shall review a request for information technology submitted by
10 a participating agency for purposes of determining whether
11 such request meets the applicable standards established
12 pursuant to this chapter. Upon a determination that the
13 request meets such standards, the information technology shall
14 be procured for the participating agency by the department-of
15 general services division. Nothing in this chapter shall be
16 construed to prohibit or limit a participating agency from
17 entering into an agreement or contract for information
18 technology with a qualified private entity.

19 i. Entering into agreements pursuant to chapter 28D or
20 28E, or memorandums of understanding or other agreements as
21 necessary and appropriate to administer this chapter.

22 j. Establishing and maintaining, in cooperation with the
23 department of revenue and finance and the department-of
24 general-services physical resources division, an inventory of
25 information technology devices used by participating agencies
26 and other governmental entities using the information
27 technology department's division's services. The information
28 technology department division may request a participating
29 agency to provide such information as is necessary to
30 establish and maintain an inventory as required under this
31 paragraph, and such participating agency shall provide such
32 information to the department division in a timely manner.

33 k. Receiving and accepting donations, gifts, and
34 contributions in the form of money, services, materials, or
35 otherwise, from the United States or any of its agencies, from

1 this state or any of its agencies, or from any other person,
2 and to using or expending such moneys, services, materials, or
3 other contributions in carrying on information technology
4 operations.

5 1. Charging a negotiated fee, to recover a share of the
6 costs related to the research and development, initial
7 production, and derivative products of the department's
8 division's proprietary software and hardware, information
9 technology architecture design, and proprietary technology
10 applications developed to support authorized users, to private
11 vendors and to other political entities and subdivisions,
12 including but not limited to states, territories,
13 protectorates, and foreign countries. The department division
14 may enter into nondisclosure agreements to protect the state
15 of Iowa's proprietary interests. The provisions of chapter
16 23A relating to noncompetition by state agencies and political
17 subdivisions with private enterprise shall not apply to
18 department division activities authorized under this
19 paragraph.

20 3- 2. SERVICE CHARGES. The department division shall
21 render a statement to a participating agency or other
22 governmental entity for a reasonable and necessary amount for
23 information technology provided by the department division to
24 such agency or entity. An amount indicated on a statement
25 rendered to a participating agency or other governmental
26 entity shall be paid by such agency or entity in a manner
27 determined by the department of revenue and finance. Amounts
28 charged and paid pursuant to this subsection shall be
29 deposited in the operations revolving fund created in section
30 14B.103.

31 4- 3. DISPUTE RESOLUTION. If a dispute arises between the
32 department division or information technology council and an
33 agency for which the department division provides or refuses
34 to provide information technology, the dispute shall be
35 resolved as provided in section 679A.19.

1 Sec. 59. Section 14B.104, Code 2001, is amended to read as
2 follows:

3 14B.104 DIRECTOR ADMINISTRATOR -- POWERS AND DUTIES --
4 APPEALS.

5 1. DIRECTOR ADMINISTRATOR APPOINTED. The chief
6 administrative officer of the department division is the
7 director administrator. The director administrator shall be
8 appointed by the governor, ~~subject to confirmation by the~~
9 senate director of the department of administrative services.
10 The director administrator shall serve at the pleasure of the
11 governor director of the department of administrative
12 services. ~~The governor shall set the salary of the director~~
13 ~~within the applicable salary range established by the general~~
14 ~~assembly.~~ The director administrator shall be selected on the
15 ability to administer the duties and functions granted to the
16 director administrator and the department division and shall
17 devote full time to the duties of the director administrator.
18 ~~If the office of director becomes vacant, the vacancy shall be~~
19 ~~filled in the same manner as the original appointment was~~
20 ~~made.~~

21 The director administrator shall also serve as the chief
22 information officer for the state.

23 2. POWERS AND DUTIES. The director administrator of the
24 department division shall do all of the following:

25 a. Plan, direct, coordinate, and execute the functions
26 necessary to carry out the duties of the department division.

27 b. Provide overall supervision, direction, and
28 coordination of functions of the department division.

29 c. Employ, in coordination with the director of the
30 department of administrative services, personnel as necessary
31 to carry out the functions vested in the department division
32 consistent with chapter 19A and enhance the recruitment,
33 retention, and training of professional staff.

34 d. Supervise and manage employees of the department
35 division, and provide for the internal organization of the

1 department division and for the allocation of functions within
2 the department division consistent with section 7E.2.

3 e. Recommend to the information-technology-council
4 director of the department of administrative services an
5 annual budget for the department division.

6 f. Recommend to the information technology council rules
7 deemed necessary for the implementation of this chapter and
8 proper administration of the department division.

9 g. Recommend to the information technology council
10 information technology standards.

11 h. Develop and implement operational policies of the
12 department division and be responsible for the day-to-day
13 operations of the department division.

14 i. Develop and recommend to the information technology
15 council legislative proposals deemed necessary for the
16 continued efficiency of department division functions, and
17 review legislative proposals generated outside of the
18 department division which are related to matters within the
19 department's division's purview.

20 j. Provide advice to the governor on issues related to
21 information technology.

22 k. Consult with agencies and other governmental entities
23 on issues relating to information technology.

24 l. Work with all governmental entities in an effort to
25 achieve the information technology goals established by the
26 information technology council.

27 3. DELEGATION OF POWERS AND DUTIES. Powers and duties
28 vested in the director administrator may be delegated by the
29 director administrator to an employee of the department
30 division, but the director administrator retains the
31 responsibility for an employee's acts within the scope of the
32 delegation.

33 4. APPEAL OF DIRECTOR'S ADMINISTRATOR'S DECISION. A
34 decision by the director administrator may be appealed to the
35 information technology council. A person aggrieved by such

1 decision of the ~~director~~ administrator shall provide notice of
 2 such appeal to the information technology council within
 3 thirty calendar days of the decision of the ~~director~~
 4 administrator. An appeal of a decision of the ~~director~~
 5 administrator shall be treated as a contested case under
 6 chapter 17A.

7 Sec. 60. Section 14B.105, Code Supplement 2001, is amended
 8 to read as follows:

9 14B.105 INFORMATION TECHNOLOGY COUNCIL -- MEMBERS --
 10 POWERS AND DUTIES.

11 1. MEMBERSHIP.

12 a. An information technology council is established with
 13 the authority to oversee, in coordination with the director of
 14 the department of administrative services, the department
 15 division and information technology activities of
 16 participating agencies as provided in this chapter. The
 17 information technology council is composed of ~~seventeen~~
 18 fourteen members including the following:

19 ~~{1}--The-director-of-the-information-technology-department--~~

20 ~~{2}--The-administrator-of-the-public-broadcasting-division~~
 21 ~~of-the-department-of-education--~~

22 ~~{3}~~ (1) The chairperson of the IowaAccess advisory council
 23 established in section 14B.201, or the chairperson's designee.

24 ~~{4}--The-state-technology-advisor-in-the-department-of~~
 25 ~~economic-development--~~

26 ~~{5}--The-executive-director-of-the-Iowa-communications~~
 27 ~~network--or-the-executive-director's-designee--~~

28 ~~{6}~~ (2) Two executive branch department heads appointed by
 29 the governor.

30 ~~{7}~~ (3) ~~Five-persons~~ One person appointed by the governor
 31 who ~~are~~ is knowledgeable in information technology matters.

32 (4) The five members of the Iowa telecommunications and
 33 technology commission created in section 8D.3.

34 ~~{8}~~ (5) One person representing the judicial branch
 35 appointed by the chief justice of the supreme court who shall

1 serve in an ex officio, nonvoting capacity.

2 ~~(9)~~ (6) Four members of the general assembly with not more
3 than one member from each chamber being from the same
4 political party. The two senators shall be designated by the
5 president of the senate after consultation with the majority
6 and minority leaders of the senate. The two representatives
7 shall be designated by the speaker of the house of
8 representatives after consultation with the majority and
9 minority leaders of the house of representatives. Legislative
10 members shall serve in an ex officio, nonvoting capacity. A
11 legislative member is eligible for per diem and expenses as
12 provided in section 2.10.

13 b. The members appointed by the governor pursuant to
14 paragraph "a", ~~subparagraphs (3) through (7)~~, shall serve
15 four-year staggered terms as designated by the governor and
16 such appointments to the information technology council are
17 subject to the requirements of sections 69.16, 69.16A, and
18 69.19. Members appointed by the governor pursuant to
19 paragraph "a", ~~subparagraphs (3) through (7)~~, shall not serve
20 consecutive four-year terms. Members appointed by the
21 governor are subject to senate confirmation and shall be
22 reimbursed for actual and necessary expenses incurred in
23 performance of their duties. Such members may also be
24 eligible to receive compensation as provided in section 7E.6.

25 The information technology council shall annually elect its
26 own chairperson from among the voting members of the council
27 ~~other than the director of the information technology~~
28 department. A majority of the voting members of the council
29 constitutes a quorum.

30 2. DUTIES. The information technology council shall do
31 all of the following:

32 a. Adopt rules in accordance with chapter 17A which are
33 necessary for the exercise of the powers and duties granted by
34 this chapter and the proper administration of the ~~department~~
35 division.

1 b. Develop recommended standards for consideration with
2 respect to the procurement of information technology by all
3 participating agencies.

4 c. Appoint advisory committees as appropriate to assist
5 the information technology council in developing strategies
6 for the use and provision of information technology and
7 establishing other advisory committees as necessary to assist
8 the information technology council in carrying out its duties
9 under this chapter. The number of advisory committees and
10 their membership shall be determined by the information
11 technology council to assure that the public and agencies and
12 other governmental entities have an opportunity to comment on
13 the services provided and the service goals and objectives of
14 the department division.

15 d. Prepare and annually update a strategic information
16 technology plan for the use of information technology
17 throughout state government. The plan shall promote
18 participation in cooperative projects with other governmental
19 entities. The plan shall establish a mission, goals, and
20 objectives for the use of information technology, including
21 goals for electronic access to public records, information,
22 and services. The plan shall be submitted annually to the
23 governor and the general assembly.

24 e. Review and recommend to the general-assembly director
25 of the department of administrative services, as deemed
26 appropriate by the information technology council, legislative
27 proposals recommended by the director administrator, or other
28 legislative proposals as developed and deemed necessary by the
29 information technology council.

30 f. Review the recommendations of the IowAccess advisory
31 council regarding rates to be charged for access to and for
32 value-added services performed through IowAccess. The
33 information technology council shall report the establishment
34 of a new rate or change in the level of an existing rate to
35 the department of management, and the department of management

1 shall notify the legislative fiscal bureau regarding the rate
2 establishment or change.

3 ~~g.--Review-and-approve,--as-deemed-appropriate-by-the~~
4 ~~information-technology-council,--the-annual-budget~~
5 ~~recommendation-for-the-department-as-proposed-by-the-director.~~

6 3. WAIVER. The information technology council, upon the
7 written request of a participating agency and for good cause
8 shown, may grant a waiver from a requirement otherwise
9 applicable to a participating agency relating to an
10 information technology standard established by the information
11 technology council.

12 4. FINAL AGENCY ACTION. A decision by the council is a
13 final agency action as provided under chapter 17A and an
14 appeal of the decision shall be made directly to the district
15 court. Any party to a contested case may appeal the decision
16 to the district court.

17 Sec. 61. Section 14B.109, subsection 1, Code Supplement
18 2001, is amended to read as follows:

19 1. Notwithstanding the provisions of this section, the
20 ~~information-technology-department-and-the-department-of~~
21 ~~general-services-shall-enter-into-an-interagency-agreement~~
22 ~~regarding director of the department of administrative~~
23 ~~services shall establish the division of responsibilities~~
24 ~~between the departments information technology division and~~
25 ~~the general services division associated with the procurement~~
26 ~~of information technology ~~which-is-acceptable-to-both~~~~
27 ~~departments. ~~The-interagency-agreement-shall-be-subject-to~~~~
28 ~~renegotiation-at-least-every-two-years,--unless-an-earlier-time~~
29 ~~is-provided-for-in-the-interagency-agreement.--If-the~~
30 ~~departments-are-unable-to-agree-on-the-terms-of-an-interagency~~
31 ~~agreement-or-upon-a-failure-of-either-department-to-satisfy~~
32 ~~the-terms-of-the-agreement,--the-departments-shall-inform-the~~
33 ~~department-of-management-that-an-agreement-has-not-been~~
34 ~~reached-or-that-one-of-the-departments-has-failed-to-satisfy~~
35 ~~the-terms-of-the-agreement.--The-department-of-management,~~

1 upon-receipt-and-review-of-such-information, may direct the
2 information-technology-department-to-proceed-with-the
3 procurement-of-information-technology-as-provided-in
4 subsections-2-through-5-

5 Sec. 62. Section 18.1, Code 2001, is amended to read as
6 follows:

7 18.1 DEFINITIONS.

8 When used in this chapter, unless the context otherwise
9 requires:

10 1. "Administrator" means the administrator of the physical
11 resources division.

12 ~~1.~~ 2. "Bid specification" means the standards or qualities
13 which must be met before a contract to purchase will be
14 awarded and any terms which the director has set as a
15 condition precedent to the awarding of a contract.

16 ~~2.~~ 3. "Competitive bidding procedure" means the
17 advertisement for, solicitation of, or the procurement of
18 bids; the manner and condition in which bids are received; and
19 the procedure by which bids are opened, accessed, accepted,
20 rejected, or awarded. A "competitive bidding procedure" may
21 include a transaction accomplished in an electronic format.

22 ~~3.--"Department"--means-the-department-of-general-services-~~

23 4. "Director"--means-the-director-of-the-department-of
24 ~~general-services-or-the-director's-designee:~~ "Division" means
25 the physical resources division created in section 8A.301.

26 5. "Governmental subdivision" means a county, city, school
27 district, or combination thereof.

28 6. "State agency" means an executive board, commission,
29 bureau, division, office, or department of the state.

30 7. "State buildings and grounds" excludes any building
31 under the custody and control of the Iowa public employees'
32 retirement system.

33 Sec. 63. Section 18.2, Code 2001, is amended to read as
34 follows:

35 18.2 DEPARTMENT DIVISION ESTABLISHED.

1 ~~There is created a department of general services which is~~
2 ~~attached to the office of the governor and is under the~~
3 ~~governor's general direction, supervision, and control. A~~
4 physical resources division is created within the department
5 of administrative services. The governor director of the
6 department of administrative services shall appoint the
7 ~~director, subject to confirmation by the senate~~ administrator.
8 The director administrator shall not hold any other office,
9 engage in political activity, accept or solicit, directly or
10 indirectly, political contributions, and shall not use the
11 office to support the candidacy of anyone for elective or
12 appointive office. ~~The director shall hold office at the~~
13 ~~governor's pleasure and shall receive a salary as fixed by the~~
14 ~~general assembly.~~ Before entering upon the discharge of the
15 ~~director's~~ administrator's duties, the director administrator
16 may be required to give a surety bond in an amount fixed by
17 the governor. The premium on the bond shall be paid out of
18 funds appropriated to the department division.

19 ~~The director must be a qualified administrator.~~

20 Sec. 64. Section 18.74, Code 2001, is amended to read as
21 follows:

22 18.74 APPOINTMENT.

23 The director administrator of the department of general
24 services physical resources division shall appoint the state
25 printing administrator bureau chief to administer this
26 division article. The administrator bureau chief shall serve
27 at the pleasure of the director administrator and is not
28 subject to the merit system provisions of chapter 19A.

29 Sec. 65. Section 18.115, unnumbered paragraph 1, Code
30 2001, is amended to read as follows:

31 The director administrator of the department of general
32 services physical resources division shall appoint a state
33 fleet administrator bureau chief and other employees as
34 necessary to administer this division article. The state
35 fleet administrator bureau chief shall serve at the pleasure

1 of the ~~director~~ administrator and is not governed by the merit
2 system provisions of chapter 19A. Subject to the approval of
3 the ~~director~~ administrator, the state fleet ~~administrator~~
4 bureau chief has the following duties:

5 Sec. 66. Section 19A.1, Code Supplement 2001, is amended
6 to read as follows:

7 19A.1 CREATION OF ~~DEPARTMENT-OF-PERSONNEL~~ HUMAN RESOURCES
8 DIVISION -- RESPONSIBILITIES.

9 1. A ~~department-of-personnel~~ human resources division
10 within the department of administrative services is created.

11 2. The ~~department~~ division is the central agency
12 responsible for state ~~personnel~~ human resources management,
13 including the following:

14 a. Policy and program development, workforce planning, and
15 research.

16 b. Employment activities and transactions, including
17 recruitment, examination, and certification of personnel
18 seeking employment or promotion.

19 c. Compensation and benefits, including position
20 classification, wages and salaries, and employee benefits.
21 Employee benefits include, but are not limited to, group
22 medical, dental, life, and long-term disability insurance,
23 workers' compensation, unemployment benefits, sick leave,
24 deferred compensation, holidays and vacations, tuition
25 reimbursement, and educational leaves. Employee benefits also
26 include the Iowa department of public safety peace officers'
27 retirement, accident, and disability system and the Iowa
28 public employees' retirement system, which are maintained as
29 distinct and independent systems within the ~~department~~
30 division.

31 d. Equal employment opportunity, affirmative action, and
32 workforce diversity programs.

33 e. Education, training, and workforce development
34 programs.

35 f. Personnel records and administration, including the

1 audit of all personnel-related documents.

2 g. Employment relations, including the negotiation and
3 administration of collective bargaining agreements on behalf
4 of the executive branch of the state and its departments and
5 agencies as provided in chapter 20. However, the state board
6 of regents, for the purposes of implementing and administering
7 collective bargaining pursuant to chapter 20, shall act as the
8 exclusive representative of the state with respect to its
9 faculty, scientific, and other professional staff.

10 h. The coordination and management of the state's human
11 resource information system, except as otherwise required for
12 those employees governed by chapter 262.

13 3. The following part-time boards and commissions are
14 within the department division:

15 a. The board of trustees of the public safety peace
16 officers' retirement, accident, and disability system, created
17 by section 97A.5.

18 b. The investment board of the Iowa public employees'
19 retirement system created by section 97B.8.

20 ~~c.---The-equal-opportunity-in-employment-task-force-created~~
21 ~~pursuant-to-executive-order,-or-its-successor-~~

22 4. Specific powers and duties of the department division,
23 its director administrator, and the boards and commissions
24 within the department division are set forth in this chapter,
25 chapters 70A, 97A, 97B, and other provisions of law. Section
26 8.23 applies to the department division.

27 5. The personnel management powers and duties of the
28 department do not extend to the legislative branch or the
29 judicial branch of state government, except for functions
30 related to administering compensation and benefit programs.

31 Sec. 67. Section 19A.1A, Code 2001, is amended to read as
32 follows:

33 19A.1A ~~DIRECTOR-OF-DEPARTMENT~~ DIVISION ADMINISTRATOR.

34 1. The chief administrative officer of the department
35 division is the director administrator. The director

1 administrator shall be appointed by the governor,~~subject to~~
2 ~~confirmation by the senate~~ director of the department of
3 administrative services. The director administrator serves at
4 the pleasure of the governor~~and is subject to reconfirmation~~
5 ~~after four years in office~~ director of the department of
6 administrative services. The person appointed shall be
7 professionally qualified by education and experience in the
8 field of public personnel administration, including the
9 application of merit principles in public employment, and the
10 appointment shall be made without regard for political
11 affiliation. The director administrator shall not be a member
12 of any local, state, or national committee of a political
13 party, an officer or member of a committee in any partisan
14 political club or organization, or hold or be a candidate for
15 a paid elective public office. The director administrator is
16 subject to the restrictions on political activity provided in
17 section 19A.18. ~~The governor shall set the salary of the~~
18 ~~director within a range established by the general assembly.~~

19 2. The director administrator shall plan, direct,
20 coordinate, and execute the powers, duties, and functions of
21 the department division. The ~~director's~~ administrator's
22 powers and duties include those specifically set forth in this
23 chapter and other provisions of law.

24 3. The director administrator may establish ~~by rule~~
25 divisions bureaus and other subunits as necessary for the
26 organization of the department division. The director
27 administrator may also establish regional field offices
28 staffed by employees of the department division or the
29 executive departments in which they are located. The
30 functions and staffs of the regional offices are subject to
31 policies set by the director administrator.

32 4. Reduction in force appeals shall be subject to review
33 by the director administrator.

34 Sec. 68. Section 19A.2, Code 2001, is amended to read as
35 follows:

1 19A.2 DEFINITIONS.

2 When used in this chapter, unless the context otherwise
3 requires:

4 1. "Administrator" means the administrator of the human
5 resources division.

6 2. "Appointing authority" means the chairperson or person
7 in charge of any agency of the state government including, but
8 not limited to, boards, bureaus, commissions, and departments,
9 or an employee designated to act for an appointing authority.

10 ~~2.--"Department"--means--the--department--of--personnel--~~

11 3. ~~"Director"~~ "Division" means the ~~director-of-the~~
12 ~~department-of-personnel~~ human resources division created in
13 section 8A.401.

14 4. "Merit system" means the merit system established under
15 this chapter.

16 Sec. 69. Section 19A.8, Code Supplement 2001, is amended
17 to read as follows:

18 19A.8 ~~DIRECTOR'S~~ ADMINISTRATOR'S DUTIES.

19 The ~~director~~ administrator, as executive head of the
20 ~~department~~ division, shall direct and supervise all of the
21 administrative and technical activities of the ~~department~~
22 division. In addition to the duties imposed by the ~~director~~
23 administrator elsewhere in this chapter, it shall be the
24 ~~director's~~ administrator's duty:

25 1. To apply and carry out this law and the rules adopted
26 thereunder.

27 2. To establish and maintain a list of all employees in
28 the executive branch of state government in which there shall
29 be set forth, as to each employee, the class title, pay,
30 status, and other pertinent data. For employees governed by
31 chapter 262, the ~~director~~ administrator shall work
32 collaboratively with the state board of regents to collect
33 such information.

34 3. To appoint, in coordination with the director of the
35 department of administrative services, such employees of the

1 department division and such experts and special assistants as
2 may be necessary to carry out effectively the provisions of
3 this chapter. Staff employees shall be appointed in
4 accordance with the provisions of this chapter.

5 4. To foster and develop, in cooperation with appointing
6 authorities and others, programs for the improvement of
7 employee effectiveness, including training, safety, health,
8 counseling, and welfare.

9 5. To encourage and exercise leadership in the development
10 of effective personnel administration within the several
11 departments of state government, and to make available the
12 facilities of the department-of personnel division to this
13 end.

14 6. To investigate the operation and effect of this chapter
15 and of the rules made under it and to report annually the
16 director's administrator's findings and recommendations to the
17 director of the department of administrative services and to
18 the governor.

19 7. To make an-annual, in coordination with the director of
20 the department of administrative services, a report, not less
21 than annually, to the director of the department of
22 administrative services for submission to the governor
23 regarding the work of the department division and special
24 reports as the director administrator considers desirable.

25 8. To perform any other lawful acts which the director
26 administrator may consider necessary or desirable to carry out
27 the purposes and provisions of this chapter.

28 The director administrator shall designate an employee of
29 the department division to act for the director administrator
30 in the director's administrator's absence or inability from
31 any cause to discharge the powers and duties of this office.

32 The director administrator may delegate any or all aspects
33 of the recruitment, examination, and selection processes to an
34 agency in the executive branch upon request by that agency.

35 The director administrator shall oversee all activities

1 delegated to that agency.

2 The ~~director~~ administrator shall utilize appropriate
3 persons, including officers and employees in the executive
4 branch of state government, to assist in the recruitment and
5 examination of applicants for employment. These officers and
6 employees are not entitled to extra pay for their services,
7 but shall be paid their necessary traveling and other
8 expenses.

9 The ~~director~~ administrator shall quarterly render a
10 statement to each department or agency which operates in whole
11 or in part from other than general fund appropriations for a
12 pro rata share of the cost of administration of the ~~department~~
13 ~~of-personnel~~ division. The expense shall be paid by the state
14 department or agency in the same manner as other expenses of
15 that department or agency are paid and all moneys received
16 shall be deposited in the general fund of the state.

17 The ~~director~~ administrator shall render monthly a statement
18 to each state department or agency for a pro rata share of the
19 cost of administration of the state employee flexible spending
20 accounts. The expense shall be paid by the state department
21 or agency in the same manner as other expenses of that state
22 department or agency are paid and all moneys received for
23 administration costs shall be deposited in the appropriate
24 fund.

25 Sec. 70. Section 25.2, subsections 4 and 5, Code 2001, are
26 amended to read as follows:

27 4. Notwithstanding the provisions of this section, the
28 director of ~~revenue-and-finance~~ the department of
29 administrative services may reissue outdated warrants.

30 5. On or before November 1 of each year, the director of
31 ~~revenue-and-finance~~ the department of administrative services
32 shall provide the treasurer of state with a report of all
33 unpaid warrants which have been outdated for two years or
34 more. The treasurer shall include information regarding
35 outdated warrants in the notice published pursuant to section

1 556.12. An agreement to pay compensation to recover or assist
2 in the recovery of an outdated warrant made within twenty-four
3 months after the date the warrant becomes outdated is
4 unenforceable. However, an agreement made after twenty-four
5 months from the date the warrant becomes outdated is valid if
6 the fee or compensation agreed upon is not more than fifteen
7 percent of the recoverable property, the agreement is in
8 writing and signed by the payee, and the writing discloses the
9 nature and value of the property and the name and address of
10 the person in possession. This section does not apply to a
11 payee who has a bona fide fee contract with a practicing
12 attorney regulated under chapter 602, article 10.

13 Sec. 71. Section 29A.13, Code 2001, is amended to read as
14 follows:

15 29A.13 APPROPRIATED FUNDS.

16 Operating expenses for the national guard including the
17 purchase of land, maintenance of facilities, improvement of
18 state military reservations, installations, and weapons firing
19 ranges owned or leased by the state of Iowa or the United
20 States shall be paid from funds appropriated for the support
21 and maintenance of the national guard. Claims for payment of
22 such expenses shall be subject to the approval of the adjutant
23 general. Upon approval of the adjutant general the claim
24 shall be submitted to the director of ~~revenue-and-finance~~ the
25 department of administrative services in accordance with the
26 procedures established by the director of ~~revenue-and-finance~~
27 the department of administrative services under chapter 421
28 8A.

29 Payment for personnel compensation and authorized benefits
30 shall be approved by the adjutant general prior to submission
31 to the director of ~~revenue-and-finance~~ the department of
32 administrative services for payment.

33 Sec. 72. Section 56.3A, Code 2001, is amended to read as
34 follows:

35 56.3A FUNDS FROM UNKNOWN SOURCE -- ESCHEAT.

1 The expenditure of funds from an unknown or unidentifiable
2 source received by a candidate or committee is prohibited.
3 Such funds received by a candidate or committee shall escheat
4 to the state. Any candidate or committee receiving such
5 contributions shall remit such contributions to the director
6 of ~~revenue-and-finance~~ the department of administrative
7 services for deposit in the general fund of the state.
8 Persons requested to make a contribution at a fundraising
9 event shall be advised that it is illegal to make a
10 contribution in excess of ten dollars unless the person making
11 the contribution also provides the person's name and address.

12 Sec. 73. Section 56.20, Code 2001, is amended to read as
13 follows:

14 56.20 RULES PROMULGATED.

15 The director of revenue and finance, in co-operation with
16 the director of the department of management, the director of
17 the department of administrative services, and the ethics and
18 campaign disclosure board, shall administer the provisions of
19 sections 56.18 to 56.26 and they shall promulgate all
20 necessary rules in accordance with chapter 17A.

21 Sec. 74. Section 56.22, subsection 1, Code 2001, is
22 amended to read as follows:

23 1. The money accumulated in the Iowa election campaign
24 fund to the account of each political party in the state shall
25 be remitted to the party on the first business day of each
26 month by warrant of the director of ~~revenue-and-finance~~ the
27 department of administrative services drawn upon the fund in
28 favor of the state chairperson of that party. The money
29 received by each political party under this section shall be
30 used as directed by the party's state statutory political
31 committee.

32 Sec. 75. Section 68B.2, subsection 23, Code 2001, is
33 amended to read as follows:

34 23. "Regulatory agency" means the department of
35 agriculture and land stewardship, department of workforce

1 development, department of commerce, Iowa department of public
2 health, department of public safety, department of education,
3 state board of regents, department of human services,
4 department of revenue and finance, department of inspections
5 and appeals, department of ~~personnel~~ administrative services,
6 public employment relations board, state department of
7 transportation, civil rights commission, department of public
8 defense, and department of natural resources.

9 Sec. 76. Section 96.11, subsection 15, Code Supplement
10 2001, is amended to read as follows:

11 15. REIMBURSEMENT OF SETOFF COSTS. The department shall
12 include in the amount set off in accordance with section
13 ~~421-177-subsection-29~~ 8A.504, for the collection of an
14 overpayment created pursuant to section 96.3, subsection 7, or
15 section 96.16, subsection 4, an additional amount for the
16 reimbursement of setoff costs incurred by the department of
17 ~~revenue-and-finance~~ administrative services.

18 Sec. 77. Section 97B.7, subsection 2, as amended by 2001
19 Iowa Acts, chapter 68, section 10, is amended to read as
20 follows:

21 2. The treasurer of the state of Iowa is hereby made the
22 custodian of the retirement fund and shall hold and disburse
23 the retirement fund in accordance with the requirements of
24 this chapter. As custodian, the treasurer shall be authorized
25 to disburse moneys in the retirement fund upon warrants drawn
26 by the director of ~~revenue-and-finance~~ the department of
27 administrative services pursuant to the order of the division.
28 The treasurer shall not select any bank or other third party
29 for the purposes of investment asset safekeeping, other
30 custody, or settlement services without prior consultation
31 with the board.

32 Sec. 78. Section 217.34, Code 2001, is amended to read as
33 follows:

34 217.34 DEBT SETOFF.

35 The investigations division of the department of

1 inspections and appeals and the department of human services
2 shall provide assistance to set off against a person's or
3 provider's income tax refund or rebate any debt which has
4 accrued through written contract, subrogation, departmental
5 recoupment procedures, or court judgment and which is in the
6 form of a liquidated sum due and owing the department of human
7 services. The department of inspections and appeals, with
8 approval of the department of human services, shall adopt
9 rules under chapter 17A necessary to assist the department of
10 revenue and finance in the implementation of the setoff under
11 section 421.17, subsection 21 and the department of
12 administrative services under section 8A.504 in regard to
13 money owed to the state for public assistance overpayments.
14 The department of human services shall adopt rules under
15 chapter 17A necessary to assist the department of revenue and
16 finance in the implementation of the setoff under section
17 421.17, subsection 21, and the department of administrative
18 services under section 8A.504 in regard to collections by the
19 child support recovery unit and the foster care recovery unit.

20 Sec. 79. Section 218.58, subsection 5, Code 2001, is
21 amended to read as follows:

22 5. A claim for payment relating to a project shall be
23 itemized on a voucher form pursuant to section ~~421.40~~ 8A.514,
24 certified by the claimant and the architect or engineer in
25 charge, and audited and approved by the ~~department-of-general~~
26 ~~services~~ physical resources division. Upon approval by the
27 ~~department-of-general-services~~ physical resources division,
28 the voucher shall be forwarded to the director of ~~revenue-and~~
29 ~~finance~~ the department of administration services, who shall
30 draw a warrant to be paid by the treasurer of state from funds
31 appropriated for the project. A partial payment made before
32 completion of the project does not constitute final acceptance
33 of the work or a waiver of any defect in the work.

34 Sec. 80. Section 218.85, Code 2001, is amended to read as
35 follows:

1 218.85 UNIFORM SYSTEM OF ACCOUNTS.

2 The director of human services through the administrators
3 in control of the institutions shall install in all the
4 institutions the most modern, complete, and uniform system of
5 accounts, records, and reports possible. The system shall be
6 prescribed by the director of ~~revenue-and-finance~~ the
7 department of administrative services as authorized in section
8 ~~421-31~~ 8A.503, subsection ~~10~~ 13, and, among other matters,
9 shall clearly show the detailed facts relative to the handling
10 and uses of all purchases.

11 Sec. 81. Section 218.100, Code 2001, is amended to read as
12 follows:

13 218.100 CENTRAL WAREHOUSE AND SUPPLY DEPOT.

14 The department of human services shall establish a fund for
15 maintaining and operating a central warehouse as a supply
16 depot and distribution facility for surplus government
17 products, carload canned goods, paper products, other staples
18 and such other items as determined by the department. The
19 fund shall be permanent and shall be composed of the receipts
20 from the sales of merchandise, recovery of handling, operating
21 and delivery charges of such merchandise and from the funds
22 contributed by the institutions now in a contingent fund being
23 used for this purpose. All claims for purchases of
24 merchandise, operating and salary expenses shall be subject to
25 the provisions of sections 218.86 to ~~218-89~~ 218.88.

26 Sec. 82. Section 234.8, Code 2001, is amended to read as
27 follows:

28 234.8 FEES FOR CHILD WELFARE SERVICES.

29 The department of human services may charge a fee for child
30 welfare services to a person liable for the cost of the
31 services. The fee shall not exceed the reasonable cost of the
32 services. The fee shall be based upon the person's ability to
33 pay and consideration of the fee's impact upon the liable
34 person's family and the goals identified in the case
35 permanency plan. The department may assess the liable person

1 for the fee and the means of recovery shall include a setoff
2 against an amount owed by a state agency to the person
3 assessed pursuant to section ~~421.17, subsection 29~~ 8A.504. In
4 addition the department may establish an administrative
5 process to recover the assessment through automatic income
6 withholding. The department shall adopt rules pursuant to
7 chapter 17A to implement the provisions of this section. This
8 section does not apply to court-ordered services provided to
9 juveniles which are a charge upon the state pursuant to
10 section 232.141 and services for which the department has
11 established a support obligation pursuant to section 234.39.

12 Sec. 83. Section 236.15B, unnumbered paragraph 5, Code
13 2001, is amended to read as follows:

14 The department of revenue and finance shall consult the
15 crime victim assistance board concerning the adoption of rules
16 to implement this section. However, before a checkoff
17 pursuant to this section shall be permitted, all liabilities
18 on the books of the department of ~~revenue and finance~~
19 administrative services and accounts identified as owing under
20 section ~~421.17~~ 8A.504 and the political contribution allowed
21 under section 56.18 shall be satisfied.

22 Sec. 84. Section 298.14, unnumbered paragraph 3, Code
23 2001, is amended to read as follows:

24 ~~The~~ At the request of the director of revenue and finance,
25 the department of administrative services shall draw warrants
26 in payment of the surtaxes collected in each school district.
27 Warrants shall be payable in two installments to be paid on
28 approximately the first day of December and the first day of
29 February following collection of the taxes and shall be
30 delivered to the respective school districts.

31 Sec. 85. Section 304.3, subsections 4, 8, and 9, Code
32 2001, are amended to read as follows:

33 4. ~~The director of revenue and finance~~ administrator of
34 the financial management division of the department of
35 administrative services.

1 8. The ~~director~~ administrator of the ~~department-of-general~~
2 ~~services~~ physical resources division of the department of
3 administrative services.

4 9. The ~~director~~ administrator of the information
5 technology division of the department of administrative
6 services.

7 Sec. 86. Section 304A.21, subsection 3, Code 2001, is
8 amended to read as follows:

9 3. "Department" "Division" means the ~~department-of-general~~
10 ~~services~~ physical resources division of the department of
11 administrative services.

12 Sec. 87. Section 304A.25, Code 2001, is amended to read as
13 follows:

14 304A.25 REVIEW AND DETERMINATION AS TO QUALIFICATION FOR
15 INDEMNITY COVERAGE.

16 1. Every application received by the administrator shall
17 be submitted to the ~~department-of-general-services~~ division
18 which shall review the application and determine whether the
19 applicant qualifies for indemnity coverage under this
20 division. The criteria for qualification shall be prescribed
21 by rule of the ~~department-of-general-services~~ division and
22 shall include but are not limited to:

23 a. Physical security of the applicant's exhibition
24 facilities and of the means of transportation of the items.

25 b. Experience and qualifications of the applicant's
26 director, curator, registrar, or other staff.

27 c. Eligibility of the applicant's exhibition facilities
28 for commercial insurance coverage of art objects and artifacts
29 exhibited there.

30 d. Availability of proper equipment to protect art objects
31 and artifacts from damage from extremes of temperature or
32 humidity or exposure to glare, dust, or corrosion.

33 2. The ~~department~~ division may consult with experts as
34 necessary to carry out its duties under this section.

35 3. If the ~~department-of-general-services~~ division is not

1 staffed for risk management, the department division shall
2 utilize the services of a consultant in carrying out the
3 ~~department's~~ division's duties under this chapter.

4 Sec. 88. Section 304A.26, subsection 1, Code 2001, is
5 amended to read as follows:

6 1. If the ~~department-of-general-services~~ division
7 determines that the applicant qualifies for indemnity
8 coverage, the administrator shall review and determine the
9 validity of other portions of the application, including the
10 eligibility of items for which coverage by an indemnity
11 agreement is sought and the estimated value of those items.

12 Sec. 89. Section 304A.29, Code 2001, is amended to read as
13 follows:

14 304A.29 CLAIMS.

15 1. Claims for losses covered by indemnity agreements under
16 ~~this-division~~ sections 304A.21 through 304A.30 shall be
17 submitted to the ~~department-of-general-services~~ division which
18 shall review the claims. If the department division
19 determines that the loss is covered by the agreement, the
20 department division shall certify the validity of the claim
21 and authorize payment of the amount of loss, less any
22 deductible portion, to the lender.

23 2. The department division shall prescribe rules providing
24 for prompt adjustment of valid claims. The rules shall
25 include provisions for the employment of consultants and for
26 the arbitration of issues relating to the dollar value of
27 damages involving less than total loss or destruction of
28 covered items.

29 3. The authorization for payment shall be forwarded to the
30 director of ~~revenue-and-finance~~ the department of
31 administrative services, who shall issue a warrant for payment
32 of the claim from the state general fund out of any funds not
33 otherwise appropriated.

34 Sec. 90. Section 331.552, subsection 5, Code Supplement
35 2001, is amended to read as follows:

1 5. Account for, report, and pay into the state treasury
2 any money, property, or securities received on behalf of the
3 state as provided in sections ~~421-32 to 421-34~~ 8A.506 through
4 8A.508.

5 Sec. 91. Section 405A.10, Code 2001, is amended to read as
6 follows:

7 405A.10 FRANCHISE TAX REVENUE ALLOCATION.

8 For the fiscal year beginning July 1, 1997, and each
9 subsequent fiscal year, there is appropriated from the general
10 fund of the state to the department of revenue and finance the
11 sum of eight million eight hundred thousand dollars which
12 shall be paid quarterly on warrants by the director of the
13 department of administrative services as allocated pursuant to
14 section 422.65.

15 Sec. 92. Section 421.17, subsections 28, 29, 30, and 33,
16 Code Supplement 2001, are amended by striking the subsections.

17 Sec. 93. Section 422.20, subsection 3, unnumbered
18 paragraph 1, Code 2001, is amended to read as follows:

19 Unless otherwise expressly permitted by section 421.17,
20 subsections 21, 22, 22A, 23, 25, ~~29~~ and 32, sections 8A.504,
21 252B.9, 421.19, 421.28, 422.72, and 452A.63, and this section,
22 a tax return, return information, or investigative or audit
23 information shall not be divulged to any person or entity,
24 other than the taxpayer, the department, or internal revenue
25 service for use in a matter unrelated to tax administration.

26 Sec. 94. Section 422.72, subsection 3, unnumbered
27 paragraph 1, Code 2001, is amended to read as follows:

28 Unless otherwise expressly permitted by section 421.17,
29 subsections 21, 22, 22A, 23, 25, ~~29~~ and 32, sections 8A.504,
30 252B.9, 421.19, 421.28, 422.20, and 452A.63, and this section,
31 a tax return, return information, or investigative or audit
32 information shall not be divulged to any person or entity,
33 other than the taxpayer, the department, or internal revenue
34 service for use in a matter unrelated to tax administration.

35 Sec. 95. Section 425.1, subsection 1, Code 2001, is

1 amended to read as follows:

2 1. A homestead credit fund is created. There is
3 appropriated annually from the general fund of the state to
4 the department of revenue and finance to be credited to the
5 homestead credit fund, an amount sufficient to implement this
6 chapter.

7 The director of ~~revenue-and-finance~~ the department of
8 administrative services shall issue warrants on the homestead
9 credit fund payable to the county treasurers of the several
10 counties of the state under this chapter.

11 Sec. 96. Section 452A.77, unnumbered paragraph 1, Code
12 2001, is amended to read as follows:

13 All fees, taxes, interest and penalties imposed under this
14 chapter must be paid to the department of revenue and finance
15 or the state department of transportation, whichever is
16 responsible for the collection. The appropriate state agency
17 shall transmit each payment daily to the treasurer of state.
18 Such payments shall be deposited by the treasurer of state in
19 a fund, hereby created, within the state treasury which shall
20 be known as the "motor fuel tax fund," the net proceeds of
21 which fund, after deductions by lawful transfers and refunds,
22 shall be known as the "motor vehicle fuel tax fund". The
23 department of revenue and finance and the state department of
24 transportation shall certify monthly to the director of
25 revenue and finance amounts of refunds of tax approved during
26 each month, and the director of ~~revenue-and-finance~~ the
27 department of administrative services shall draw warrants in
28 such amounts on the motor fuel tax fund and transmit them.
29 There is hereby appropriated out of the money received under
30 the provisions of this chapter and deposited in the motor fuel
31 tax fund sufficient funds to pay such refunds as may be
32 authorized in this chapter.

33 Sec. 97. Section 602.8102, subsection 4, Code Supplement
34 2001, is amended to read as follows:

35 4. Upon the death of a judge or magistrate of the district

1 court, give written notice to the department of management and
2 the department of ~~revenue-and-finance~~ administrative services
3 of the date of death. The clerk shall also give written
4 notice of the death of a justice of the supreme court, a judge
5 of the court of appeals, or a judge or magistrate of the
6 district court who resides in the clerk's county to the state
7 commissioner of elections, as provided in section 46.12.

8 Sec. 98. Sections 14B.106, 14B.107, 218.89, 421.6, 421.31,
9 421.32, 421.33, 421.34, 421.35, 421.36, 421.37, 421.38,
10 421.39, 421.40, 421.41, 421.42, 421.43, 421.44, and 421.45,
11 Code 2001, are repealed.

12 Sec. 99. AMENDMENTS CHANGING TERMINOLOGY -- DIRECTIVE TO
13 CODE EDITOR. Except as otherwise provided in this Act:

14 1. a. The Iowa Code editor is directed to strike the
15 words "information technology department" and insert the words
16 "information technology division of the department of
17 administrative services" wherever the words "information
18 technology department" appear in the Iowa Code unless a
19 contrary intent is clearly evident.

20 b. The Iowa Code editor is directed to strike the word
21 "department" and insert the word "division" wherever the word
22 "department" appears in Iowa Code chapter 14B and refers to
23 the information technology department unless a contrary intent
24 is clearly evident.

25 c. The Iowa Code editor is directed to strike the words
26 "director of the information technology department" or
27 "information technology department director" and insert the
28 words "administrator of the information technology division of
29 the department of administrative services" wherever the words
30 "director of the information technology department" or
31 "information technology department director" appear in the
32 Iowa Code unless a contrary intent is clearly evident.

33 d. The Iowa Code editor is directed to strike the word
34 "director" and insert the word "administrator" wherever the
35 word "director" appears in Iowa Code chapter 14B and refers to

1 the director of the information technology department unless a
2 contrary intent is clearly evident.

3 2. a. The Iowa Code editor is directed to strike the
4 words "department of general services" and insert the words
5 "physical resources division of the department of
6 administrative services" wherever the words "department of
7 general services" appear in the Iowa Code unless a contrary
8 intent is clearly evident.

9 b. The Iowa Code editor is directed to strike the word
10 "department" and insert the word "division" wherever the word
11 "department" appears in Iowa Code chapter 18 and refers to the
12 department of general services unless a contrary intent is
13 clearly evident.

14 c. The Iowa Code editor is directed to strike the words
15 "director of the department of general services" or "general
16 services department director" and insert the words
17 "administrator of the physical resources division of the
18 department of administrative services" wherever the words
19 "director of the department of general services" or "general
20 services department director" appear in the Iowa Code unless a
21 contrary intent is clearly evident.

22 d. The Iowa Code editor is directed to strike the word
23 "director" and insert the word "administrator" wherever the
24 word "director" appears in Iowa Code chapter 18 and refers to
25 the director of the department of general services unless a
26 contrary intent is clearly evident.

27 3. a. The Iowa Code editor is directed to strike the
28 words "department of personnel" and insert the words "human
29 resources division of the department of administrative
30 services" wherever the words "department of personnel" appear
31 in the Iowa Code unless a contrary intent is clearly evident.

32 b. The Iowa Code editor is directed to strike the word
33 "department" and insert the word "division" wherever the word
34 "department" appears in Iowa Code chapter 19A and refers to
35 the department of personnel unless a contrary intent is

1 clearly evident.

2 c. The Iowa Code editor is directed to strike the words
3 "director of the department of personnel" or "personnel
4 department director" and insert the words "administrator of
5 the human resources division of the department of
6 administrative services" wherever the words "director of the
7 department of personnel" or "personnel department director"
8 appear in the Iowa Code unless a contrary intent is clearly
9 evident.

10 d. The Iowa Code editor is directed to strike the word
11 "director" and insert the word "administrator" wherever the
12 word "director" appears in Iowa Code chapter 19A and refers to
13 the director of the department of personnel unless a contrary
14 intent is clearly evident.

15 4. a. Sections 1.15; 2.10, subsection 4; 2B.10,
16 subsection 4; 7.13; 8.61; 11.20; 12.4; 12.5; 12.26; 12B.16;
17 12B.17; 12B.18; 15E.112; 15E.117; 16.31; 17A.4; 18.19; 18.117;
18 29C.14; 35.10; 49A.9; 53.50; 74.9; 96.9; 97.51; 97A.8; 97A.11;
19 97B.33; 100B.11; 123.53; 152.3; 159.23; 159.29A; 159A.7;
20 161.7; 161C.5; 179.5; 186.5; 218.50; 218.57; 218.86; 218.87;
21 225.22; 225.23; 225.28; 225C.12; 227.7; 229.35; 233B.14;
22 249.8; 255.24; 255.26; 257B.11; 257B.18; 257B.35; 257B.37;
23 257B.39; 257B.40; 257B.42; 257C.9; 261.4; 262.29; 270.5;
24 270.6; 272.11; 272C.7; 298.11; 301.30; 310.7; 313.18; 313.19;
25 313.20; 313.28; 314.3; 315.7; 324A.5; 331.555; 450.84;
26 452A.72; 455B.107; 455B.183A; 455B.246; 455J.2; 456A.19;
27 456A.21; 473.11; 504A.63; 515.129; 518B.2; 518B.5; 524.209;
28 533.62; 534.403; 568.20; 569.4; 602.9109; 641.5; 679B.7;
29 820.24; 904.311; 904.808; Code 2001, are amendeded by striking
30 from the applicable section or subsection the words "director
31 of revenue and finance" and inserting in lieu thereof the
32 following "director of the department of administrative
33 services".

34 b. Sections 7A.3, subsection 1; 8.35A, subsection 1; 96.7,
35 subsection 7; 96.14; 169A.13A; 225.30; 234.6; 251.5; 270.7;

1 602.1304; Code Supplement 2001, are amended by striking from
2 the sections the words "director of revenue and finance" and
3 inserting in lieu thereof the following "director of the
4 department of administrative services".

5 5. a. Sections 2.49, subsection 5; 8.34; 8.63, subsection
6 4; 11.28; 12.6; 12.28; 12B.2; 12B.17; 16.31; 16A.13; 18.9;
7 25.6; 74.9; 97A.8; 100B.11; 175.22; 179.5; 181.13; 184.13;
8 185.26; 185C.26; 255.24A; 256.12; 256.19; 256.20; 256D.4;
9 257.32; 257B.1B; 257C.9; 260A.1; 260C.18B; 260C.24; 282.28;
10 282.31; 283.1; 285.2; 294A.6; 294A.9; 303.14; 313.7; 405A.9;
11 455G.5; 602.9104; 633.545; 804.28; 904.507A; Code 2001, are
12 amended by striking from the sections the words "department of
13 revenue and finance" and inserting in lieu thereof the
14 following "department of administrative services".

15 b. Sections 8.47; 14B.102; 22.7, subsection 32; 256D.6;
16 455G.3; Code Supplement 2001, are amended by striking from the
17 sections the words "department of revenue and finance" and
18 inserting in lieu thereof the following "department of
19 administrative services".

20 Sec. 100. ADMINISTRATIVE RULES -- TRANSITION PROVISIONS.

21 1. Any rule, regulation, form, order, or directive
22 promulgated by any state agency mentioned in this Act,
23 including any agency abolished, merged, or altered in this
24 Act, and in effect on the effective date of this Act shall
25 continue in full force and effect until amended, repealed, or
26 supplemented by affirmative action of the appropriate state
27 agency under the duties and powers of state agencies as
28 established in this Act and under the procedure established in
29 subsection 2.

30 Any license or permit issued by any state agency mentioned
31 in this Act, including any agency abolished, merged, or
32 altered in this Act, and in effect on the effective date of
33 this Act shall continue in full force and effect until
34 expiration or renewal.

35 2. In regard to updating references and format in the Iowa

1 administrative code in order to correspond to the
2 restructuring of state government as established in this Act,
3 the administrative rules coordinator and the administrative
4 rules review committee, in consultation with the Code editor,
5 shall jointly develop a schedule for the necessary updating of
6 the Iowa administrative code.

7 DIVISION II

8 EXECUTIVE COUNCIL REPEAL AND CORRESPONDING CHANGES

9 Sec. 101. Section 1C.2, unnumbered paragraph 3, Code 2001,
10 is amended by striking the unnumbered paragraph.

11 Sec. 102. Section 2.46, subsection 2, Code 2001, is
12 amended to read as follows:

13 2. EXAMINATION. Examine the reports and official acts of
14 ~~the executive council and of~~ each officer, board, commission,
15 and department of the state, in respect to the conduct and
16 expenditures thereof and the receipts and disbursements of
17 public funds thereby. All state departments and agencies are
18 required to immediately notify the legislative fiscal
19 committee of the legislative council and the director of the
20 legislative fiscal bureau if any state facilities within their
21 jurisdiction have been cited for violations of any federal,
22 state, or local laws or regulations or have been decertified
23 or notified of the threat of decertification from compliance
24 with any state, federal, or other nationally recognized
25 certification or accreditation agency or organization.

26 Sec. 103. Section 6A.1, Code 2001, is amended to read as
27 follows:

28 6A.1 EXERCISE OF POWER BY STATE.

29 Proceedings may be instituted and maintained by the state
30 of Iowa, or for the use and benefit thereof, for the
31 condemnation of such private property as may be necessary for
32 any public improvement which the general assembly has
33 authorized to be undertaken by the state, and for which an
34 available appropriation has been made. The ~~executive council~~
35 department of administrative services shall institute and

1 maintain such proceedings in case authority to so do be not
2 otherwise delegated.

3 Sec. 104. Section 6A.2, Code 2001, is amended to read as
4 follows:

5 6A.2 ON BEHALF OF FEDERAL GOVERNMENT.

6 The ~~executive-council~~ department of administrative services
7 may institute and maintain such proceedings when private
8 property is necessary for any use of the government of the
9 United States.

10 Sec. 105. Section 7A.30, unnumbered paragraph 2, Code
11 2001, is amended to read as follows:

12 Inventories maintained in the files of each such agency of
13 state government shall be open to public inspection and
14 available for the information of the ~~executive-council-and~~
15 director of the department of ~~general~~ administrative services.

16 Sec. 106. Section 8.6, subsection 6, Code Supplement 2001,
17 is amended to read as follows:

18 6. INVESTIGATIONS. To make such investigations of the
19 organization, activities and methods of procedure of the
20 several departments and establishments as the director of
21 management may be called upon to make by the governor ~~or-the~~
22 ~~governor-and-executive-council~~, or the legislature.

23 Sec. 107. Section 8.6, subsection 8, Code Supplement 2001,
24 is amended to read as follows:

25 8. RULES. To make such rules, subject to the approval of
26 the governor, as may be necessary for effectively carrying on
27 the work of the department of management. The director may,
28 ~~with-the-approval-of-the-executive-council~~, require any state
29 official, agency, department or commission, to require any
30 applicant, registrant, filer, permit holder or license holder,
31 whether individual, partnership, trust or corporation, to
32 submit to said official, agency, department or commission, the
33 social security or the tax number or both so assigned to said
34 individual, partnership, trust or corporation.

35 Sec. 108. Section 8.23, unnumbered paragraph 1, Code 2001,

1 is amended to read as follows:

2 No obligation of any kind shall be incurred or created
3 subsequent to the last day of the fiscal year for which an
4 appropriation is made, except when specific provision
5 otherwise is made in the Act making the appropriation. On
6 August 31, or as otherwise provided in an appropriation Act,
7 following the close of each fiscal year, all unencumbered or
8 unobligated balances of appropriations made for that fiscal
9 term revert to the state treasury and to the credit of the
10 funds from which the appropriations were made, except that
11 capital expenditures for the purchase of land or the erection
12 of buildings or new construction continue in force until the
13 attainment of the object or the completion of the work for
14 which the appropriations were made unless the Act making an
15 appropriation for the capital expenditure contains a specific
16 provision relating to a time limit for incurring an obligation
17 or reversion of funds. ~~This section does not repeal sections~~
18 ~~7D-11 through 7D-14.~~

19 Sec. 109. Section 9.6, Code Supplement 2001, is amended to
20 read as follows:

21 9.6 IOWA OFFICIAL REGISTER.

22 In odd-numbered years, the secretary of state shall compile
23 for publication the Iowa official register which shall contain
24 historical, political, and other statistics of general value,
25 but nothing of a partisan character. Included in each
26 official register shall be the official canvass of the votes
27 cast at the last general election.

28 Sec. 110. Section 11.32, Code 2001, is amended to read as
29 follows:

30 11.32 CERTIFIED ACCOUNTANTS EMPLOYED.

31 Nothing in this chapter will prohibit the auditor of state,
32 ~~with the prior written permission of the state executive~~
33 ~~council,~~ from employing certified public accountants or
34 registered public accountants for specific assignments. Under
35 the provision of this section, the auditor of state may employ

1 such accountants for any assignment now expressly reserved to
2 the auditor of state. ~~Payments after approval by the~~
3 ~~executive council,~~ will be made to the accountants so employed
4 from funds from which the auditor of state would have been
5 paid had the auditor of state performed the assignment, ~~or if~~
6 ~~no such specific funds are indicated, then payment will be~~
7 ~~made from the funds of the executive council.~~

8 Sec. 111. Section 12.8, unnumbered paragraph 1, Code
9 Supplement 2001, is amended to read as follows:

10 The treasurer of state shall invest or deposit, as provided
11 by law, any of the public funds not currently needed for
12 operating expenses and shall do so upon receipt of monthly
13 notice from the director of revenue and finance of the amount
14 not so needed. In the event of loss on redemption or sale of
15 securities invested as prescribed by law, ~~and if the~~
16 ~~transaction is reported to the executive council,~~ neither the
17 treasurer nor director of revenue and finance is personally
18 liable but the loss shall be charged against the funds which
19 would have received the profits or interest of the investment
20 and there is appropriated from the funds the amount so
21 required.

22 Sec. 112. NEW SECTION. 12.04 ANTICIPATION OF REVENUES.

23 The treasurer of state may anticipate the revenues for any
24 year, when the current revenues for that year are insufficient
25 to pay all warrants issued in that year, by causing state
26 warrants, in an amount not exceeding the estimated state
27 revenues for that year, and bearing interest at a rate not
28 exceeding that permitted by chapter 74A, to be issued,
29 advertised, and sold on sealed bids, and to the bidder
30 offering the lowest interest rate. All bids and all records
31 pertaining thereto shall be kept on file. The treasurer of
32 state shall comply with the provisions of chapter 74.

33 Sec. 113. Section 12.28, subsection 6, Code 2001, is
34 amended to read as follows:

35 6. The maximum principal amount of financing agreements

1 which the treasurer of state can enter into shall be one
2 million dollars per state agency in a fiscal year, subject to
3 the requirements of section 8.46. For the fiscal year, the
4 treasurer of state shall not enter into more than one million
5 dollars of financing agreements per state agency, not
6 considering interest expense. However, the treasurer of state
7 may enter into financing agreements in excess of the one
8 million dollar per agency per fiscal year limit if a
9 constitutional majority of each house of the general assembly,
10 or the legislative council if the general assembly is not in
11 session, and the governor, authorize the treasurer of state to
12 enter into additional financing agreements above the one
13 million dollar authorization contained in this section. The
14 treasurer of state shall not enter into a financing agreement
15 for real or personal property which is to be constructed for
16 use as a prison or prison-related facility without prior
17 authorization by a constitutional majority of each house of
18 the general assembly and approval by the governor of the use,
19 location, and maximum cost, not including interest expense, of
20 the real or personal property to be financed. However,
21 financing agreements for an energy conservation measure, as
22 defined in section 7D-34 8A.107, are exempt from the
23 provisions of this subsection, but are subject to the
24 requirements of section 7D-34 8A.107 or 473.20A. In addition,
25 financing agreements funded through the materials and
26 equipment revolving fund established in section 307.47 are
27 exempt from the provisions of this subsection.

28 Sec. 114. Section 12.30, subsection 2, paragraph a, Code
29 Supplement 2001, is amended to read as follows:

30 a. Select and fix the compensation for, in consultation
31 with the respective authority, through a competitive selection
32 procedure, attorneys, accountants, financial advisors, banks,
33 underwriters, insurers, and other employees and agents which
34 in the treasurer's judgment are necessary to carry out the
35 authority's intention. Prior to the initial selection, the

1 treasurer shall, after consultation with the authorities,
2 establish a procedure which provides for a fair and open
3 selection process including, but not limited to, the
4 opportunity to present written proposals and personal
5 interviews. The treasurer shall maintain a list of firms
6 which have requested to be notified of requests for proposal.
7 The selection criteria shall take into consideration, but are
8 not limited to, compensation, expenses, experience with
9 similar issues, scheduling, ability to provide the services of
10 individuals with specific knowledge in the relevant subject
11 matter and length of the engagement. The treasurer may waive
12 the requirements for a competitive selection procedure for any
13 specific employment upon written notice to the ~~executive~~
14 ~~council~~ governor stating why the waiver is in the public
15 interest. Upon selection by the treasurer, the authority
16 shall promptly employ the individual or firm and be
17 responsible for payment of costs.

18 Sec. 115. Section 12B.10, subsection 6, paragraph h, Code
19 Supplement 2001, is amended to read as follows:

20 h. Investments under the deferred compensation plan
21 established by the ~~executive-council~~ governor pursuant to
22 section 509A.12.

23 Sec. 116. Section 12B.10A, subsection 6, paragraph h, Code
24 Supplement 2001, is amended to read as follows:

25 h. The deferred compensation plan established by the
26 ~~executive-council~~ governor pursuant to section 509A.12.

27 Sec. 117. Section 12B.10B, subsection 3, paragraph h, Code
28 Supplement 2001, is amended to read as follows:

29 h. The deferred compensation plan established by the
30 ~~executive-council~~ governor pursuant to section 509A.12.

31 Sec. 118. Section 12B.10C, subsection 7, Code Supplement
32 2001, is amended to read as follows:

33 7. The deferred compensation plan established by the
34 ~~executive-council~~ governor pursuant to section 509A.12.

35 Sec. 119. Section 12C.1, subsection 1, Code Supplement

1 2001, is amended to read as follows:

2 1. All funds held by the following officers or
3 institutions shall be deposited in one or more depositories
4 first approved by the appropriate governing body as indicated:
5 for the treasurer of state, by the ~~executive-council~~ governor;
6 for judicial officers and court employees, by the supreme
7 court; for the county treasurer, recorder, auditor, and
8 sheriff, by the board of supervisors; for the city treasurer
9 or other designated financial officer of a city, by the city
10 council; for the county public hospital or merged area
11 hospital, by the board of hospital trustees; for a memorial
12 hospital, by the memorial hospital commission; for a school
13 corporation, by the board of school directors; for a city
14 utility or combined utility system established under chapter
15 388, by the utility board; for a library service area
16 established under chapter 256, by the library service area
17 board of trustees; and for an electric power agency as defined
18 in section 28F.2 or 476A.20, by the governing body of the
19 electric power agency. However, the treasurer of state and
20 the treasurer of each political subdivision or the designated
21 financial officer of a city shall invest all funds not needed
22 for current operating expenses in time certificates of deposit
23 in approved depositories pursuant to this chapter or in
24 investments permitted by section 12B.10. The list of public
25 depositories and the amounts severally deposited in the
26 depositories are matters of public record. This subsection
27 does not limit the definition of "public funds" contained in
28 subsection 2. Notwithstanding provisions of this section to
29 the contrary, public funds of a state government deferred
30 compensation plan established by the ~~executive-council~~
31 governor may also be invested in the investment products
32 authorized under section 509A.12.

33 Sec. 120. Section 12E.2, subsection 10, Code Supplement
34 2001, is amended to read as follows:

35 10. "Program plan" means the tobacco settlement program

1 plan dated February 14, 2001, including exhibits to the
2 program plan, submitted by the authority to the legislative
3 council ~~and the executive council~~, to provide the state with a
4 secure and stable source of funding for the purposes
5 designated by this chapter and section 12.65.

6 Sec. 121. Section 12E.9, subsection 5, Code Supplement
7 2001, is amended to read as follows:

8 5. The authority, the treasurer of state, and the attorney
9 general shall report to the legislative council ~~and the~~
10 ~~executive council~~ on or before the date of the sale, advising
11 them of the status of the sale, its terms, and conditions.

12 Sec. 122. Section 13.2, subsection 2, Code 2001, is
13 amended to read as follows:

14 2. Prosecute and defend in any other court or tribunal,
15 all actions and proceedings, civil or criminal, in which the
16 state may be a party or interested, when, in the attorney
17 general's judgment, the interest of the state requires such
18 action, or when requested to do so by the governor ~~7~~-~~executive~~
19 ~~council~~7 or general assembly.

20 Sec. 123. Section 13.3, Code 2001, is amended to read as
21 follows:

22 13.3 DISQUALIFICATION -- SUBSTITUTE.

23 1. If, for any reason, the attorney general be
24 disqualified from appearing in any action or proceeding, the
25 ~~executive council~~ governor shall appoint some suitable person
26 for that purpose and defray the reasonable expense thereof
27 from any unappropriated funds in the state treasury. The
28 department involved in the action or proceeding shall be
29 requested to recommend a suitable person to represent the
30 department and when the ~~executive council~~ governor concurs in
31 the recommendation, the person recommended shall be appointed.

32 2. If the governor or a department is represented by an
33 attorney other than the attorney general in a court proceeding
34 as provided in this section, at the conclusion of the court
35 proceedings, the court shall review the fees charged to the

1 state to determine if the fees are fair and reasonable. The
2 ~~executive-council~~ governor shall not reimburse attorneys'
3 attorney fees in excess of those determined by the court to be
4 fair and reasonable.

5 Sec. 124. Section 13.7, Code 2001, is amended to read as
6 follows:

7 13.7 SPECIAL COUNSEL.

8 Compensation shall not be allowed to any person for
9 services as an attorney or counselor to an executive
10 department of the state government, or the head thereof, or to
11 a state board or commission. However, the ~~executive-council~~
12 governor may employ legal assistance, at a reasonable
13 compensation, in a pending action or proceeding to protect the
14 interests of the state, but only upon a sufficient showing, in
15 writing, made by the attorney general, that the department of
16 justice cannot for reasons stated by the attorney general
17 perform the service, which reasons and action of the council
18 shall be entered upon its records. When the attorney general
19 determines that the department of justice cannot perform legal
20 service in an action or proceeding, the ~~executive-council~~
21 governor shall request the department involved in the action
22 or proceeding to recommend legal counsel to represent the
23 department. If the attorney general concurs with the
24 department that the person recommended is qualified and
25 suitable to represent the department, the person recommended
26 shall be employed. If the attorney general does not concur in
27 the recommendation, the department shall submit a new
28 recommendation. This section does not affect the general
29 counsel for the utilities board of the department of commerce,
30 or the legal counsel of the department of workforce
31 development.

32 Sec. 125. Section 15.108, subsection 9, paragraph c, Code
33 Supplement 2001, is amended to read as follows:

34 c. Except as otherwise provided in sections 7B-33 8A.106,
35 260C.14, and 262.9, provide that an inventor whose research is

1 funded in whole or in part by the state shall assign to the
2 state a proportionate part of the inventor's rights to a
3 letter patent resulting from that research. Royalties or
4 earnings derived from a letter patent shall be paid to the
5 treasurer of state and credited by the treasurer to the
6 general fund of the state. However, the department in
7 conjunction with other state agencies, including the board of
8 regents, shall provide incentives to inventors whose research
9 is funded in whole or in part by the state for having their
10 products produced in the state. These incentives may include
11 taking a smaller portion of the inventor's royalties or
12 earnings than would otherwise occur under this paragraph or
13 other provisions of the law.

14 Sec. 126. Section 18.6, subsection 8, Code 2001, is
15 amended to read as follows:

16 8. The director shall establish rules providing that any
17 state agency may, upon request, purchase directly from a
18 vendor if the direct purchasing is as economical or more
19 economical than purchasing through the department, or upon a
20 showing that direct purchasing by the state agency would be in
21 the best interests of the state due to an immediate or
22 emergency need. The rules shall include a provision
23 permitting a state agency to purchase directly from a vendor,
24 on the agency's own authority, if the purchase will not exceed
25 five thousand dollars and the purchase will contribute to the
26 agency complying with or exceeding the targeted small business
27 procurement goals under sections 73.15 through 73.21.

28 ~~Any member of the executive council may bring before the~~
29 ~~council for review a decision of the director granting a state~~
30 ~~agency request for direct purchasing. The executive council~~
31 ~~shall hear and review the director's decision in the same~~
32 ~~manner as an appeal filed by an aggrieved bidder, except that~~
33 ~~the three-day period for filing for review shall not apply.~~

34 Sec. 127. Section 18.7, Code 2001, is amended to read as
35 follows:

1 18.7 DISPUTES INVOLVING PURCHASING FROM IOWA STATE
2 INDUSTRIES.

3 Disputes arising between the department of corrections and
4 a purchasing department or agency over the procurement of
5 products from Iowa state industries as described in section
6 904.808 shall be referred to the director. The decision of
7 the director is final ~~unless a written appeal is filed with~~
8 ~~the executive council within five days of receipt of the~~
9 ~~decision of the director, excluding Saturdays, Sundays, and~~
10 ~~legal holidays. If an appeal is filed, the executive council~~
11 ~~shall hear and determine the appeal within thirty days. The~~
12 ~~decision of the executive council is final.~~

13 Sec. 128. Section 18.9, subsection 1, Code 2001, is
14 amended to read as follows:

15 1. At the end of each month the director administrator
16 shall render a statement to each state agency for the actual
17 cost of items purchased through the department division, the
18 actual cost of services and postage used by the agency. The
19 monthly statement shall also include a fair proportion of the
20 cost of administration of the ~~department of general services~~
21 division during the month. The portion of administrative
22 costs shall be determined by the director administrator
23 subject to review by the ~~executive council~~ director of the
24 department of administrative services upon complaint from any
25 state agency adversely affected.

26 Sec. 129. Section 18.12, subsection 7, Code 2001, is
27 amended to read as follows:

28 7. ~~Contract, with the approval of the executive council,~~
29 for the repair, remodeling or, if the condition warrants,
30 demolition of all buildings and grounds of the state at the
31 seat of government and the institutions of the department of
32 human services and the department of corrections for which no
33 specific appropriation has been made, if the cost of repair,
34 remodeling or demolition will not exceed one hundred thousand
35 dollars when completed. If no specific appropriation has been

1 made, the proposed contract shall be submitted to the state
2 appeal board for approval. The cost of repair projects for
3 which no specific appropriation has been made shall be paid
4 from ~~the fund provided in section 7D-29~~ moneys in the state
5 treasury not otherwise appropriated.

6 Sec. 130. Section 18.12, subsection 9, Code 2001, is
7 amended to read as follows:

8 9. a. Lease all buildings and office space necessary to
9 carry out the provisions of this chapter or necessary for the
10 proper functioning of any state agency at the seat of
11 government. For state agencies at the seat of government, the
12 director may lease buildings and office space in Polk county
13 or in a county contiguous to Polk county. If no specific
14 appropriation has been made, the proposed lease shall be
15 submitted to the ~~executive council~~ state appeal board for
16 approval. The cost of any lease for which no specific
17 appropriation has been made shall be paid from ~~the fund~~
18 ~~provided in section 7D-29~~ moneys in the state treasury not
19 otherwise appropriated.

20 b. When the general assembly is not in session, the
21 director may request moneys from the ~~executive council~~ state
22 appeal board for moving state agencies located at the seat of
23 government from one location to another. The request may
24 include moving costs, telecommunications costs, repair costs,
25 or any other costs relating to the move. The ~~executive~~
26 ~~council~~ state appeal board may approve and shall pay the costs
27 from ~~funds provided in section 7D-29~~ moneys in the state
28 treasury not otherwise appropriated if it determines the
29 agency or department has no available funds for these
30 expenses.

31 c. Coordinate the leasing of buildings and office space by
32 state agencies throughout the state and develop cooperative
33 relationships with the state board of regents in order to
34 promote the colocation of state agencies.

35 Sec. 131. Section 18.12, subsection 12, Code 2001, is

1 amended to read as follows:

2 12. With the authorization of a constitutional majority of
3 each house of the general assembly and approval by the
4 governor, dispose of real property belonging to the state and
5 its state agencies upon terms, conditions, and consideration
6 as the director may recommend. If real estate subject to sale
7 under this subsection has been purchased or acquired from
8 appropriated funds, the proceeds of the sale shall be
9 deposited with the treasurer of state and credited to the
10 general fund of the state or other fund from which
11 appropriated. There is appropriated from that same fund, with
12 ~~the prior approval of the executive council~~ and in cooperation
13 with the ~~director~~ administrator, a sum equal to the proceeds
14 so deposited and credited to the state agency to which the
15 disposed property belonged or by which it was used, for
16 purposes of the state agency.

17 Sec. 132. Section 18.95, Code 2001, is amended to read as
18 follows:

19 18.95 OLD CODES.

20 The state printing ~~administrator~~ bureau chief may
21 distribute to law enforcement officers and other persons in
22 the ~~administrator's~~ bureau chief's discretion all Codes and
23 Code Supplements which have been supplanted by a newly issued
24 Code, and all session laws which antedate the publication of
25 the last issued Code by at least four years. However, the
26 ~~administrator~~ bureau chief shall maintain in reserve a number
27 of copies of each publication as may be fixed by the director.
28 ~~The reserve, when fixed, shall not be distributed except on~~
29 ~~the order of the executive council.~~ Requests for publications
30 shall be handled upon receipt of postage by the ~~administrator~~
31 bureau chief. However, county officials requesting
32 publications under this section shall not be required to pay
33 postage.

34 Sec. 133. Section 18.119, unnumbered paragraph 2, Code
35 2001, is amended to read as follows:

1 At the end of each month the state fleet administrator
2 bureau chief shall render a statement to each state department
3 or agency thereof for the actual cost of operation of all
4 motor vehicles assigned to such department or agency, together
5 with a fair proportion of the cost of administration of the
6 state fleet administrator's bureau chief's office during such
7 month, as shall be determined by the administrator, ~~all~~
8 ~~subject to review by the executive council upon complaint of~~
9 ~~any state department or agency adversely affected~~ bureau
10 chief. Such expense shall be paid by the state departments or
11 agencies in the same manner as other expenses of such
12 department are paid, and when such cost of operation and
13 administration is paid by the department, such sum shall be
14 credited to the state fleet administrator bureau chief
15 revolving fund. If any surplus accrues to said revolving fund
16 in excess of twenty-five thousand dollars for which there is
17 no anticipated need or use, the governor may order such
18 surplus turned over to the general fund of the state.

19 Sec. 134. Section 19A.32, Code Supplement 2001, is amended
20 to read as follows:

21 19A.32 WORKERS' COMPENSATION CLAIMS.

22 The director shall employ appropriate staff to handle and
23 adjust claims of state employees for workers' compensation
24 benefits pursuant to chapters 85, 85A, 85B, and 86, or ~~with~~
25 ~~the approval of the executive council~~ contract for the
26 services or purchase workers' compensation insurance coverage
27 for state employees or selected groups of state employees. A
28 state employee workers' compensation fund is established to
29 pay state employee workers' compensation claims and
30 administrative costs. The department shall establish a rating
31 formula and assess premiums to all agencies, departments, and
32 divisions of the state including those which have not received
33 an appropriation for the payment of workers' compensation
34 insurance and which operate from moneys other than from the
35 general fund of the state. The department shall collect the

1 premiums and deposit them into the state employee workers'
2 compensation fund. Notwithstanding section 8.33, moneys
3 deposited in the state employee workers' compensation fund
4 shall not revert to the general fund of the state at the end
5 of any fiscal year, but shall remain in the state employee
6 workers' compensation fund and be continuously available to
7 pay state employee workers' compensation claims. The director
8 may, to the extent practicable, contract with a private
9 organization to handle the processing and payment of claims
10 and services rendered under the provisions of this section.

11 Sec. 135. NEW SECTION. 24A.1 STATE APPEAL BOARD --
12 COMPROMISE OF CLAIMS.

13 The state appeal board, on a written report to it by the
14 attorney general together with the attorney general's opinion
15 as to the legal effect of the facts, may determine the terms
16 on which claims of doubtful equity or collectibility, and in
17 favor of the state, may be compromised and settled with all or
18 any of the parties thereto. Such terms may be withdrawn prior
19 to acceptance, or in case the debtor fails to comply therewith
20 within a reasonable time. The attorney general shall have
21 full authority to execute all papers necessary to effect any
22 such settlement.

23 Sec. 136. NEW SECTION. 24A.2 STATE APPEAL BOARD -- COURT
24 COSTS.

25 If sufficient funds for court costs have not been
26 appropriated to a state department, or if sufficient funds are
27 not otherwise available for such purposes within the budget of
28 a state department, the state appeal board may pay, out of any
29 money in the state treasury not otherwise appropriated,
30 expenses incurred, or costs taxed to the state, in any
31 proceeding brought by or against any of the state departments
32 or in which the state is a party or is interested. This
33 section shall not be construed to authorize the payment of
34 travel or other personal expenses of state officers or
35 employees.

1 Sec. 137. NEW SECTION. 24A.3 STATE APPEAL BOARD --
2 ALLOCATION TO MANURE STORAGE INDEMNITY FUND.

3 If moneys are not sufficient to support the manure storage
4 indemnity fund as provided in chapter 455J, the state appeal
5 board may allocate from moneys in the general fund of the
6 state, which are not otherwise obligated or encumbered, an
7 amount to the manure storage indemnity fund as provided under
8 section 455J.2. However, not more than a total of one million
9 dollars shall be allocated to the manure storage indemnity
10 fund at any time.

11 Sec. 138. Section 28D.6, subsection 3, Code 2001, is
12 amended to read as follows:

13 3. Employees who are detailed to the receiving agency
14 shall not by virtue of such detail be considered to be
15 employees thereof, except as provided in subsection 4. The
16 supervision of the duties of such employees, as well as the
17 contribution of each agency to the salary or wage of such
18 employees during the period of detail, may be governed by
19 agreement between the sending agency and the receiving agency.
20 The agreement shall be subject to the approval of the
21 ~~executive-council~~ director of the department of administrative
22 services for state participation and the local governing body
23 in the case of an agreement involving a political subdivision
24 of the state.

25 Sec. 139. Section 29A.27, unnumbered paragraph 8, Code
26 Supplement 2001, is amended to read as follows:

27 All payments herein provided for shall be paid on the
28 approval of the adjutant general from the contingent fund of
29 the ~~executive-council~~ state appeal board.

30 Sec. 140. Section 29A.57, subsection 2, Code 2001, is
31 amended to read as follows:

32 2. The board may acquire land or real estate by purchase,
33 contract for purchase, gift, or bequest and acquire, own,
34 contract for the construction of, erect, purchase, maintain,
35 alter, operate, and repair installations and facilities of the

1 Iowa national guard and the Iowa air national guard when funds
2 for the installations and facilities are made available by the
3 federal government, the state of Iowa, municipalities,
4 corporations or individuals. The title to the property so
5 acquired shall be taken in the name of the state of Iowa and
6 the real estate may be sold or exchanged by the ~~executive~~
7 ~~council~~ department of administrative services, upon
8 recommendation of the board, when it is no longer needed for
9 the purpose for which it was acquired. Income or revenue
10 derived from the sale of the real estate shall be credited to
11 the national guard facilities improvement fund and used for
12 the purposes specified in section 29A.14, subsection 2.

13 Sec. 141. Section 29A.57, subsection 7, Code 2001, is
14 amended to read as follows:

15 7. There is no liability to the state of Iowa under this
16 section. Members of the armory board and employees of the
17 ~~state-executive-council~~ department of administrative services
18 shall not be held to any personal or individual liability for
19 any action taken by them under this chapter.

20 Sec. 142. Section 29C.20, Code 2001, is amended to read as
21 follows:

22 29C.20 CONTINGENT FUND -- DISASTER AID.

23 1. A contingent fund is created in the state treasury for
24 the use of the ~~executive-council~~ state appeal board which may
25 be expended for the purpose of paying the expenses of
26 suppressing an insurrection or riot, actual or threatened,
27 when state aid has been rendered by order of the governor, and
28 for repairing, rebuilding, or restoring state property
29 injured, destroyed, or lost by fire, storm, theft, or
30 unavoidable cause, and for repairing, rebuilding, or restoring
31 state property which is fiberoptic cable and which is injured
32 or destroyed by a wild animal, and for aid to any governmental
33 subdivision in an area declared by the governor to be a
34 disaster area due to natural disasters or to expenditures
35 necessitated by the governmental subdivision toward averting

1 or lessening the impact of the potential disaster, where the
2 effect of the disaster or action on the governmental
3 subdivision is the immediate financial inability to meet the
4 continuing requirements of local government. Upon application
5 by a governmental subdivision in such an area, accompanied by
6 a showing of obligations and expenditures necessitated by an
7 actual or potential disaster in a form and with further
8 information the ~~executive-council~~ state appeal board requires,
9 the aid may be made in the discretion of the ~~executive-council~~
10 state appeal board and, if made, shall be in the nature of a
11 loan up to a limit of seventy-five percent of the showing of
12 obligations and expenditures. The loan, without interest,
13 shall be repaid by the maximum annual emergency levy
14 authorized by section 24.6, or by the appropriate levy
15 authorized for a governmental subdivision not covered by
16 section 24.6. The aggregate total of loans shall not exceed
17 one million dollars during a fiscal year. A loan shall not be
18 for an obligation or expenditure occurring more than two years
19 previous to the application.

20 When a state department or agency requests that moneys from
21 the contingent fund be expended to repair, rebuild, or restore
22 state property injured, destroyed, or lost by fire, storm,
23 theft, or unavoidable cause, or to repair, rebuild, or restore
24 state property which is fiberoptic cable and which is injured
25 or destroyed by a wild animal, the ~~executive-council~~ state
26 appeal board shall consider the original source of the funds
27 for acquisition of the property before authorizing the
28 expenditure. If the original source was other than the
29 general fund of the state, the department or agency shall be
30 directed to utilize moneys from the original source if
31 possible. The ~~executive-council~~ state appeal board shall not
32 authorize the repairing, rebuilding, or restoring of the
33 property from the disaster aid contingent fund if it
34 determines that moneys from the original source are available
35 to finance the project.

1 2. The proceeds of such loan shall be applied toward the
2 payment of costs and obligations necessitated by such actual
3 or potential disaster and the reimbursement of local funds
4 from which such expenditures have been made. Any such project
5 for repair, rebuilding or restoration of state property for
6 which no specific appropriation has been made, shall, before
7 work is begun, be subject to approval or rejection by the
8 ~~executive-council~~ state appeal board.

9 3. If the president of the United States, at the request
10 of the governor, has declared a major disaster to exist in
11 this state, the ~~executive-council~~ state appeal board may make
12 financial grants to meet disaster-related necessary expenses,
13 serious needs, or hazard mitigation projects of local
14 governments and eligible private nonprofit agencies adversely
15 affected by the major disaster if those expenses or needs
16 cannot otherwise be met from other means of assistance. The
17 amount of the grant shall not exceed ten percent of the total
18 eligible expenses and is conditional upon the federal
19 government providing at least seventy-five percent for public
20 assistance grants and at least fifty percent for hazard
21 mitigation grants of the eligible expenses.

22 4. If the president, at the request of the governor, has
23 declared a major disaster to exist in this state, the
24 ~~executive-council~~ state appeal board may make financial grants
25 to meet disaster-related necessary expenses or serious needs
26 of individuals or families adversely affected by a major
27 disaster which cannot otherwise adequately be met from other
28 means of assistance. The amount of a financial grant shall
29 not exceed the maximum federal authorization in the aggregate
30 to an individual or family in any single major disaster
31 declared by the president. All grants authorized to
32 individuals and families will be subject to the federal
33 government providing no less than seventy-five percent of each
34 grant and the declaration of a major disaster in the state by
35 the president of the United States.

1 5. If the president, at the request of the governor, has
2 declared a major disaster to exist in this state, the
3 ~~executive-council~~ state appeal board may lease or purchase
4 sites and develop such sites to accommodate temporary housing
5 units for disaster victims.

6 6. For the purposes of this section, "governmental
7 subdivision" means any political subdivision of this state.

8 Sec. 143. Section 43.73, unnumbered paragraph 1, Code
9 2001, is amended to read as follows:

10 Not less than sixty-nine days before the general election
11 the state commissioner shall certify to each commissioner,
12 under separate party headings, the name of each person
13 nominated as shown by the official canvass made by the
14 ~~executive-council~~ state canvassing board as described in
15 section 50.37, or as certified to the state commissioner by
16 the proper persons when any person has been nominated by a
17 convention or by a party committee, or by petition, the office
18 to which the person is nominated, and the order in which
19 federal and state offices, judges, constitutional amendments,
20 and state public measures shall appear on the official ballot.

21 Sec. 144. Section 50.37, Code 2001, is amended to read as
22 follows:

23 50.37 STATE CANVASSING BOARD.

24 ~~The executive-council-shall-constitute-a-board-of~~
25 ~~canvassers-of~~ state canvassing board shall canvass all
26 abstracts of votes required to be filed with the state
27 commissioner, except for the offices of governor and
28 lieutenant governor. Any clerical error found by the
29 secretary of state or state board of canvassers shall be
30 corrected by the county commissioner in a letter addressed to
31 the state board of canvassers. For purposes of this chapter,
32 the state canvassing board shall consist of the governor,
33 secretary of state, auditor of state, treasurer of state, and
34 secretary of agriculture.

35 Sec. 145. Section 67.3, Code 2001, is amended to read as

1 follows:

2 67.3 REFUSAL TO OBEY SUBPOENA -- FEES.

3 If any witness, duly subpoenaed, refuses to obey said
4 subpoena, or refuses to testify, said commission shall certify
5 said fact to the district court of the county where the
6 investigation is being had and said court shall proceed with
7 said witness in the same manner as though said refusal had
8 occurred in a legal proceeding before said court or judge.

9 Witnesses shall be paid in the manner provided for
10 witnesses ~~before-the-executive-council~~ in section 66.28 and
11 from the same appropriation.

12 Sec. 146. Section 67.5, subsection 2, Code 2001, is
13 amended by striking the subsection.

14 Sec. 147. Section 72.2, Code 2001, is amended to read as
15 follows:

16 72.2 ~~EXECUTIVE-COUNCIL~~ GOVERNOR MAY AUTHORIZE
17 INDEBTEDNESS.

18 Nothing herein contained shall prevent the incurring of an
19 indebtedness on account of support funds for state
20 institutions, upon the prior written direction of the
21 ~~executive-council~~ governor, specifying the items and amount of
22 such indebtedness to be increased, and the necessity therefor.

23 Sec. 148. Section 74.1, subsection 3, Code 2001, is
24 amended to read as follows:

25 3. The procedures of this chapter also apply to the
26 issuance of anticipatory warrants by the state under section
27 ~~7D-8~~ 12.26A.

28 Sec. 149. Section 75.8, Code 2001, is amended to read as
29 follows:

30 75.8 SALE OF STATE BONDS.

31 All contracts for the sale of bonds issued by the state
32 shall be subject to the approval of the ~~executive-council~~
33 governor.

34 Sec. 150. Section 86.8, unnumbered paragraph 2, Code 2001,
35 is amended to read as follows:

1 Subject to the approval of the director of the department
2 of workforce development, the commissioner may enter into
3 contracts with any state agency, with or without
4 reimbursement, for the purpose of obtaining the services,
5 facilities, and personnel of the agency and with the consent
6 of any state agency or political subdivision of the state,
7 accept and use the services, facilities, and personnel of the
8 agency or political subdivision, and employ experts and
9 consultants or organizations in order to expeditiously,
10 efficiently, and economically effectuate the purposes of this
11 chapter. ~~The agreements under this paragraph are subject to~~
12 ~~approval by the executive council if approval is required by~~
13 ~~law.~~

14 Sec. 151. Section 88.2, subsection 4, Code 2001, is
15 amended to read as follows:

16 4. Subject to the approval of the director of the
17 department of workforce development, the labor commissioner
18 may enter into contracts with any state agency, with or
19 without reimbursement, for the purpose of obtaining the
20 services, facilities, and personnel of the agency, and with
21 the consent of any state agency or any political subdivision
22 of the state, accept and use the services, facilities, and
23 personnel of the agency or political subdivision, and employ
24 experts and consultants or organizations, in order to
25 expeditiously, efficiently, and economically effectuate the
26 purposes of this chapter. ~~The agreements under this~~
27 ~~subsection are subject to approval of the executive council if~~
28 ~~approval is required by law.~~

29 Sec. 152. Section 96.13, subsection 3, paragraph c, Code
30 2001, is amended to read as follows:

31 c. The department may appear before the ~~executive council~~
32 state appeal board and request funds to meet unanticipated
33 emergencies.

34 Sec. 153. Section 97B.7A, subsection 5, as enacted by 2001
35 Iowa Acts, chapter 68, section 11, is amended to read as

1 records and statistics which shall install, maintain, and
2 operate the system of vital statistics throughout the state.
3 No system for the registration of births, deaths, fetal
4 deaths, adoptions, marriages, dissolutions, and annulments,
5 shall be maintained in the state or any of its political
6 subdivisions other than the one provided for in this chapter.
7 Suitable quarters shall be provided for the division by the
8 ~~executive-council~~ department of administrative services at the
9 seat of government. The quarters shall be properly equipped
10 for the permanent and safe preservation of all official
11 records made and returned under this chapter.

12 Sec. 159. Section 147.102, Code 2001, is amended to read
13 as follows:

14 147.102 PSYCHOLOGISTS, CHIROPRACTORS, AND DENTISTS.

15 Notwithstanding the provisions of this subtitle, every
16 application for a license to practice psychology,
17 chiropractic, or dentistry shall be made directly to the
18 chairperson, executive director, or secretary of the examining
19 board of such profession, and every reciprocal agreement for
20 the recognition of any such license issued in another state
21 shall be negotiated by the examining board for such
22 profession. All examination, license, and renewal fees
23 received from persons licensed to practice any of such
24 professions shall be paid to and collected by the chairperson,
25 executive director, or secretary of the examining board of
26 such profession, who shall transmit the fees to the treasurer
27 of state for deposit into the general fund of the state. The
28 salary of the secretary shall be established by the governor
29 ~~with-the-approval-of-the-executive-council~~ pursuant to section
30 19A.9, subsection 2, under the pay plan for exempt positions
31 in the executive branch of government.

32 Sec. 160. Section 147.103A, subsection 4, Code 2001, is
33 amended to read as follows:

34 4. Applications for a license shall be made to the
35 chairperson, executive director, or secretary of the board.

1 All examination, license, and renewal fees shall be paid to
2 and collected by the chairperson, executive director, or
3 secretary of the board, who shall transmit the fees to the
4 treasurer of state for deposit in the general fund of the
5 state. The salary of the executive director of the board
6 shall be established by the governor ~~with-approval-of-the~~
7 ~~executive-council~~ pursuant to section 19A.9, subsection 2,
8 under the pay plan for exempt positions in the executive
9 branch of government.

10 Sec. 161. Section 152.2, Code 2001, is amended to read as
11 follows:

12 152.2 EXECUTIVE DIRECTOR -- ASSISTANTS.

13 The board shall appoint a full-time executive director. The
14 executive director shall be a registered nurse and shall not
15 be a member of the board. The governor, ~~with-the-approval-of~~
16 ~~the-executive-council~~ pursuant to section 19A.9, subsection 2,
17 under the pay plan for exempt positions in the executive
18 branch of government, shall set the salary of the executive
19 director.

20 Sec. 162. Section 161E.14, unnumbered paragraph 2, Code
21 2001, is amended to read as follows:

22 The county auditor shall certify to the ~~executive-council~~
23 ~~of-the-state~~ department of management the amounts allocated to
24 each school district in the previous year, on January 2 of
25 each year. The remaining ten percent of a payment received by
26 the county treasurer from the federal government, or as much
27 thereof as is deemed necessary by the board of supervisors,
28 shall be allocated to the local fire departments of the
29 unincorporated villages, townships, and cities of the county
30 which are principally affected by the federal flood control
31 project involved, to be paid and prorated among them as
32 determined by the board of supervisors. If the funds prorated
33 to local fire departments in a county are less than ten
34 percent of the total county share of such federal payments for
35 a year, the amount which exceeds the prorations shall revert

1 back to and be divided equally between the secondary road fund
2 and the local school district fund.

3 Sec. 163. Section 163.15, Code 2001, is amended to read as
4 follows:

5 163.15 INDEMNIFYING OWNER.

6 Whenever any animal is found to be infected with one of the
7 contagious diseases enumerated in section 163.2 or one which
8 has been designated by the department thereunder, if there be
9 no other provisions for indemnifying the owner in case the
10 same be condemned and ordered by the department to be killed,
11 and the secretary of agriculture determines that the existence
12 of said communicable disease constitutes a threat to the
13 general welfare or the public health of the inhabitants of the
14 state, the secretary shall formulate a program of eradication
15 including therein the condemnation and killing of the infected
16 animals; provided however, that said program shall not be put
17 into effect as hereinafter provided until the same has been
18 approved by the ~~executive-council~~ governor.

19 Any animal killed under such a program shall be appraised
20 by three competent and disinterested persons, one to be
21 appointed by the state department of agriculture and land
22 stewardship, one by the owner, and the third by the other two,
23 and it shall be their duty to appraise and report their
24 appraisal under oath to the department of agriculture and land
25 stewardship, and they shall receive such compensation and
26 expenses as shall be provided for in the program. Any claim
27 for indemnity filed by the owner of such animal or animals so
28 appraised shall not exceed the amount agreed upon by the
29 majority of the appraisers based on current market prices
30 except in the case of registered purebred stock, then the
31 amount payable for indemnity may exceed market prices by not
32 more than fifty percent less any indemnity which the owner
33 might be allowed from the United States department of
34 agriculture. No indemnity shall be allowed for infected
35 animals if it is determined by the department of agriculture

1 and land stewardship that such animals have been fed raw
2 garbage. Claims for indemnity and those filed by the
3 appraisers for compensation and expenses shall be filed with
4 the secretary of agriculture and submitted by the secretary to
5 the ~~executive-council~~ state appeal board for its approval or
6 disapproval. There is appropriated from any funds in the
7 state treasury not otherwise appropriated sufficient funds to
8 carry out the provisions of this section.

9 Sec. 164. Section 163.51, subsection 4, Code Supplement
10 2001, is amended to read as follows:

11 4. a. To the extent that an animal's owner would not
12 otherwise be compensated, section 163.15 shall apply to the
13 owner's loss of any animal destroyed under this section.

14 b. Upon the request of the ~~executive-council~~ state appeal
15 board, the department shall develop and submit a plan to the
16 ~~executive-council~~ state appeal board that compensates an owner
17 of property, other than an animal, that is inadvertently
18 destroyed by the department as a result of the department's
19 regulation of activities in a quarantined area. The plan
20 shall not be implemented without the approval of at least
21 ~~three~~ two members of the ~~executive-council~~ state appeal board.
22 The payment of the compensation under the plan shall be made
23 in the same manner as provided in section 163.15. The owner
24 may submit a claim for compensation prior to the plan's
25 implementation. The ~~executive-council~~ state appeal board may
26 apply the plan retroactively, but not earlier than June 1,
27 2001.

28 Sec. 165. Section 173.16, unnumbered paragraph 1, Code
29 Supplement 2001, is amended to read as follows:

30 All expenses incurred in maintaining the state fairgrounds
31 and in conducting the annual fair on it, including the
32 compensation and expenses of the officers, members, and
33 employees of the board, shall be recorded by the secretary and
34 paid from the state fair receipts, unless a specific
35 appropriation has been provided for that purpose. The board

1 may request special capital improvement appropriations from
2 the state and may request emergency funding from the ~~executive~~
3 ~~council~~ state appeal board for natural disasters. The board
4 may request that the department of transportation provide
5 maintenance in accordance with section 307A.2, subsection 11.
6 Sec. 166. Section 173.19, Code 2001, is amended to read as
7 follows:

8 173.19 EXAMINATION OF FINANCIAL AFFAIRS.

9 The auditor of state shall annually examine and report to
10 the ~~executive-council~~ governor all financial affairs of the
11 board.

12 Sec. 167. Section 233A.6, Code 2001, is amended to read as
13 follows:

14 233A.6 VISITS.

15 ~~Members-of-the-executive-council,-the~~ The governor,
16 lieutenant governor, secretary of state, auditor of state,
17 treasurer of state, secretary of agriculture, attorney
18 general, ~~the-lieutenant-governor,~~ members of the general
19 assembly, judges of the supreme and district court and court
20 of appeals, magistrates, county attorneys, and persons
21 ordained or designated as regular leaders of a religious
22 community are authorized to visit the state training school at
23 reasonable times. No other person shall be granted admission
24 except by permission of the superintendent.

25 Sec. 168. Section 257B.6, Code 2001, is amended to read as
26 follows:

27 257B.6 SALE WITHOUT APPRAISEMENT.

28 When the county board of supervisors has once offered for
29 sale school lands held under section 257B.1A in compliance
30 with the requirements of this chapter, and they remain unsold,
31 and it is unable to obtain the appraised value of the lands
32 and, in the opinion of the board, it is for the best interests
33 of the permanent school fund that the lands be sold for a less
34 price, it may instruct the auditor to transmit to the
35 secretary of state a certified copy of its proceedings in

1 relation to the order of sale of the land and subsequent
2 proceedings in relation to the sale, including the action of
3 the township trustees, and the price per acre at which the
4 land had been appraised. The secretary of state shall submit
5 the transcript of the proceedings to the ~~executive-council~~
6 department of education; and if it approves of a sale at a
7 less sum, it shall certify the approval to the auditor of the
8 county from which the transcript came. The certificate shall
9 be recorded in the minute book of the board of supervisors,
10 and the land may again be offered and sold to the highest
11 bidder without again being appraised, after notice given as in
12 case of sales in the first instance.

13 Sec. 169. Section 257B.20, subsection 3, Code Supplement
14 2001, is amended to read as follows:

15 3. In savings accounts or in time deposits in Iowa banks
16 approved as depositories by the ~~executive-council~~ treasurer of
17 state.

18 Sec. 170. Section 262.9, subsection 7, Code Supplement
19 2001, is amended to read as follows:

20 7. With the approval of the ~~executive-council~~ governor,
21 acquire real estate for the proper uses of said institutions,
22 and dispose of real estate belonging to said institutions when
23 not necessary for their purposes. A disposal of such real
24 estate shall be made upon such terms, conditions and
25 consideration as the board may recommend and subject to the
26 approval of the ~~executive-council~~ governor. If real estate
27 subject to sale hereunder has been purchased or acquired from
28 appropriated funds, the proceeds of such sale shall be
29 deposited with the treasurer of state and credited to the
30 general fund of the state. There is hereby appropriated from
31 the general fund of the state a sum equal to the proceeds so
32 deposited and credited to the general fund of the state to the
33 state board of regents which, with the prior approval of the
34 ~~executive-council~~ governor, may be used to purchase other real
35 estate and buildings, and for the construction and alteration

1 of buildings and other capital improvements. All transfers
2 shall be by state patent in the manner provided by law.

3 Sec. 171. Section 262.9, subsection 17, Code Supplement
4 2001, is amended to read as follows:

5 17. In issuing bonds or notes under this chapter, chapter
6 262A, chapter 263A, or other provision of law, select and fix
7 the compensation for, through a competitive selection
8 procedure, attorneys, accountants, financial advisors, banks,
9 underwriters, insurers, and other employees and agents which
10 in the board's judgment are necessary to carry out the board's
11 intention. Prior to the initial selection, the board shall
12 establish a procedure which provides for a fair and open
13 selection process including, but not limited to, the
14 opportunity to present written proposals and personal
15 interviews. The board shall maintain a list of firms which
16 have requested to be notified of requests for proposal. The
17 selection criteria shall take into consideration, but are not
18 limited to, compensation, expenses, experience with similar
19 issues, scheduling, ability to provide the services of
20 individuals with specific knowledge in the relevant subject
21 matter and length of engagement. The board may waive the
22 requirements for a competitive selection procedure for any
23 specific employment upon adoption of a resolution of the board
24 stating why the waiver is in the public interest and shall
25 provide the ~~executive-council~~ governor with written notice of
26 the granting of any such waiver.

27 Sec. 172. Section 262.10, unnumbered paragraph 1, Code
28 2001, is amended to read as follows:

29 No sale or purchase of real estate shall be made save upon
30 the order of the board, made at a regular meeting, or one
31 called for that purpose, and then in such manner and under
32 such terms as the board may prescribe and only with the
33 approval of the ~~executive-council~~ governor. No member of the
34 board or any of its committees, offices or agencies nor any
35 officer of any institution, shall be directly or indirectly

1 interested in such purchase or sale.

2 Sec. 173. Section 262.67, Code 2001, is amended to read as
3 follows:

4 262.67 APPROVAL OF EXECUTIVE-COUNCIL GOVERNOR.

5 With the approval of the ~~executive-council~~ governor, the
6 board is hereby authorized to grant easements for rights of
7 way over, across, and under the surface of public lands under
8 its jurisdiction when in its judgment such easements are
9 desirable and will benefit the state of Iowa.

10 Sec. 174. Section 263B.8, Code 2001, is amended to read as
11 follows:

12 263B.8 CEMETERY FOR ANCIENT REMAINS.

13 The state archaeologist shall establish ~~with the approval~~
14 ~~of the executive-council~~, a cemetery on existing state lands
15 for the reburial of ancient human remains found in the state.
16 The cemetery shall not be open to the public. The state
17 archaeologist in co-operation with the department of natural
18 resources shall be responsible for co-ordinating interment in
19 the cemetery.

20 Sec. 175. Section 297.30, Code 2001, is amended to read as
21 follows:

22 297.30 PUBLIC SALE.

23 If the owner of the tract from which said site was taken
24 fails to pay the amount of such appraisement to ~~such executive~~
25 ~~council~~ the treasurer of state within thirty days after the
26 filing of the same with the sheriff, the ~~executive-council~~
27 treasurer of state may sell said site or building to any other
28 person at the appraised value, or may sell the same at public
29 sale to the highest bidder and the proceeds of such sale are
30 to be added to the permanent school fund of the state.

31 Sec. 176. Section 303.14, unnumbered paragraph 1, Code
32 2001, is amended to read as follows:

33 After archives have been received by the state archivist,
34 they shall not be removed from the state archivist's custody
35 without the state archivist's consent except in obedience to a

1 subpoena of a court of record ~~or-a-written-order-of-the-state~~
2 ~~executive-council~~.

3 Sec. 177. Section 307.45, unnumbered paragraph 3, Code
4 2001, is amended to read as follows:

5 Assessments against property owned by the state and not
6 under the jurisdiction and control of the department's
7 administrator of highways shall be made in the same manner as
8 those made against private property and payment shall be made
9 by the ~~executive-council~~ state appeal board from any funds of
10 the state not otherwise appropriated.

11 Sec. 178. Section 313A.24, Code 2001, is amended to read
12 as follows:

13 313A.24 SALE OF EXCESS LAND TO POLITICAL SUBDIVISIONS.

14 If the department deems that any land, including
15 improvements thereon, is no longer required for toll bridge
16 purposes and that it is in the public interest, it may
17 negotiate for the sale of such land to the state or to any
18 city, county, or other political subdivision or municipal
19 corporation of the state. The department shall certify the
20 agreement for the sale to the ~~state-executive-council~~
21 department of administrative services, with a description of
22 the land and the terms of the sale and the ~~state-executive~~
23 ~~council~~ department of administrative services may execute the
24 deed and deliver it to the grantee.

25 Sec. 179. Section 313A.26, Code 2001, is amended to read
26 as follows:

27 313A.26 ACCEPTANCE OR REJECTION OF BIDS.

28 The department may reject all such bids if the highest bid
29 does not equal the reasonable fair market value of the real
30 property, plus the value of the improvements thereon, computed
31 on the basis of the reproduction value less depreciation. The
32 department may accept the highest and best bid, and certify
33 the agreement for the sale to the ~~state-executive-council~~
34 department of administrative services, with a description of
35 the land and the terms of the sale and the ~~state-executive~~

1 ~~council~~ department of administrative services shall execute
2 the deed and deliver it to the grantee.

3 Sec. 180. Section 357.27, Code 2001, is amended to read as
4 follows:

5 357.27 PUBLIC PROPERTY IN DISTRICT.

6 Whenever property of the state of Iowa, or any political
7 subdivision thereof, shall be included either wholly or in
8 part within such water district and shall own facilities which
9 may be used as a part of such water system, the ~~executive~~
10 ~~council~~, board of supervisors or city council, as the case may
11 be, may permit such use of said facilities for such
12 consideration and on such terms as may be agreed upon with the
13 board of trustees.

14 Sec. 181. Section 384.56, subsection 1, Code 2001, is
15 amended to read as follows:

16 1. Cities may assess the cost of a public improvement
17 which extends through, abuts upon, or is adjacent to lands
18 owned by the state, and the ~~executive-council~~ state appeal
19 board shall pay the assessable portion of the cost of the
20 improvement through or along the lands as provided. The
21 ~~executive-council~~ state appeal board shall pay assessments as
22 provided in section 307.45.

23 Sec. 182. Section 384.56, subsection 3, Code 2001, is
24 amended to read as follows:

25 3. When any portion of the cost of a public improvement is
26 to be paid by the state under this section, the clerk shall,
27 at the time of publication of the notice required by section
28 384.50, mail a copy of the notice to the ~~secretary-of-the~~
29 ~~executive-council~~ state appeal board.

30 Sec. 183. Section 421.5, Code 2001, is amended to read as
31 follows:

32 421.5 SETTLING DOUBTFUL CLAIMS FOR TAXES.

33 The director may compromise and settle doubtful and
34 disputed claims for taxes or refunds or tax liability of
35 doubtful collectibility notwithstanding the provisions of

1 section 7D-9 24A.1. Whenever such a compromise and settlement
2 is made, the director shall make a complete record of the case
3 showing the tax assessed or claimed due, tax refund claimed,
4 recommendations, reports, and audits of departmental personnel
5 if any, the taxpayer's grounds for dispute or contest together
6 with all evidence thereof, and the amounts, conditions, and
7 settlement or compromise of same.

8 Sec. 184. Section 421.38, subsection 2, Code 2001, is
9 amended by striking the subsection.

10 Sec. 185. Section 441.73, Code 2001, is amended to read as
11 follows:

12 441.73 LITIGATION EXPENSE FUND.

13 1. A litigation expense fund is created in the state
14 treasury. The litigation expense fund shall be used for the
15 payment of litigation expenses incurred by the state to defend
16 property valuations established by the director of revenue and
17 finance pursuant to section 428.24 and chapters 430A, 433,
18 434, 436, 437, 437A, and 438, and for the payment of
19 litigation expenses incurred by the state to defend the
20 imposition of replacement taxes and statewide property taxes
21 under chapter 437A.

22 2. If the director of revenue and finance determines that
23 foreseeable litigation expenses will exceed the amount
24 available from appropriations made to the department of
25 revenue and finance, the director of revenue and finance may
26 apply to the ~~executive-council~~ state appeal board for use of
27 funds on deposit in the litigation expense fund. The initial
28 application for approval shall include an estimate of
29 potential litigation expenses, allocated to each of the next
30 four succeeding calendar quarters and substantiated by a
31 breakdown of all anticipated costs for legal counsel, expert
32 witnesses, and other applicable litigation expenses.

33 3. The ~~executive-council~~ state appeal board may approve
34 expenditures from the litigation expense fund on a quarterly
35 basis. Prior to each quarter, the director of revenue and

1 finance shall report to the ~~executive-council~~ state appeal
2 board and give a full accounting of actual litigation expenses
3 to date as well as estimated litigation expenses for the
4 remaining calendar quarters of the fiscal year. The ~~executive~~
5 ~~council~~ state appeal board may adjust quarterly expenditures
6 from the litigation expense fund based on this information.

7 4. The ~~executive-council~~ state appeal board shall transfer
8 for ~~the-fiscal-year-beginning-July-1, 1992, and~~ each fiscal
9 year ~~thereafter~~, from funds established in sections 405A.8,
10 425.1, and 426.1, an amount necessary to pay litigation
11 expenses. The amount of the fund for each fiscal year shall
12 not exceed seven hundred thousand dollars. The ~~executive~~
13 ~~council~~ state appeal board shall determine annually the
14 proportionate amounts to be transferred from the three
15 separate funds. At any time when no litigation is pending or
16 in progress the balance in the litigation expense fund shall
17 not exceed one hundred thousand dollars. Any excess moneys
18 shall be transferred in a proportionate amount back to the
19 funds from which they were originally transferred.

20 Sec. 186. Section 450.6, unnumbered paragraph 2, Code
21 2001, is amended to read as follows:

22 ~~Upon the approval of the executive council,~~ The tax
23 liability of a beneficiary, heir, surviving joint tenant or
24 other transferee may be paid, in lieu of money, in whole or in
25 part by the transfer of real property or tangible personal
26 property to the state or a political subdivision of the state
27 to be used for public purposes. Before the tax liability may
28 be paid by transfer of property to the state, the director of
29 revenue and finance shall approve the transfer. Before the
30 tax liability may be paid by transfer of property to a
31 political subdivision, the governing body of the political
32 subdivision shall ~~also~~ approve the transfer. The property
33 transferred in payment of tax shall have been included in the
34 decedent's gross estate for inheritance tax purposes and its
35 value for the payment of the tax shall be the same as its

1 value for inheritance tax purposes. ~~The acceptance or~~
2 ~~rejection of the property in payment of the tax liability and~~
3 ~~the value of the property shall be certified by the executive~~
4 ~~council to the director of revenue and finance.~~ The
5 acceptance of the property transferred acts as payment and
6 satisfaction of the inheritance tax liability to the extent of
7 the value of the transferred property, but notwithstanding any
8 other provision, the taxpayer is not entitled to a refund if
9 the transferred property has a value in excess of the tax
10 liability.

11 Sec. 187. Section 455A.10, Code 2001, is amended to read
12 as follows:

13 455A.10 STATE FISH AND GAME PROTECTION FUND -- CAPITAL
14 PROJECTS AND CONTINGENCIES.

15 Funds remaining in the state fish and game protection fund
16 during a fiscal year which are not specifically appropriated
17 by the general assembly are appropriated and may be used for
18 capital projects and contingencies under the jurisdiction of
19 the fish and wildlife division arising during the fiscal year.
20 A contingency shall not include any purpose or project which
21 was presented to the general assembly by way of a bill or a
22 proposed bill and which failed to be enacted into law. For
23 the purpose of this section, a necessity of additional
24 operating funds may be construed as a contingency. Before any
25 of the funds authorized to be expended by this section are
26 allocated for contingencies, it shall be determined by the
27 ~~executive council~~ governor that a contingency exists and that
28 the contingency was not existent while the general assembly
29 was in session and that the proposed allocation shall be for
30 the best interests of the state. If a contingency arises or
31 could reasonably be foreseen during the time the general
32 assembly is in session, expenditures for the contingency must
33 be authorized by the general assembly.

34 Sec. 188. Section 455J.2, subsection 5, paragraphs b and
35 c, Code 2001, are amended to read as follows:

1 b. The ~~executive-council~~ state appeal board may allocate
2 moneys from the general fund of the state as provided in
3 section ~~7B-10A~~ 24A.3 in an amount necessary to support the
4 fund, including payment of claims as provided in section
5 455J.5. However, an allocation of moneys from the general
6 fund of the state shall be made only if the amount of moneys
7 in the fund, which are not obligated or encumbered, and not
8 counting the department's estimate of the cost to the fund for
9 pending or unsettled claims and any amount required to be
10 credited to the general fund of the state under this
11 subsection, is less than one million dollars.

12 c. The department shall credit an amount to the general
13 fund of the state which is equal to an amount allocated to the
14 fund by the ~~executive-council~~ state appeal board under
15 paragraph "b". The department shall credit the moneys to the
16 general fund of the state if the moneys in the fund which are
17 not obligated or encumbered, and not counting the department's
18 estimate of the cost to the fund for pending or unsettled
19 claims and any amount required to be transferred to the
20 general fund under this paragraph, are in excess of two
21 million five hundred thousand dollars. The department is not
22 required to credit the total amount to the general fund of the
23 state during any one fiscal year.

24 Sec. 189. Section 458A.21, unnumbered paragraph 1, Code
25 2001, is amended to read as follows:

26 The state, counties and cities and other political
27 subdivisions may lease publicly owned lands under their
28 respective jurisdictions for the purpose of oil or gas or
29 metallic minerals exploration and production. Any such leases
30 shall be entered into on behalf of the state by the ~~executive~~
31 ~~council~~ department of natural resources, on behalf of a county
32 by the board of supervisors, on behalf of a city by the
33 council and on behalf of another political subdivision by the
34 governing body. The leases shall be upon terms and conditions
35 as agreed upon.

1 Sec. 190. Section 461A.14, Code 2001, is amended to read
2 as follows:

3 461A.14 REVERSION OF GIFT.

4 If the lands transferred to the state as a gift, or if
5 lands purchased in whole or in part by the state from moneys
6 given for that purpose, shall be abandoned or sold and not
7 used for state park purposes, the donor shall reclaim the land
8 or funds donated by filing the donor's request in writing with
9 the ~~executive-council~~ department of natural resources within
10 six months of the time of the abandonment or sale by the state
11 of such lands, but no interest or other charge shall be
12 demanded of or paid by the state. Any unclaimed funds shall
13 be used for park purposes.

14 Sec. 191. Section 461A.15, Code 2001, is amended to read
15 as follows:

16 461A.15 USE OF PRIVATE FUNDS.

17 The commission may permit the improvement of parks, when
18 established, or the improvement of bodies of water, upon the
19 border of which such parks may be established, by the
20 expenditure of private funds, such improvement to be done,
21 however, under the direction of the commission ~~7-by-and-with~~
22 ~~the-consent-of-the-executive-council~~.

23 Sec. 192. Section 461A.18, Code 2001, is amended to read
24 as follows:

25 461A.18 JURISDICTION.

26 Jurisdiction over all meandered streams and lakes of this
27 state and of state lands bordering thereon, not now used by
28 some other state body for state purposes, is conferred upon
29 the commission. The exercise of this jurisdiction is subject
30 to the approval of the department in matters relating to or in
31 any manner affecting flood control. The commission ~~7-with-the~~
32 ~~approval-of-the-executive-council~~, may establish parts of the
33 property into state parks, and when so established all of the
34 provisions of this chapter relative to public parks apply to
35 the property.

1 Sec. 193. Section 461A.22, Code 2001, is amended to read
2 as follows:

3 461A.22 SURVEYS AND PLATS.

4 All surveys and plats shall be filed with the ~~secretary-of~~
5 ~~the-executive-council~~ department of natural resources, and
6 shall become public records of this state.

7 Sec. 194. Section 461A.25, unnumbered paragraph 1, Code
8 2001, is amended to read as follows:

9 The commission may recommend that the ~~executive-council~~
10 department of natural resources lease property under the
11 commission's jurisdiction. All leases shall reserve to the
12 public of the state the right to enter upon the property
13 leased for any lawful purpose. The council may, if it
14 approves the recommendation and the lease to be entered into
15 is for five years or less, execute the lease in behalf of the
16 state and commission. If the recommendation is for a lease in
17 excess of five years, with the exception of agricultural lands
18 specifically dealt with in Article I, section 24, of the
19 Constitution of the State of Iowa, the council shall advertise
20 for bids. If a bid is accepted, the lease shall be let or
21 executed by the council in accordance with the most desirable
22 bid. The lease shall not be executed for a term longer than
23 fifty years. Any such leasehold interest, including any
24 improvements placed on it, shall be listed on the tax rolls as
25 provided in chapters 428 and 443; assessed and valued as
26 provided in chapter 441; taxes shall be levied on it as
27 provided in chapter 444 and collected as provided in chapter
28 445; and the leasehold interest is subject to tax sale,
29 redemption, and apportionment of taxes as provided in chapters
30 446, 447, and 448. The lessee shall discharge and pay all
31 taxes.

32 Sec. 195. Section 461A.31, Code 2001, is amended to read
33 as follows:

34 461A.31 SALE OF ISLANDS.

35 No islands in any of the meandered streams and lakes of

1 this state or in any of the waters bordering upon this state
2 shall hereafter be sold, except with the majority vote of the
3 ~~executive-council-upon-the-majority-recommendation~~ of the
4 commission, and in the event any of such islands are sold as
5 herein provided the proceeds thereof shall become a part of
6 the funds to be expended under the terms and provisions of
7 this chapter.

8 Sec. 196. Section 461A.32, unnumbered paragraph 2, Code
9 2001, is amended to read as follows:

10 Upon request by resolution of any city or county or any
11 legal agency thereof, the ~~executive-council~~ commission may
12 ~~upon-majority-recommendation-of-the-commission~~, convey without
13 consideration to such city or county or legal agency thereof,
14 such public lands under the jurisdiction of the commission as
15 in its judgment may be desirable for city or county parks.
16 Conveyance shall be in the name of the state, with the great
17 seal of the state attached and shall contain a provision that
18 when such lands cease to be used as a public park by said city
19 or county such lands revert to the state, and such park shall,
20 within one year after such land has reverted to the state, be
21 restored, as nearly as possible, to the condition it was in
22 when acquired by such city, county or legal agency thereof at
23 the expense of such city, county or legal agency.

24 Sec. 197. Section 461A.34, Code 2001, is amended to read
25 as follows:

26 461A.34 POWERS IN MUNICIPALITIES.

27 Municipalities, or individuals, or corporations organized
28 for that purpose only, acting separately or in conjunction
29 with each other, may establish like parks outside the limits
30 of cities, and when established without the support of the
31 public state parks fund, the municipalities, corporations, or
32 persons establishing the same, as the case may be, shall have
33 control thereof ~~independently-of-the-executive-council~~; but
34 none of the said municipalities, individuals, or corporations,
35 acting under the provisions of this section shall establish,

1 maintain or operate any such park as herein contemplated for
2 pecuniary profit.

3 Sec. 198. Section 461A.59, Code 2001, is amended to read
4 as follows:

5 461A.59 POWERS IN MUNICIPALITIES.

6 Municipalities or corporations organized for that purpose
7 only, acting separately or in conjunction with each other in
8 counties not having a county conservation board, may establish
9 water recreational areas and when established without the
10 support of public funds of the state of Iowa, the
11 municipalities or corporations establishing the same, as the
12 case may be, shall have control thereof ~~independently-of-the~~
13 ~~executive-council~~.

14 Sec. 199. Section 461A.75, Code 2001, is amended to read
15 as follows:

16 461A.75 CONDEMNATION OF LAND.

17 Whenever a permit has been granted as provided in section
18 461A.70 and the commission finds that the municipality or
19 corporation owning such permit cannot acquire at a reasonable
20 cost any necessary land or interest therein, the commission
21 ~~with-the-approval-of-the-executive-council~~, may condemn such
22 land or interest therein as provided in chapter 6B. However,
23 such condemnation shall be limited to land and interests
24 therein which will be permanently subject to and available for
25 free public access and use, as provided in section 461A.71, or
26 which will be required for a dam or other facilities necessary
27 for the water recreational area. All costs of such
28 condemnation, including all costs occasioned by appeal as set
29 out in section 6B.33, and including the award and compensation
30 for such land or interest therein, shall be paid by such
31 municipality or corporation. The commission may permit such
32 municipality or corporation to use such land or interest
33 therein for the purposes of this division, upon such terms,
34 conditions and restrictions as the commission shall determine
35 to be just and proper and for free public access and use.

1 Title to such land or interest therein shall remain in the
2 state of Iowa.

3 Sec. 200. Section 468.43, unnumbered paragraph 4, Code
4 2001, is amended to read as follows:

5 The assessments against lands under the jurisdiction of the
6 department of natural resources shall be paid by the ~~executive~~
7 ~~council~~ state appeal board upon certification of the amount by
8 the county treasurer. There is appropriated from any funds in
9 the general fund of the state not otherwise appropriated
10 amounts sufficient to pay the certified assessments.

11 Sec. 201. Section 468.220, unnumbered paragraph 2, Code
12 2001, is amended to read as follows:

13 In the case of lands lying within the beds of meandered
14 streams and border streams the permission shall be obtained
15 from the natural resource commission of the department of
16 natural resources. In the case of lands that are under the
17 control of no office or agency of the state, then the
18 permission shall be obtained from the ~~executive-council~~
19 department of natural resources.

20 Sec. 202. Section 469A.1, Code 2001, is amended to read as
21 follows:

22 469A.1 CERTIFICATE OF CONVENIENCE AND NECESSITY.

23 It shall be unlawful for any person, firm, association, or
24 corporation to engage in the business of constructing,
25 maintaining, or operating within this state any hydroelectric
26 generating plant or project without first having obtained from
27 the ~~executive-council-of-Iowa~~ utilities board a certificate of
28 convenience and necessity declaring that the public
29 convenience and necessity require such construction,
30 maintenance, or operation.

31 Sec. 203. Section 469A.2, Code 2001, is amended to read as
32 follows:

33 469A.2 PUBLIC HEARING.

34 No certificate of convenience and necessity shall be issued
35 by the ~~executive-council~~ utilities board except after a public

1 hearing thereon. The ~~executive-council~~ utilities board shall,
2 upon the filing of an application for such a certificate, fix
3 the time of the public hearing thereon and shall prescribe the
4 notice which shall be given by the applicant. Any interested
5 person, firm, association, corporation, municipality, state
6 board, or commission may intervene and participate in such
7 proceeding and at such hearing.

8 Sec. 204. Section 469A.3, Code 2001, is amended to read as
9 follows:

10 469A.3 PUBLIC WELFARE PROMOTED.

11 Before the ~~executive-council~~ utilities board shall issue a
12 certificate of convenience and necessity, it shall first be
13 satisfied that the public convenience and necessity will be
14 promoted thereby, that the applicant has the financial ability
15 to carry out the terms and conditions imposed, and the
16 applicant has in writing agreed to accept, abide by and comply
17 with such reasonable terms and conditions as the executive
18 council may require and impose.

19 Sec. 205. Section 469A.4, Code 2001, is amended to read as
20 follows:

21 469A.4 RULES IMPOSED.

22 The ~~executive-council~~ utilities board shall prescribe such
23 rules as it may determine necessary for the administration of
24 the provisions of this chapter and may amend such rules at any
25 time.

26 Sec. 206. Section 469A.5, Code 2001, is amended to read as
27 follows:

28 469A.5 COSTS ADVANCED.

29 The ~~executive-council~~ utilities board shall, upon the
30 filing of an application, require the applicant to deposit
31 with the ~~secretary-of-the-executive-council~~ utilities board
32 such amount as the ~~council~~ utilities board shall determine, to
33 pay the expenses to be incurred by the ~~executive-council~~
34 utilities board in its investigations and in conducting the
35 proceedings, and the ~~executive-council~~ utilities board may,

1 from time to time as it deems necessary, require the deposit
2 of additional amounts for such purpose.

3 Sec. 207. Section 469A.6, Code 2001, is amended to read as
4 follows:

5 469A.6 AMENDMENT OR REVOCATION.

6 The ~~executive-council~~ utilities board may at any time for
7 just cause or upon the failure of the applicant to comply with
8 and to obey the terms and conditions attached to the issuance
9 of any certificate, or when the public convenience and
10 necessity demands, alter, amend, or revoke any certificate
11 issued under the provisions of this chapter.

12 Sec. 208. Section 469A.8, Code 2001, is amended to read as
13 follows:

14 469A.8 UNLAWFUL COMBINATION -- RECEIVERSHIP.

15 The state may take possession of a dam for which a permit
16 has been issued under section 455B.275 through receivership
17 proceedings, if the dam becomes owned, leased, trustee, or
18 possessed, or controlled by a person in a manner constituting
19 an unlawful combination or trust, or if the dam is the subject
20 or part of the subject of an agreement to limit the output of
21 hydraulic or hydroelectric power derived from the dam for the
22 purpose of price fixing. The receivership proceedings must be
23 instituted by the ~~executive-council~~ utilities board, and shall
24 be conducted for the purpose of disposing of the dam for a
25 lawful use. The proceeds from the disposition shall be used
26 to reimburse the state for expenses incurred in the
27 receivership. The remaining proceeds shall be awarded to
28 persons found by the court to be entitled to the proceeds.

29 Sec. 209. Section 470.3, subsection 2, Code 2001, is
30 amended to read as follows:

31 2. A public agency or a person preparing a life cycle cost
32 analysis for a public agency shall consider the methods and
33 analytical models provided by the department and available
34 through the commissioner, which are suited to the purpose for
35 which the project is intended. Within sixty days of final

1 selection of a design architect or engineer, a public agency,
2 which is also a state agency under section 7D-34 8A.106, shall
3 notify the commissioner and the department of the methodology
4 to be used to perform the life cycle cost analysis, on forms
5 provided by the department.

6 Sec. 210. Section 470.7, Code 2001, is amended to read as
7 follows:

8 470.7 LIFE CYCLE COST ANALYSIS -- APPROVAL.

9 The public agency responsible for the new construction or
10 renovation of a public facility shall submit a copy of the
11 life cycle cost analysis for review by the commissioner who
12 shall consult with the department. If the public agency is
13 also a state agency under section 7D-34 8A.106, comments by
14 the department or the commissioner, including any
15 recommendation for changes in the analysis, shall, within
16 thirty days of receipt of the analysis, be forwarded in
17 writing to the public agency. If either the department or the
18 commissioner disagrees with any aspects of the life cycle cost
19 analysis, the public agency affected shall timely respond in
20 writing to the commissioner and the department. The response
21 shall indicate whether the agency intends to implement the
22 recommendations and, if the agency does not intend to
23 implement them, the public agency shall present its reasons.
24 The reasons may include, but are not limited to, a description
25 of the purpose of the facility or renovation, preservation of
26 historical architectural features, architectural and site
27 considerations, and health and safety concerns.

28 Within thirty days of receipt of the response of the public
29 agency affected, the department, the commissioner, or both,
30 shall notify in writing the public agency affected of the
31 department's, the commissioner's, or both's agreement or
32 disagreement with the response. In the event of a
33 disagreement, the department, the commissioner, or both, shall
34 at the same time transmit the notification of disagreement
35 with response and related papers to the executive-council

1 department of administrative services for resolution pursuant
2 to section ~~7B-34~~ 8A.106. The life cycle cost analysis
3 process, including submittal and approval, and implementation
4 exemption requests pursuant to section 470.8, shall be
5 completed prior to the letting of contracts for the
6 construction or renovation of a facility.

7 Sec. 211. Section 473.12, subsection 2, Code 2001, is
8 amended to read as follows:

9 2. The department may, pursuant to section ~~7B-34~~ 8A.106,
10 reduce the cost of financing for implementation of the energy
11 conservation measures identified, through funds deposited in
12 the state of Iowa facilities improvement corporation
13 established by the department. In order for the state board
14 of regents to receive financing under section ~~7B-34~~ 8A.106,
15 the department shall require completion of an energy
16 management plan, including an energy audit and a comprehensive
17 engineering analysis.

18 Sec. 212. Section 473.13, subsection 2, Code 2001, is
19 amended to read as follows:

20 2. The department may, pursuant to section ~~7B-34~~ 8A.106,
21 reduce the cost of financing for implementation of the energy
22 conservation measures identified, through funds deposited in
23 the state of Iowa facilities improvement corporation
24 established by the department. In order for the state
25 department of transportation to receive financing, the
26 department shall require completion of an energy management
27 plan, including an energy audit and a comprehensive
28 engineering analysis.

29 Sec. 213. Section 491.10, Code 2001, is amended to read as
30 follows:

31 491.10 INTERPRETATIVE CLAUSE.

32 Nothing in sections 491.5 to ~~491-9~~ 491.8 shall be construed
33 as repealing or modifying any statute now in force in respect
34 to the approval of articles of incorporation relating to
35 insurance companies, building and loan associations, or

1 investment companies.

2 Sec. 214. Section 491.107, unnumbered paragraph 2, Code
3 2001, is amended to read as follows:

4 The procedure set forth in sections 491.6 to ~~491.9~~ 491.8 of
5 this chapter shall be applicable to the filing of articles of
6 consolidation or merger.

7 Sec. 215. Section 492.2, Code 2001, is amended to read as
8 follows:

9 492.2 EFFECT OF VIOLATION.

10 Any certificate of stock issued, delivered, or transferred
11 in violation of section 492.1 when the corporation has not
12 received payment therefor at par in money or property at a
13 valuation approved by the ~~executive-council~~ treasurer of
14 state, shall be void, and the issuance, delivery, or transfer
15 of each certificate shall be considered a separate
16 transaction.

17 Sec. 216. Section 492.6, unnumbered paragraph 1, Code
18 2001, is amended to read as follows:

19 If it is proposed to pay for said capital stock in property
20 or in any other thing than money, the corporation proposing
21 the same must, before issuing capital stock in any form, apply
22 to the ~~executive-council~~ treasurer of the state for leave so
23 to do. Such application shall state the amount of capital
24 stock proposed to be issued for a consideration other than
25 money, and set forth specifically the property or other thing
26 to be received in payment for such stock, providing that the
27 foregoing provision shall not apply to trust companies or
28 insurance companies organized under the laws of this state.

29 Sec. 217. Section 492.7, Code 2001, is amended to read as
30 follows:

31 492.7 EXECUTIVE-COUNCIL TREASURER TO FIX AMOUNT.

32 The ~~executive-council~~ treasurer of state or the
33 commissioner of insurance as the case may be, shall make
34 investigation, under such rules as it may prescribe, and
35 ascertain the real value of the property or other thing which

1 the corporation is to receive for the stock. It shall enter
2 its finding, fixing the value at which the corporation may
3 receive the same in payment for capital stock; and no
4 corporation shall issue capital stock for the said property or
5 thing in a greater amount than the value so fixed.

6 Sec. 218. Section 497.13, Code 2001, is amended to read as
7 follows:

8 497.13 ISSUE OF SHARES AS PAYMENT.

9 Whenever an association created under this chapter shall
10 purchase the business of another association, person, or
11 persons, it may pay for the same in whole or in part by
12 issuing to the selling association or person shares of its
13 capital stock to an amount, which at fair market value as
14 determined by the ~~executive-council~~ treasurer of state, would
15 equal the fair market value of the business so purchased as
16 determined by the ~~executive-council~~ treasurer of state as in
17 cases of other corporations.

18 Sec. 219. Section 509A.5, unnumbered paragraph 2, Code
19 2001, is amended to read as follows:

20 Any interest earnings from investments or time deposits of
21 the funds under the control of the ~~state-executive-council~~
22 governor shall be deposited to the credit of these funds.

23 Sec. 220. Section 509A.11, subsection 1, Code 2001, is
24 amended to read as follows:

25 1. "Governing body" means the ~~executive-council-of-the~~
26 state governor, the school boards of school districts, and the
27 superintendent or other person in charge of an institution
28 supported in whole or in part by public funds.

29 Sec. 221. Section 534.515, subsection 2, Code 2001, is
30 amended to read as follows:

31 2. STATEMENT OF RESOURCES, LIABILITIES, AND PLAN. Every
32 such unincorporated organization, association, society,
33 partnership, or individual conducting and carrying on the
34 business defined in this section shall, before transacting any
35 business in this state, submit to the ~~executive-council~~

1 superintendent a full and complete sworn statement of the
2 resources and liabilities of such organization, association,
3 society, partnership, or individual, and of the proposed plan
4 or method of doing business.

5 Sec. 222. Section 534.515, subsection 6, Code 2001, is
6 amended to read as follows:

7 6. APPROVAL -- CERTIFICATE OF AUTHORITY. If the ~~executive~~
8 ~~council~~ superintendent approves the plan or method of business
9 of such a building and loan association, it shall endorse its
10 approval upon the statement of the resources and liabilities
11 and plan of business presented to it, and the statement shall
12 be filed in the office of the superintendent, who shall issue
13 a certificate to the building and loan association to transact
14 business within the state, if the association has deposited
15 with the superintendent the mortgages and securities required
16 by the other provisions of this chapter.

17 Sec. 223. Section 534.515, subsection 13, Code 2001, is
18 amended to read as follows:

19 13. REVOCATION OF CERTIFICATE -- RECEIVER. If any such
20 building and loan association holding a certificate of
21 authority to transact business within this state issued by the
22 superintendent as provided in this chapter, shall violate any
23 of the provisions of this chapter, or shall fail to deposit
24 with the superintendent such further amount of mortgages or
25 securities as the superintendent may require under this
26 chapter, the superintendent shall at once revoke the
27 certificate and notify the ~~executive-council~~ superintendent of
28 its revocation; and under the direction of the ~~executive~~
29 ~~council~~ superintendent, application shall be made by the
30 attorney general to the proper court for the appointment of a
31 receiver to wind up the affairs of the association. In the
32 proceedings the amount due from the borrowing members or
33 persons making periodical payments upon contracts or mortgages
34 given by them shall be ascertained in the manner provided in
35 section 534.405; and the amount owing upon mortgages or

1 contracts from members of the association or persons making
2 periodical payments to it, shall be treated and considered as
3 due and payable within a reasonable time, to be fixed by the
4 court after the appointment of a receiver.

5 Sec. 224. Section 568.8, Code 2001, is amended to read as
6 follows:

7 568.8 CONTRACT FOR SURVEY.

8 The secretary of state shall make a contract with some
9 surveyor for making such survey; the surveyor to furnish all
10 the chainpersons and other attendants and pay all necessary
11 expenses, ~~which contract before it becomes binding shall be~~
12 ~~submitted to and approved by the executive council.~~

13 Sec. 225. Section 568.11, Code 2001, is amended to read as
14 follows:

15 568.11 LEASE AUTHORIZED -- LANDS READVERTISED -- SALE.

16 If no application is filed for the purchase of the land
17 within the sixty-day period by a bona fide occupant, and if no
18 bids are received for the purchase thereof, on or before the
19 date of the sale as advertised, then the secretary of state is
20 authorized to lease the land for a period of from one to five
21 years, upon as favorable terms as the secretary can obtain.
22 At the expiration of such lease the secretary shall
23 readvertise the land for sale in the manner provided in
24 section 568.10. If no bids for the purchase of the land are
25 received on the date of the second advertised sale, then the
26 secretary of state ~~shall submit the matter to the executive~~
27 ~~council, and they~~ may either order the land reappraised in the
28 manner provided in section 568.7, and then advertised and sold
29 in the manner provided in section 568.10, or if ~~they deem the~~
30 secretary deems it advisable, ~~they may authorize~~ the secretary
31 of state ~~to~~ may sell the land for less than the appraised
32 value. In such event the secretary of state shall readvertise
33 the land for sale in the manner provided in section 568.10,
34 and such advertisement shall also state that the land will be
35 sold to the highest bidder without restrictions as to the

1 appraised value.

2 Sec. 226. Section 568.14, Code 2001, is amended to read as
3 follows:

4 568.14 BOUNDARY COMMISSION.

5 If in any proceeding contemplated by the provisions of this
6 chapter, it shall become necessary to determine the boundary
7 line between this state and either of the states adjoining,
8 the matter shall then be at once referred to the ~~executive~~
9 ~~council~~ governor, who shall thereupon proceed to confer with
10 the proper authority of such adjoining state, and if the co-
11 operation of the proper authority of such adjoining state
12 shall be obtained, then the ~~executive-council~~ governor shall
13 appoint a commission of three disinterested, competent
14 persons, who shall, in conjunction with the parties acting for
15 such adjoining state, have authority to ascertain and locate
16 the true boundary line between this state and such adjoining
17 state, so far as the particular land under consideration at
18 the time is concerned. The report of the commissioners with a
19 statement of their findings shall be submitted to the
20 ~~executive-council~~ governor, who shall file the same with the
21 clerk of the state land office in the office of the secretary
22 of state. The line so ascertained and located shall
23 constitute the true and permanent boundary line between this
24 state and such other state to the extent such line shall be so
25 ascertainable and located.

26 Sec. 227. Section 568.16, Code 2001, is amended to read as
27 follows:

28 568.16 PURCHASE MONEY REFUNDED.

29 If the grantee of the state, or the grantee's successors,
30 administrators, or assigns, shall be deprived of the land
31 conveyed by the state under this chapter by the final decree
32 of a court of record for the reason that the conveyance by the
33 state passed no title whatever to the land therein described,
34 because title thereto had previously for any reason been
35 vested in others, then the money so paid the state for the

1 said land shall be refunded by the state to the person or
2 persons entitled thereto, provided the said grantee, or the
3 grantee's successors, administrators, or assigns, shall file a
4 certified copy of the transcript of the said final decree with
5 the ~~executive-council~~ state appeal board within one year from
6 the date of the issuance of such decree, and shall also file
7 satisfactory proof with the ~~executive-council~~ state appeal
8 board that the action over the title to the land was commenced
9 within ten years from the date of the issuance of patent or
10 deed by the state. The amount of money to be refunded under
11 the provisions of this section shall be certified by the
12 ~~executive-council~~ state appeal board to the director of
13 ~~revenue-and-finance~~ the department of administrative services,
14 who shall draw a warrant therefor, and the same shall be paid
15 out of the general fund.

16 Sec. 228. Section 568.18, Code 2001, is amended to read as
17 follows:

18 568.18 GOOD FAITH POSSESSION -- PREFERENCE.

19 If any lands in the present or in any former channel of any
20 navigable river, or island therein, or any lands formed by
21 accretion or avulsion in consequence of the changes of the
22 channel of any such river, have been for ten years or more in
23 the possession of any person, company, or corporation, or of
24 its grantors or predecessors in interest under a bona fide
25 claim of ownership, and the person, company or corporation so
26 in possession, or its grantors or predecessors in interest,
27 have paid state or county taxes upon said lands for a period
28 of five years, and have in good faith and under bona fide
29 claim of title made valuable improvements thereon, and also in
30 any other case where, in the judgment of the ~~executive-council~~
31 department of natural resources, the person in possession of
32 any land subject to the provisions of this chapter, has, in
33 equity and good conscience, a substantial interest therein,
34 then the said lands shall be sold to the person, company, or
35 corporation so in possession thereof as hereinafter provided.

1 Sec. 229. Section 568.19, Code 2001, is amended to read as
2 follows:

3 568.19 NOTICE -- ACTION TO DETERMINE TITLE AND VALUE --
4 PATENT.

5 When any person, company, or corporation so in possession
6 of any such lands shall give to the secretary of state written
7 notice of its claim, or whenever the ~~executive-council~~
8 department of natural resources shall deem it advisable, it
9 shall be the duty of the attorney general to bring an action
10 in equity, in the district court of the county in which said
11 lands are situated, against the party in possession thereof to
12 determine the title of the state to such lands, and the value
13 thereof, exclusive of improvements made thereon by the
14 occupant or by its grantors or predecessors in interest. If
15 the person, company, or corporation in possession of such land
16 shall, after the court has determined the value thereof as
17 herein provided, tender to the secretary of state the amount
18 adjudged to be the value of said lands, exclusive of
19 improvements made thereon by the occupant or by its grantors
20 or predecessors in interest, a deed or patent of such land
21 shall be executed by the governor, attested by the secretary
22 of state, and delivered to the person, company, or corporation
23 making such tender, as provided by law. If the person,
24 company, or corporation so in possession shall fail to pay to
25 the state the amount so adjudged within six months after the
26 final determination of the action so brought by the state,
27 then said lands shall be subject to the other provisions of
28 this chapter.

29 Sec. 230. Section 568.21, Code 2001, is amended to read as
30 follows:

31 568.21 SALE OR LEASE AUTHORIZED.

32 The ~~executive-council-of-the-state~~ department of natural
33 resources is hereby authorized and empowered to sell, convey,
34 lease, or demise any of the islands belonging to the state
35 which are within the meandered banks of rivers in the state,

1 and to execute and deliver a patent or lease thereof. Nothing
2 in this and sections 568.22 to 568.25 shall be construed to
3 apply to islands in the Mississippi or Missouri rivers.

4 Sec. 231. Section 568.22, Code 2001, is amended to read as
5 follows:

6 568.22 SURVEY -- APPRAISEMENT -- SALE.

7 Before a sale of any island is made under the provisions of
8 section 568.21, the ~~executive-council~~ department of natural
9 resources shall cause a survey and plat of such island to be
10 made, showing its location and area, and the plat and notes of
11 such survey shall be filed with the secretary of state. The
12 land composing the island shall then be appraised by a
13 commission appointed by the governor, consisting of three
14 disinterested freeholders of the state, who shall report their
15 appraisement to the ~~executive-council~~ department of natural
16 resources. The sale of the island shall then be advertised
17 once each week for four consecutive weeks in some newspaper of
18 general circulation published in the county where the island
19 is located, and proof of such publication filed with the
20 ~~executive-council~~ department of natural resources. The sale
21 shall be made upon written bids addressed to the ~~executive~~
22 ~~council-of-the-state~~ department of natural resources, and the
23 advertisement shall fix the time when such bids will be
24 received and opened. All bids shall be opened by the
25 ~~executive-council~~ department of natural resources at the time
26 fixed, and the island may thereupon be sold to the highest
27 bidder and at not less than its appraised value.

28 Sec. 232. Section 568.23, Code 2001, is amended to read as
29 follows:

30 568.23 LEASE.

31 If it shall be deemed expedient to lease any such island, a
32 lease thereof may be made upon written bids addressed to the
33 ~~executive-council~~ department of natural resources, and the
34 island proposed to be leased shall be surveyed and platted,
35 and notice of the leasing thereof and of the receiving and

1 opening of bids shall be published, in the manner provided in
2 section 568.22, but no appraisal shall be necessary. Upon
3 the opening of the bids received by the ~~executive-council~~
4 department of natural resources it may make a lease of such
5 island to the highest bidder for such term as is deemed
6 advisable.

7 Sec. 233. Section 568.24, Code 2001, is amended to read as
8 follows:

9 568.24 SALES AND LEASES FOR CASH -- EXPENSES.

10 All sales and leases must be for cash, and the money
11 received therefor shall be paid into the state treasury. All
12 expenses incurred in making the survey, plat, appraisalment,
13 sale, or lease of any such island shall be certified by the
14 ~~executive-council~~ department of natural resources to the
15 director of revenue and finance, who shall draw a warrant upon
16 the state treasury for the amount, and the same shall be paid
17 from the general fund.

18 Sec. 234. Section 568.25, Code 2001, is amended to read as
19 follows:

20 568.25 PATENT OR LEASE.

21 When any sale or lease of any island belonging to the state
22 is made by the ~~executive-council~~ department of natural
23 resources as herein provided, the governor shall execute and
24 deliver to the purchaser or lessee a patent or a lease
25 thereof, as the case may be, duly attested by the seal of the
26 state.

27 Sec. 235. Section 569.5, Code 2001, is amended to read as
28 follows:

29 569.5 MANAGEMENT.

30 When the title to real estate becomes vested in the state,
31 or in a county or municipality under this chapter, or by
32 conveyance under the statutes relating to taxation, the
33 ~~executive-council~~ department of administrative services, board
34 of supervisors, or other governing body, as the case may be,
35 shall manage, control, protect by insurance, lease, or sell

1 said real estate on such terms, conditions, or security as
2 said governing body may deem best.

3 Sec. 236. Section 602.10133, Code 2001, is amended to read
4 as follows:

5 602.10133 COSTS AND EXPENSES.

6 The court costs incident to such proceedings, and the
7 reasonable expense of said judges in attending said hearing
8 after being approved by the supreme court shall be paid as
9 court costs by the ~~executive-council~~ state appeal board.

10 Sec. 237. Section 663.44, unnumbered paragraph 2, Code
11 2001, is amended to read as follows:

12 However, where the plaintiff is confined in any state
13 institution, and is discharged in habeas corpus proceedings,
14 or where the habeas corpus proceedings fail and costs and fees
15 cannot be collected from the person liable to pay the same,
16 such costs and fees shall be paid by the county in which such
17 state institution is located. The facts of such payment and
18 the proceedings on which it is based, with a statement of the
19 amount of fees or costs incurred, with approval in writing by
20 the presiding judge appended to such statement or endorsed
21 thereon, shall then be certified by the clerk of the district
22 court under the seal of office to the state ~~executive-council~~
23 appeal board. The ~~executive-council~~ state appeal board shall
24 then review the proceedings and authorize reimbursement for
25 all such fees and costs or such part thereof as the ~~executive~~
26 ~~council~~ state appeal board shall find justified, and shall
27 notify the director of revenue and finance to draw a warrant
28 to such county treasurer on the state general fund for the
29 amount authorized. The costs and fees referred to above shall
30 include any award of fees made to a court appointed attorney
31 representing an indigent party bringing the habeas corpus
32 action.

33 Sec. 238. Section 668A.1, subsection 2, paragraph b, Code
34 2001, is amended to read as follows:

35 b. If the answer or finding pursuant to subsection 1,

1 paragraph "b", is negative, after payment of all applicable
2 costs and fees, an amount not to exceed twenty-five percent of
3 the punitive or exemplary damages awarded may be ordered paid
4 to the claimant, with the remainder of the award to be ordered
5 paid into a civil reparations trust fund administered by the
6 state court administrator. Funds placed in the civil
7 reparations trust shall be under the control and supervision
8 of the ~~executive-council~~ attorney general's office, and shall
9 be disbursed only for purposes of indigent civil litigation
10 programs or insurance assistance programs.

11 Sec. 239. Section 693.1, Code 2001, is amended to read as
12 follows:

13 693.1 CONTRACT AUTHORIZED.

14 The commissioner of public safety may enter into such
15 contracts as the commissioner may deem necessary for the
16 purpose of utilizing a special radio broadcasting system for
17 law enforcement and police work and for direct and rapid
18 communication with the various peace officers of the state.
19 The said commissioner shall be empowered, subject to the
20 approval of the governor ~~and-executive-council~~, to equip
21 divisional headquarters, cars, and motorcycles in the
22 department with radio sending or receiving apparatus or both.

23 Sec. 240. Section 904.512, Code 2001, is amended to read
24 as follows:

25 904.512 VISITS.

26 ~~Members-of-the-executive-council, the~~ The governor,
27 lieutenant governor, secretary of state, auditor of state,
28 treasurer of state, secretary of agriculture, attorney
29 general, ~~the-lieutenant-governor,~~ members of the general
30 assembly, judges of the supreme and district court and court
31 of appeals, judicial magistrates, county attorneys and persons
32 ordained or designated as regular leaders of a religious
33 community are authorized to visit all institutions under the
34 control of the Iowa department of corrections at reasonable
35 times. No other person shall be granted admission except by

1 permission of the superintendent.

2 Sec. 241. Section 904.808, subsection 1, paragraph b, Code
3 2001, is amended to read as follows:

4 b. When the state director releases, in writing, the
5 obligation of the department or agency to purchase the product
6 from Iowa state industries, after determining that Iowa state
7 industries is unable to meet the performance characteristics
8 of the purchase request for the product, and a copy of the
9 release is attached to the request to the director of revenue
10 and finance for payment for a similar product, or when Iowa
11 state industries is unable to furnish needed products,
12 comparable in both quality and price to those available from
13 alternative sources, within a reasonable length of time. Any
14 disputes arising between a purchasing department or agency and
15 Iowa state industries regarding similarity of products, or
16 comparability of quality or price, or the availability of the
17 product, shall be referred to the director administrator of
18 the ~~department-of-general-services~~ physical resources division
19 of the department of administrative services, whose decision
20 shall be subject to appeal as provided in section 18.7.
21 However, if the purchasing department is the department of
22 ~~general~~ administrative services, any matter which would be
23 referred to the director under this paragraph shall be
24 referred to the ~~executive-council~~ department of management in
25 the same manner as if the matter were to be heard by the
26 director administrator of the ~~department-of~~ general services
27 division. The decision of the ~~executive-council~~ department of
28 management is final.

29 Sec. 242. Chapter 7D, Code 2001, is repealed.

30 Sec. 243. Chapter 15C, Code 2001, is repealed.

31 Sec. 244. Section 66.26, Code 2001, is repealed.

32 Sec. 245. Section 66.27, Code 2001, is repealed.

33 Sec. 246. Section 217.20, Code 2001, is repealed.

34 Sec. 247. Section 491.9, Code 2001, is repealed.

35 Sec. 248. Section 904.114, Code 2001, is repealed.

1

EXPLANATION

2 This bill provides for the reorganization of several
3 departments of state government by establishing a new
4 department of administrative services and provides for the
5 repeal of the executive council and the transfer or
6 elimination of the duties of the executive council.

7 The bill creates a new department of administrative
8 services. The bill provides that the purpose of the new
9 department is to manage and coordinate the major resources of
10 state government including the personnel, financial, physical,
11 and information assets of state government.

12 The new department consists of four divisions, three of
13 which correspond to current state departments. The current
14 departments of personnel, information technology, and general
15 services are reorganized into divisions within the new
16 department. The division for personnel is renamed the human
17 resources division and the division for general services is
18 renamed the physical resources division. In addition, a
19 division of financial administration is created and given
20 certain duties currently performed by the department of
21 revenue and finance.

22 The bill provides that the current directors of the
23 departments of personnel, information technology, and general
24 services are no longer appointed by the governor but are
25 appointed by the director of the new department.

26 In regards to the information technology division, the bill
27 provides that the department of administrative services will
28 determine the division's budget recommendation and legislative
29 proposals. Currently, the information technology council has
30 the authority to recommend a budget and legislative proposals.
31 In addition, the bill eliminates the current divisions within
32 the information technology department. The bill also
33 transfers the responsibility over the Iowa communications
34 network from the Iowa telecommunications and technology
35 commission to the division of information technology. The

1 bill retains the commission but the duties of the commission
2 under the bill are primarily advisory. The current executive
3 director for the Iowa communications network is eliminated by
4 the bill.

5 The new financial administration division is given many of
6 the duties previously transferred to the department of revenue
7 and finance when the state comptroller position was
8 eliminated. Other duties currently performed by the
9 department of revenue and finance are also transferred to the
10 new division. The bill provides that the new division assumes
11 the accounting functions transferred to the department of
12 revenue and finance from the state comptroller's office in
13 legislation enacted in 1986 and provides that the division is
14 responsible for establishing setoff procedures concerning
15 certain liabilities owed the state. The bill also provides
16 that the current duties of the department of revenue and
17 finance under current Code sections 421.31 through 421.45 are
18 transferred to the new division. Of the duties transferred,
19 many include the responsibility for the collection and payment
20 of moneys into and from the treasury such as the payment of
21 warrants. In addition, current Code references to the
22 responsibility of the director of revenue and finance to
23 provide for warrants is changed to the director of the new
24 department in this bill.

25 The bill also provides that rules adopted, or licenses or
26 permits issued, by state agencies that are altered, merged, or
27 dissolved by this bill remain in effect until the successor
28 state agency amends, repeals, or supplements them. The bill
29 also provides for the updating of the Iowa administrative code
30 based upon the restructuring provided in the bill.

31 The bill also repeals Code chapter 7D, which establishes
32 the executive council. In addition, Code chapter 15C,
33 concerning the world trade center, is also repealed. The
34 executive council currently consists of the governor,
35 secretary of state, auditor of state, treasurer of state, and

1 the secretary of agriculture. Of the duties performed by the
2 executive council, some duties are eliminated while other
3 duties are transferred to other state departments or
4 constitutional officers. The applicable Code section or
5 chapter is referenced in parentheses.

6 The bill repeals and eliminates the following duties,
7 powers, and responsibilities of the executive council: the
8 ability to designate additional paid holidays for state
9 employees (1C.2), the report for the official register (7D.6),
10 the receipt of the report of unexpended balances on special
11 work (7D.11), the notice to transfer balance regarding special
12 funds (7D.12), the order and duty to transfer the balance in
13 special funds to the general fund (7D.13, 7D.14), the creation
14 of the public policy research foundation (7D.15), the ability
15 to employ others for the performance of duty (7D.29, 7D.30),
16 the state employee suggestion system (70.33), and the ability
17 to remove any appointive state officer from office for bad
18 conduct (66.26, 66.27). In addition, the bill eliminates the
19 requirement that executive council authority is needed for the
20 auditor to employ accountants (11.32), to distribute old Iowa
21 Codes (18.95), to contract for workers' compensation services
22 (19A.32), for the workers' compensation commissioner to enter
23 into certain contracts (86.8), to set the salary of certain
24 licensing board secretaries and directors (147.102, 147.103A,
25 152.2), to permit certain out-of-state travel (217.20,
26 421.38), and to approve the sale of park lands or islands by
27 the natural resource commission (461A). The bill also
28 eliminates the ability of the executive council to review the
29 decision of the administrator of the physical resources
30 division granting a state agency request for direct purchasing
31 (18.6), or to review the decision of the administrator of the
32 physical resources division resolving a dispute involving
33 purchasing from Iowa state industries.

34 The following duties, powers, and responsibilities of the
35 executive council are transferred to the governor: the

1 responsibility for establishing the state employee deferred
2 compensation plan, the ability to employ special counsel in
3 lieu of the attorney general (13.3, 13.7), the ability to
4 authorize indebtedness for state institutions (72.2), the
5 approval of all contracts for the sale of bonds issued by the
6 state (75.8), the review of certain purchasing authority by
7 the state board of regents (262), expending money from the
8 fish and game protection fund for contingencies (455A.10), and
9 certain boundary commission proceedings (568.14).

10 The following duties, powers, and responsibilities of the
11 executive council are transferred to the treasurer: the
12 ability to issue state warrants in anticipation of revenues
13 (new 12.26A from 7D.8), the public sale of mining camp schools
14 (297.30), and ascertaining the value of certain securities
15 (492, 497.13).

16 The following duties, powers, and responsibilities of the
17 executive council are transferred to the superintendent of
18 savings and loan associations: duties concerning
19 unincorporated associations (534.515).

20 The following duties, powers, and responsibilities of the
21 executive council are transferred to the attorney general's
22 office: the control and supervision of the civil reparations
23 trust (668A.1).

24 The following duties, powers, and responsibilities of the
25 executive council are transferred to the state appeal board
26 (the board consists of the director of the department of
27 management, the auditor of state, and the treasurer of state):
28 the ability to compromise certain claims (current 7D.9, now
29 24A.1), the payment of court costs (current 7D.10, now 24A.2,
30 602.10133, 663.44), allocation to the manure storage indemnity
31 fund (current 7D.10A, now 24A.3, 455J.2), authorize
32 expenditures from unappropriated funds for certain leases and
33 contracts by the administrator of the division of general
34 services (18.12), payment from a contingent fund for disasters
35 (29A.27, 29C.20), approve requests for funds to meet

1 emergencies relating to the special employment security
2 contingency fund (96.13), approve expenditures for the payment
3 to an owner of a killed animal (163.15, 163.51), approve
4 emergency funding for state fair maintenance for a natural
5 disaster (173.16), approve the payment of money to a city or
6 county for the cost of a public improvement which affects
7 state lands (384.56, 468.43), approve the use by the director
8 of revenue and finance of moneys in the litigation expense
9 fund (441.73), and the refund of moneys relating to islands
10 and abandoned river channels (568.16).

11 The following duties, powers, and responsibilities of the
12 executive council are transferred to the new department of
13 administrative services: certain eminent domain authority
14 (6A.1, 6A.2), the inventory of state property (7A.30), the
15 energy conservation lease-purchase program (current 7D.34, now
16 8A.106, 470.7), the authority to resolve disputes between the
17 department of natural resources and the state building code
18 commissioner (current 7D.35, now 8A.107), review of revolving
19 fund administrative costs (18.9), determining the status of
20 employees in regards to the interchange of federal, state, and
21 local government employees (28D.6), the sale of lands not
22 needed for an armory (29A.57), providing suitable quarters for
23 the division of records and statistics (144.2), to execute the
24 deeds for the sale of land no longer needed for toll bridges
25 by the state department of transportation (313A.24, 313A.26),
26 and the authority to manage property that comes under the
27 control of the state under Iowa Code chapter 569.

28 The following duties, powers, and responsibilities of the
29 executive council are transferred to the department of natural
30 resources: authorizing the lease of public lands for oil or
31 gas exploration (458A.21), several duties relating to public
32 lands and waters under Code chapter 461A, granting permission
33 of any levee or drainage district to occupy and use for any
34 lawful levee or drainage purpose certain land owned by the
35 state of Iowa not under the control of any state agency

1 (468.220).

2 The department of management is also designated as the
3 agency to certify allocation of funds to school districts from
4 counties under Code section 161E.14 and is given the authority
5 to review certain disputes between prison industries and the
6 division of general services under Code section 904.808. The
7 department of education is also given the authority to approve
8 the sale of certain school lands without an appraisalment
9 (257B.6). The utilities board is also given the duties
10 originally granted to the executive council concerning Code
11 chapter 469A relating to hydroelectric plants.

12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35