

APR 10 2002
APPROPRIATIONS CALENDAR

REPRINTED

HOUSE FILE 2623
BY COMMITTEE ON APPROPRIATIONS

Passed House, Date (P. 1380) 4-11-02 Passed Senate, Date (P. 1198) 4/12/02
Vote: Ayes 53 Nays 45 Vote: Ayes 27 Nays 18

Approved May 10
Item Veto

A BILL FOR

1 An Act relating to public funding provisions involving the
2 compensation and benefits for public officials and employees,
3 county mental health allowed growth, regulatory and other
4 properly related matters of the state, making and reducing
5 appropriations, and providing effective dates.

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

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HF-2623

1 DIVISION I

2 COMPENSATION AND BENEFITS

3 Section 1.

4 1. STATE BOARD OF REGENTS DEMUTUALIZATION PROCEEDS

5 TRANSFER. The state board of regents shall transfer by June
6 1, 2002, to the treasurer of state for deposit in the salary
7 adjustment fund the sum of \$30,000,000 from the proceeds
8 received by the state board of regents as a result of the
9 demutualization of the principal mutual holding company. The
10 amount transferred represents the portion of the funds
11 utilized by the state board of regents institutions for
12 employer contributions toward the premiums on insurance
13 policies which were paid from state general fund
14 appropriations for previous fiscal years.

15 2. COLLECTIVE BARGAINING AGREEMENTS FUNDED -- REGENTS

16 DEMUTUALIZATION PROCEEDS. The state board of regents
17 demutualization proceeds transferred pursuant to subsection 1
18 to the salary adjustment fund are appropriated and shall be
19 distributed by the department of management to the various
20 state departments, boards, commissions, councils, and
21 agencies, including the state board of regents, for the fiscal
22 year beginning July 1, 2002, and ending June 30, 2003, in the
23 amount of \$30,000,000, or so much thereof as may be necessary,
24 to fully fund the following annual pay adjustments, expense
25 reimbursements, and related benefits:

26 a. The collective bargaining agreement negotiated pursuant
27 to chapter 20 for employees in the blue collar bargaining
28 unit.

29 b. The collective bargaining agreement negotiated pursuant
30 to chapter 20 for employees in the public safety bargaining
31 unit.

32 c. The collective bargaining agreement negotiated pursuant
33 to chapter 20 for employees in the security bargaining unit.

34 d. The collective bargaining agreement negotiated pursuant
35 to chapter 20 for employees in the technical bargaining unit.

- 1 e. The collective bargaining agreement negotiated pursuant
2 to chapter 20 for employees in the professional fiscal and
3 staff bargaining unit.
- 4 f. The collective bargaining agreement negotiated pursuant
5 to chapter 20 for employees in the university of northern Iowa
6 faculty bargaining unit.
- 7 g. The collective bargaining agreement negotiated pursuant
8 to chapter 20 for employees in the clerical bargaining unit.
- 9 h. The collective bargaining agreement negotiated pursuant
10 to chapter 20 for employees in the professional social
11 services bargaining unit.
- 12 i. The collective bargaining agreement negotiated pursuant
13 to chapter 20 for employees in the community-based corrections
14 bargaining unit.
- 15 j. The collective bargaining agreement negotiated pursuant
16 to chapter 20 for employees in the judicial branch of
17 government bargaining unit.
- 18 k. The collective bargaining agreement negotiated pursuant
19 to chapter 20 for employees in the patient care bargaining
20 unit.
- 21 l. The collective bargaining agreement negotiated pursuant
22 to chapter 20 for employees in the science bargaining unit.
- 23 m. The collective bargaining agreement negotiated pursuant
24 to chapter 20 for employees in the state university of Iowa
25 graduate student bargaining unit.
- 26 n. The collective bargaining agreement negotiated pursuant
27 to chapter 20 for employees in the state university of Iowa
28 hospital and clinics tertiary health care bargaining unit.
- 29 o. The annual pay adjustments, related benefits, and
30 expense reimbursements referred to in sections 2 and 3 of this
31 division of this Act for employees not covered by a collective
32 bargaining agreement.
- 33 3. In distributing moneys from the salary adjustment fund,
34 the department of management shall take into consideration the
35 special circumstances of those state institutions operating

1 under the net general fund appropriation budgeting system so
2 that such institutions are not adversely affected because of
3 the use of that budgeting system.

4 Sec. 2. NONCONTRACT STATE EMPLOYEES -- GENERAL.

5 1. a. For the fiscal year beginning July 1, 2002, the
6 maximum salary levels of all pay plans provided for in section
7 19A.9, subsection 2, as they exist for the fiscal year ending
8 June 30, 2002, shall be increased by 3 percent for the pay
9 period beginning October 25, 2002, and any additional changes
10 in the pay plans shall be approved by the governor.

11 b. For the fiscal year beginning July 1, 2002, employees
12 may receive a step increase or the equivalent of a step
13 increase.

14 2. The pay plans for state employees who are exempt from
15 chapter 19A and who are included in the department of revenue
16 and finance's centralized payroll system shall be increased in
17 the same manner as provided in subsection 1, and any
18 additional changes in any executive branch pay plans shall be
19 approved by the governor.

20 3. This section does not apply to members of the general
21 assembly, board members, commission members, salaries of
22 persons set by the general assembly pursuant to this division
23 of this Act or salaries of appointed state officers set by the
24 governor, other persons designated, employees designated under
25 section 19A.3, subsection 5, and employees covered by 581 IAC
26 4.6(3).

27 4. The pay plans for the bargaining eligible employees of
28 the state shall be increased in the same manner as provided in
29 subsection 1, and any additional changes in such executive
30 branch pay plans shall be approved by the governor. As used
31 in this section, "bargaining eligible employee" means an
32 employee who is eligible to organize under chapter 20, but has
33 not done so.

34 5. The policies for implementation of this section shall
35 be approved by the governor.

1 Sec. 3. STATE EMPLOYEES -- STATE BOARD OF REGENTS. Funds
2 from the appropriation in section 1, subsection 2 of this
3 division of this Act, not to exceed \$18,000,000, shall be
4 allocated to the state board of regents for the purposes of
5 providing increases for state board of regents employees
6 covered by section 1 of this division of this Act and for
7 state board of regents employees not covered by a collective
8 bargaining agreement as follows:

9 1. For regents merit system employees and merit
10 supervisory employees to fund for the fiscal year, increases
11 comparable to those provided for similar contract-covered
12 employees in this division of this Act.

13 2. For faculty members and professional and scientific
14 employees to fund for the fiscal year, percentage increases
15 comparable to those provided for contract-covered employees in
16 section 1, subsection 2, paragraph "f", of this division of
17 this Act.

18 Sec. 4. STATE COURTS -- JUSTICES, JUDGES, AND MAGISTRATES.

19 1. Funds from the appropriation in section 1, subsection 2
20 of this division of this Act, not to exceed \$2,970,000, shall
21 be allocated to the judicial branch for the purpose of
22 providing increases in salaries for state judges, justices,
23 and magistrates and for increases for other judicial branch
24 employees. The salary rates specified in subsection 2 are for
25 the fiscal year beginning July 1, 2002, effective for the pay
26 period beginning December 20, 2002, and for subsequent fiscal
27 years until otherwise provided by the general assembly.

28 2. The following annual salary rates shall be paid to the
29 persons holding the judicial positions indicated during the
30 fiscal year beginning July 1, 2002, effective with the pay
31 period beginning December 20, 2002, and for subsequent pay
32 periods.

- 33 a. Chief justice of the supreme court:
34 \$ 124,550
35 b. Each justice of the supreme court:

1	.....	\$	120,100
2	c. Chief judge of the court of appeals:		
3	.....	\$	119,980
4	d. Each associate judge of the court of appeals:		
5	.....	\$	115,540
6	e. Each chief judge of a judicial district:		
7	.....	\$	114,470
8	f. Each district judge except the chief judge of a		
9	judicial district:		
10	.....	\$	109,810
11	g. Each district associate judge:		
12	.....	\$	95,700
13	h. Each associate juvenile judge:		
14	.....	\$	95,700
15	i. Each associate probate judge:		
16	.....	\$	95,700
17	j. Each judicial magistrate:		
18	.....	\$	28,530
19	k. Each senior judge:		
20	.....	\$	6,370

21 3. Persons receiving the salary rates established under
22 subsection 2 shall not receive any additional salary
23 adjustments provided by this division of this Act.

24 Sec. 5. APPROPRIATIONS FROM ROAD FUNDS.

25 1. There is appropriated from the road use tax fund to the
26 salary adjustment fund for the fiscal year beginning July 1,
27 2002, and ending June 30, 2003, the following amount, or so
28 much thereof as may be necessary, to be used for the purpose
29 designated:

30 To supplement other funds appropriated by the general
31 assembly:

32	\$	1,588,368
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33 2. There is appropriated from the primary road fund to the
34 salary adjustment fund, for the fiscal year beginning July 1,
35 2002, and ending June 30, 2003, the following amount, or so

1 much thereof as may be necessary, to be used for the purpose
2 designated:

3 To supplement other funds appropriated by the general
4 assembly:

5 \$ 8,627,499

6 3. Except as otherwise provided in this division of this
7 Act, the amounts appropriated in subsections 1 and 2 shall be
8 used to fund the annual pay adjustments, expense
9 reimbursements, and related benefits for public employees as
10 provided in this division of this Act.

11 Sec. 6. SPECIAL FUNDS -- AUTHORIZATION. For departmental
12 revolving, trust, or special funds, except for the primary
13 road fund or the road use tax fund, for which the general
14 assembly has established an operating budget, a supplemental
15 expenditure authorization is provided, unless otherwise
16 provided, in an amount necessary to fund salary adjustments,
17 as provided in this division of this Act.

18 Sec. 7. GENERAL FUND SALARY MONEYS. Funds appropriated
19 for distribution from the salary adjustment fund in section 1,
20 subsection 2 of this division of this Act relate only to
21 salaries supported from general fund appropriations of the
22 state except for employees of the state board of regents. The
23 funds allocated in this division of this Act for employees of
24 the state board of regents shall exclude general university
25 indirect costs and general university federal funds.

26 Sec. 8. FEDERAL FUNDS APPROPRIATED. For the fiscal year
27 beginning July 1, 2002, and ending June 30, 2003, all federal
28 grants to and the federal receipts of the agencies affected by
29 this division of this Act which are received and may be
30 expended for purposes of this division of this Act are
31 appropriated for those purposes and as set forth in the
32 federal grants or receipts.

33 Sec. 9. STATE TROOPER MEAL ALLOWANCE. For the fiscal year
34 beginning July 1, 2002, and ending June 30, 2003, the sworn
35 peace officers in the department of public safety who are not

1 covered by a collective bargaining agreement negotiated
2 pursuant to chapter 20 shall receive the same per diem meal
3 allowance as the sworn peace officers in the department of
4 public safety who are covered by a collective bargaining
5 agreement negotiated pursuant to chapter 20.

6 Sec. 10. SALARY MODEL COORDINATOR. Of the funds
7 appropriated in section 1, subsection 2, of this division of
8 this Act, \$126,767 for the fiscal year beginning July 1, 2002,
9 is allocated to the department of management for salary and
10 support of the salary model coordinator who shall work in
11 conjunction with the legislative fiscal bureau to maintain the
12 state's salary model used for analyzing, comparing, and
13 projecting state employee salary and benefit information,
14 including information relating to employees of the state board
15 of regents. The department of revenue and finance, the
16 department of personnel, the five institutions under the
17 jurisdiction of the state board of regents, the judicial
18 district departments of correctional services, and the state
19 department of transportation shall provide salary data to the
20 department of management and the legislative fiscal bureau to
21 operate the state's salary model. The format and frequency of
22 provision of the salary data shall be determined by the
23 department of management and the legislative fiscal bureau.
24 The information shall be used in collective bargaining
25 processes under chapter 20 and in calculating the funding
26 needs contained within the annual salary adjustment
27 legislation. A state employee organization as defined in
28 section 20.3, subsection 4, may request information produced
29 by the model, but the information provided shall not contain
30 information attributable to individual employees.

31 Sec. 11. HEALTH INSURANCE INCENTIVE PROGRAMS. For the
32 fiscal year beginning July 1, 2002, and ending June 30, 2003,
33 the department of revenue and finance shall administer the
34 health insurance incentive programs as contained in the
35 collective bargaining agreements. The incentive payment shall

1 be distributed in the paycheck of an eligible state employee
2 if the employee is employed by a central state agency. Each
3 judicial district department of correctional services and the
4 state board of regents shall provide monthly to the department
5 of revenue and finance a list of their employee counts by
6 benefit plan that qualify for the incentive and the amount of
7 the incentive due. The judicial district department of
8 correctional services and the state board of regents shall
9 include the amount of the incentive payment in their eligible
10 employees' paychecks as soon as the payment is
11 administratively practical.

12 Sec. 12. TERMINAL LIABILITY HEALTH INSURANCE SURCHARGE.
13 For the period beginning July 1, 2002, and ending January 3,
14 2003, the department of personnel shall include in the rates
15 for the Wellmark Blue Cross/Blue Shield Program 3 Plus,
16 Wellmark Blue Cross/Blue Shield Program 3 plus with a
17 comprehensive major medical overlay, and Iowa Select Preferred
18 Provider Organization health insurance plans a surcharge, as
19 determined by the department of management, on only the
20 employer's share of the health insurance premium cost to fund
21 the state's share of the terminal liability of the existing
22 Wellmark health insurance contract. The department of revenue
23 and finance shall collect the surcharge from state agencies,
24 the state fair board, state board of regents, and the judicial
25 district departments of correctional services. The proceeds
26 of the surcharge shall be credited to the terminal liability
27 health insurance fund created in section 421.46. The health
28 insurance plans provided to state employees covered by the
29 state police officers council collective bargaining agreement
30 are exempt from the surcharge provided in this section.

31 Sec. 13. 2002 Iowa Acts, Senate File 2304, section 21,
32 subsection 3, is amended to read as follows:

33 3. As part of implementing the reduction made in
34 subsection 1, notwithstanding the annual salary rates
35 authorized for justices, judges, and magistrates in 2001 Iowa

1 Acts, chapter 190, section 1, for the fiscal year beginning
2 July 1, 2001, those salary rates shall be reduced by applying
3 a 5 percent reduction to the portion of annual salary
4 attributable to the period beginning on the effective date of
5 this Act through June 30 20, 2002. Subsection 2 does not
6 apply to justices, judges, and magistrates subject to this
7 subsection.

8 Sec. 14. 2002 Iowa Acts, Senate File 2304, section 25,
9 subsections 3 and 4, are amended to read as follows:

10 3. As part of implementing the reduction made in this
11 section, notwithstanding the annual salary rates authorized
12 for elective executive branch officials in 2000 Iowa Acts,
13 chapter 1219, section 3, for the fiscal year beginning July 1,
14 2001, the salary rates for such officials shall be reduced by
15 applying a 5 percent reduction to the portion of annual salary
16 attributable to the period beginning on the effective date of
17 this Act through June 30 20, 2002. Subsection 2 does not
18 apply to elective executive branch officials subject to this
19 subsection.

20 4. As part of implementing the reduction made in this
21 section, notwithstanding the annual salaries established under
22 2001 Iowa Acts, chapter 190, section 3, for the fiscal year
23 beginning July 1, 2001, each of those salaries shall be
24 reduced by applying a 5 percent reduction to the portion of
25 the salary attributable to the period beginning on the
26 effective date of this Act through June 30 20, 2002.
27 Subsection 2 does not apply to appointed executive branch
28 officers subject to this subsection.

29 Sec. 15. Section 421.46, subsection 2, Code Supplement
30 2001, is amended by striking the subsection.

31 Sec. 16. EFFECTIVE DATE. Section 1, subsection 1 of this
32 Act relating to the state board of regents demutualization
33 proceeds transfer, being deemed of immediate importance, takes
34 effect upon enactment.

35

DIVISION II

1 STATUTORY AND SESSION LAW CHANGES

2 Sec. 17. Section 8.63, subsection 4, Code 2001, is amended
3 to read as follows:

4 4. a. In order for the innovations fund to be self-
5 supporting, the innovations fund committee shall establish
6 repayment schedules for each innovation fund loan awarded.
7 Agencies shall repay the funds over a period not to exceed
8 five years with interest, at a rate to be determined by the
9 innovations fund committee.

10 ~~b.--if-the-department-of-management-and-the-department-of~~
11 ~~revenue-and-finance-certify-that-the-savings-from-a-proposed~~
12 ~~innovations-fund-project-will-result-in-a-net-increase-in-the~~
13 ~~balance-of-the-general-fund-of-the-state-without-a~~
14 ~~corresponding-cost-savings-to-the-requesting-agency, and-if~~
15 ~~the-requesting-agency-meets-all-other-eligibility~~
16 ~~requirements, the-innovations-fund-committee-may-approve-the~~
17 ~~loan-for-the-project-and-not-require-repayment-by-the~~
18 ~~requesting-agency.--There-is-appropriated-from-the-general~~
19 ~~fund-of-the-state-to-the-department-of-revenue-and-finance-an~~
20 ~~amount-sufficient-to-repay-the-loan-amount.~~

21 Sec. 18. Section 12.21, Code 2001, is amended to read as
22 follows:

23 12.21 ACCEPTING CREDIT CARD PAYMENTS.

24 1. The treasurer of state may enter into an agreement with
25 a financial institution or other credit card processor to
26 provide credit card receipt processing for state departments
27 which are authorized by the treasurer of state to accept
28 payment by credit card.

29 2. A department which accepts authorized by the treasurer
30 of state to accept payment by credit card payments may adjust
31 its fees to reflect the cost of credit card receipt processing
32 as determined by the treasurer of state. ~~A-fee-may-be-charged~~
33 ~~by-a-department-for-using-the-credit-card-payment-method~~
34 ~~notwithstanding-any-other-provision-of-the-Code-setting~~
35 ~~specific-fees.~~ The fees charged to a payer shall be the same

1 regardless of payment method unless otherwise permitted in the
2 agreement with the financial institution or credit card
3 processor.

4 3. The credit card charges applied by a financial
5 institution or credit card processor for credit card receipts
6 accepted in accordance with subsection 1 shall be considered
7 to be part of the payment due and accepted. A state
8 department authorized by the treasurer of state to accept
9 payment by credit card shall pay the credit card receipt
10 processing charges from aggregate fees collected.

11 4. The treasurer of state shall adopt rules to implement
12 this section.

13 Sec. 19. Section 14B.203, subsection 3, Code Supplement
14 2001, is amended to read as follows:

15 3. In addition to other forms of payment, credit cards
16 shall be accepted in payment for moneys owed to a governmental
17 entity as provided in this section, according to rules which
18 shall be adopted by the treasurer of state under section
19 12.21. The fees to be charged shall not exceed those
20 permitted by statute. A governmental entity may adjust its
21 fees to reflect the cost of processing as determined by the
22 treasurer of state. The discount charged by the credit card
23 issuer may be included in determining the fees to be paid for
24 completing a financial transaction under this section by using
25 a credit card.

26 Sec. 20. Section 14B.205, Code 2001, is amended to read as
27 follows:

28 14B.205 CREDIT CARDS ACCEPTED.

29 In addition to other forms of payment, credit cards may
30 shall be accepted in accordance with section 12.21 in payment
31 for any fees, including but not limited to interest,
32 penalties, subscriptions, registrations, purchases,
33 applications, licenses, permits, or other filings transmitted
34 or transactions conducted electronically. ~~The fees to be~~
35 ~~charged shall not exceed those permitted by statute, except~~

~~1 that the discount charged by the credit card issuer may be
2 included in determining the fee to be charged for records
3 transmitted or transactions conducted electronically.~~

4 Sec. 21. Section 15.108, subsection 9, paragraph e, Code
5 Supplement 2001, is amended to read as follows:

6 e. ~~At the director's discretion, accept~~ Accept payment by
7 credit card in accordance with section 12.21 of any fees,
8 interest, penalties, subscriptions, registrations, purchases,
9 or other payments, or any portion of such payments, which are
10 due or collected by the department. ~~The department may adjust
11 the amount of the payment to reflect the costs of processing
12 the payment as determined by the treasurer of state and the
13 payment by credit card shall include, in addition to all other
14 charges, any discount charged by the credit card issuer.~~

15 Sec. 22. Section 15E.112, subsection 1, Code 2001, is
16 amended to read as follows:

17 1. A value-added agricultural products and processes
18 financial assistance fund is created within the state treasury
19 under the control of the department. The fund shall consist
20 of moneys allocated from the Iowa strategic investment fund
21 created in section 15.313, those appropriated moneys, and any
22 other moneys available to and obtained or accepted by the
23 department from the federal government or private sources for
24 placement in the fund. The assets of the fund shall be used
25 by the department only for administration and carrying out the
26 purposes of section 15E.111.

27 Sec. 23. Section 18.75, subsection 6, Code 2001, is
28 amended to read as follows:

29 6. Have legal custody of all Codes, session laws, books of
30 annotations, tables of corresponding sections, publications,
31 except premium lists published by the Iowa state fair board,
32 containing reprints of statutes or administrative rules, or
33 both, reports of state departments, and reports of the supreme
34 court, and sell, account for, and distribute the same as
35 provided by law. However, the legislative service bureau

1 shall solicit and process orders for the distribution of all
2 printed Codes, session laws, administrative codes and
3 bulletins, court rules, and the state roster.

4 Sec. 24. Section 18.97A, Code 2001, is amended by adding
5 the following new unnumbered paragraph:

6 NEW UNNUMBERED PARAGRAPH. The office of the governor, the
7 supreme court, and the legislative council shall control the
8 number of copies of the printed publications enumerated in
9 section 18.97 distributed to recipients in their respective
10 branches.

11 Sec. 25. Section 101.24, Code 2001, is amended by adding
12 the following new subsection:

13 NEW SUBSECTION. 5. If a tank manufactured for aboveground
14 use at a tank site meets the requirements of sections 2-3.5
15 and 2-3.6 of the standard national fire protection association
16 30 flammable and combustible liquids code, 1993 edition, and
17 the tank owner has complied with section 101.22 on or before
18 June 30, 2001, the fire marshal shall consider the aboveground
19 tank equivalent of the underwriters laboratory rated tanks
20 described in section 2-2.3.1(a) of the standard national fire
21 protection association 30 flammable and combustible liquids
22 code, 1993 edition, for purposes of this chapter.

23 Sec. 26. NEW SECTION. 239B.2B ELIGIBILITY OF
24 NONCITIZENS.

25 A person who meets the conditions of eligibility under
26 section 239B.2 and who meets either of the following
27 requirements shall be eligible for participation in the family
28 investment program:

29 1. The person is a conditional resident alien who was
30 battered or subjected to extreme cruelty, or whose child was
31 battered or subjected to extreme cruelty, perpetrated by the
32 person's spouse who is a United States citizen or lawful
33 permanent resident as described in 8 C.F.R. § 216.5(a)(3).

34 2. The person was battered or subjected to extreme
35 cruelty, or the person's child was battered or subjected to

1 extreme cruelty, perpetrated by the person's spouse who is a
2 United States citizen or lawful permanent resident and the
3 person's petition has been approved or a petition is pending
4 that sets forth a prima facie case that the person has
5 noncitizen status under any of the following categories:

6 a. Status as a spouse or child of a United States citizen
7 or lawful permanent resident under the federal Immigration and
8 Nationality Act, § 204(a)(1), as codified in 8 U.S.C. §
9 1154(a)(1)(A).

10 b. Status as a spouse or child who was battered or
11 subjected to extreme cruelty by a United States citizen or
12 lawful permanent resident, under the federal Immigration and
13 Nationality Act, § 204(a)(iii), as codified in 8 U.S.C. §
14 1154(a)(1)(A)(iii).

15 c. Classification as a person lawfully admitted for
16 permanent residence under the federal Immigration and
17 Nationality Act.

18 d. Suspension of deportation and adjustment of status
19 under the federal Immigration and Nationality Act, § 244(a),
20 as in effect before the date of enactment of the federal
21 Illegal Immigration Reform and Immigrant Responsibility Act of
22 1996.

23 e. Cancellation of removal or adjustment of status under
24 the federal Immigration and Nationality Act, § 240A, as
25 codified in 8 U.S.C. § 1229b.

26 f. Status as an asylee, if asylum is pending, under the
27 federal Immigration and Nationality Act, § 208, as codified in
28 8 U.S.C. § 1158.

29 Sec. 27. Section 249A.3, subsection 2, paragraph a, Code
30 Supplement 2001, is amended to read as follows:

31 a. As provided either pursuant to subparagraph (1) or
32 pursuant to subparagraphs (2) and (3):

33 (1) As allowed under 42 U.S.C. §
34 1396a(a)(10)(A)(ii)(XIII), individuals with disabilities, who
35 are less than sixty-five years of age, who are members of

1 families whose income is less than two hundred fifty percent
2 of the most recently revised official poverty line guidelines
3 published by the ~~federal-office-of-management-and-budget~~
4 United States department of health and human services for the
5 family, who have earned income and who are eligible for
6 supplemental security income or supplemental security income-
7 related medical assistance or-additional-medical-assistance
8 under this section if earnings are disregarded. As allowed by
9 42 U.S.C. § 1396a(r)(2), unearned income shall also be
10 disregarded in determining whether an individual is eligible
11 for assistance under this paragraph subparagraph. For the
12 purposes of determining the amount of an individual's
13 resources under this paragraph subparagraph and as allowed by
14 42 U.S.C. § 1396a(r)(2), a maximum of ten thousand dollars of
15 available resources shall be disregarded and any additional
16 resources held in a retirement account, in a medical savings
17 account, or in any other account approved under rules adopted
18 by the department shall also be disregarded. Individuals
19 eligible for assistance under this paragraph subparagraph,
20 whose individual income exceeds one hundred fifty percent of
21 the official poverty line guidelines published by the ~~federal~~
22 ~~office-of-management-and-budget~~ United States department of
23 health and human services for an individual, shall pay a
24 premium. The amount of the premium shall be based on a
25 sliding fee schedule adopted by rule of the department and
26 shall be based on a percentage of the individual's income.
27 The maximum premium payable by an individual whose income
28 exceeds one hundred fifty percent of the official poverty line
29 guidelines shall be commensurate with premiums-charged-for
30 private the cost of state employees' group health insurance in
31 this state. ~~This-paragraph-shall-be-implemented-no-later-than~~
32 ~~March-17-2000-~~

33 (2) As allowed under 42 U.S.C. § 1396a(a)(10)(A)(ii)(XV),
34 individuals who are at least sixteen years of age but less
35 than sixty-five years of age who, but for earnings in excess

1 of the limit established under 42 U.S.C. § 1396d(q)(2)(B),
2 would be considered to be receiving federal supplemental
3 security income, and who are members of families whose income
4 is less than two hundred fifty percent of the most recently
5 revised official poverty guidelines published by the United
6 States department of health and human services for the family,
7 subject to a resource limit of twelve thousand dollars for an
8 individual and thirteen thousand dollars for a couple. For
9 the purposes of determining the amount of an individual's or
10 couple's resources under this subparagraph, any resources held
11 in a retirement account, in a medical savings account, or in
12 any other account approved under rules adopted by the
13 department shall be disregarded. Individuals eligible for
14 assistance under this subparagraph whose individual income
15 exceeds one hundred fifty percent of the official poverty
16 guidelines for an individual shall pay a premium. The amount
17 of the premium shall be based on a sliding fee schedule
18 adopted by rule of the department and shall be based on a
19 percentage of the individual's income. The maximum premium
20 payable by an individual whose income exceeds one hundred
21 fifty percent of the official poverty guidelines shall be
22 commensurate with the cost of state employees' group health
23 insurance in this state, but shall not exceed seven and one-
24 half percent of income, unless the individual's income exceeds
25 four hundred fifty percent of the official poverty guidelines.

26 (3) As allowed under 42 U.S.C. § 1396a(a)(10)(A)(ii)(XVI),
27 employed individuals with a medically improved disability, as
28 defined in 42 U.S.C. § 1396d(v)(1), who are members of
29 families whose income is less than two hundred fifty percent
30 of the most recently revised official poverty guidelines
31 published by the United States department of health and human
32 services for the family, subject to a resource limit of twelve
33 thousand dollars for an individual and thirteen thousand
34 dollars for a couple. For the purposes of determining the
35 amount of an individual's or couple's resources under this

1 subparagraph, any resources held in a retirement account, in a
2 medical savings account, or in any other account approved
3 under rules adopted by the department shall be disregarded.
4 Individuals eligible for assistance under this subparagraph
5 whose individual income exceeds one hundred fifty percent of
6 the official poverty guidelines for an individual shall pay a
7 premium. The amount of the premium shall be based on a
8 sliding fee schedule adopted by rule of the department and
9 shall be based on a percentage of the individual's income.
10 The maximum premium payable by an individual whose income
11 exceeds one hundred fifty percent of the official poverty
12 guidelines shall be commensurate with the cost of state
13 employees' group health insurance in this state, but shall not
14 exceed seven and one-half percent of income, unless the
15 individual's income exceeds four hundred fifty percent of the
16 official poverty guidelines.

17 Sec. 28. Section 256.67, subsection 1, Code Supplement
18 2001, is amended to read as follows:

19 1. Act as administrator and executive secretary of the
20 region library service area in accordance with the objectives
21 and policies adopted by the area board of trustees and with
22 the intent of this chapter.

23 Sec. 29. Section 260G.4B, subsection 1, Code Supplement
24 2001, is amended to read as follows:

25 1. The total amount of program job credits from all
26 employers which shall be allocated for all accelerated career
27 education programs in the state in any one fiscal year shall
28 not exceed the sum of three million dollars in the fiscal year
29 beginning July 1, 2000, three million dollars in the fiscal
30 year beginning July 1, 2001, three million dollars in the
31 fiscal year beginning July 1, 2002, and six million dollars in
32 the fiscal year beginning July 1, ~~2002~~ 2003, and every fiscal
33 year thereafter. Any increase in program job credits above
34 the six-million-dollar limitation per fiscal year shall be
35 developed, based on recommendations in a study which shall be

1 conducted by the department of economic development of the
2 needs and performance of approved programs in the fiscal years
3 beginning July 1, 2000, and July 1, 2001. The study's
4 findings and recommendations shall be submitted to the general
5 assembly by the department by December 31, 2002. The study
6 shall include but not be limited to an examination of the
7 quality of the programs, the number of program participant
8 placements, the wages and benefits in program jobs, the level
9 of employer contributions, the size of participating
10 employers, and employer locations. A community college shall
11 file a copy of each agreement with the department of economic
12 development. The department shall maintain an annual record
13 of the proposed program job credits under each agreement for
14 each fiscal year. Upon receiving a copy of an agreement, the
15 department shall allocate any available amount of program job
16 credits to the community college according to the agreement
17 sufficient for the fiscal year and for the term of the
18 agreement. When the total available program job credits are
19 allocated for a fiscal year, the department shall notify all
20 community colleges that the maximum amount has been allocated
21 and that further program job credits will not be available for
22 the remainder of the fiscal year. Once program job credits
23 have been allocated to a community college, the full
24 allocation shall be received by the community college
25 throughout the fiscal year and for the term of the agreement
26 even if the statewide program job credit maximum amount is
27 subsequently allocated and used.

28 Sec. 30. Section 368.4, Code 2001, as amended by 2002 Iowa
29 Acts, House File 582, if enacted, is amended to read as
30 follows:

31 368.4 ANNEXING MORATORIUM.

32 A city, following notice and hearing, may by resolution
33 agree with another city or cities to refrain from annexing
34 specifically described territory for a period not to exceed
35 ten years and, following notice and hearing, may by resolution

1 extend the agreement for subsequent periods not to exceed ten
2 years each. Notice of a hearing shall be served by regular
3 mail at least thirty days before the hearing on the city
4 development board, on the board of supervisors of the county
5 in which the territory is located, and on all persons owning
6 land within the area subject to the agreement. The notice
7 shall include the time and place of the hearing, describe the
8 territory subject to the proposed agreement, and the general
9 terms of the agreement. After passage of a resolution by the
10 cities approving the agreements, a copy of the agreement and a
11 copy of any resolution extending an agreement shall be filed
12 with the city development board within ten days of enactment.
13 If such an agreement is in force, the board shall dismiss a
14 petition or plan which violates the terms of the agreement.

15 Sec. 31. Section 368.26, if enacted by 2002 Iowa Acts,
16 House File 582, is amended to read as follows:

17 368.26 FAILURE TO PROVIDE MUNICIPAL SERVICES.

18 If a city fails to provide municipal services to territory
19 involuntarily annexed, according to the plan filed pursuant to
20 section 368.11, within three years after city taxes are
21 imposed in the annexed territory, the city development board
22 shall initiate proceedings to sever the annexed territory from
23 the city. However, a city may appeal to the board for an
24 additional three years to provide municipal services if good
25 cause is shown. A petition for severance filed pursuant to
26 this section shall be filed and acted upon in the same manner
27 as a petition under section 368.11. For purposes of this
28 section ~~and section 368.11, subsection 14,~~ "municipal
29 services" means services selected by a landowner to be
30 provided by the city, including, but not limited to, water
31 supply, sewage disposal, street and road maintenance, and
32 police and fire protection, if the provision of such services
33 is within the legal authority of the annexing city.

34 Sec. 32. Section 421.17, subsection 31, Code Supplement
35 2001, is amended to read as follows:

1 ~~At the director's discretion, accept~~ Accept payment of
2 taxes, penalties, interest, and fees, or any portion thereof
3 of the payment, by credit card in accordance with section
4 12.21. The director may adjust the payable amount to reflect
5 the costs of processing the payment as determined by the
6 treasurer of state and the payment by credit card shall
7 include, in addition to all other charges, any discount
8 charged by the credit card issuer.

9 Sec. 33. Section 421.17, subsection 34, paragraph f, Code
10 Supplement 2001, is amended to read as follows:

11 f. ~~At the director's discretion, the~~ The department may
12 shall accept payment of debts, interest, and fees, or any
13 portion of the payment by credit card in accordance with
14 section 12.21. The director may adjust the payable amount to
15 reflect the costs of processing the payment as determined by
16 the treasurer of state and the payment by credit card shall
17 include, in addition to all other charges, any discount charge
18 by the credit card issuer.

19 Sec. 34. Section 455A.4, subsection 5, Code 2001, is
20 amended to read as follows:

21 5. The department may accept payment of any fees,
22 interest, penalties, subscriptions, or other payments due or
23 collected by the department, or any portion of such payments,
24 by credit card in accordance with section 12.21. The
25 department may adjust the amount of the payment to reflect the
26 costs of processing the payment as determined by the treasurer
27 of state and the payment by credit card shall include, in
28 addition to all other charges, any discount charged by the
29 credit card issuer.

30 Sec. 35. Section 476.97, subsection 11, paragraph g,
31 subparagraph (4), Code 2001, as amended by 2002 Iowa Acts,
32 Senate File 429, section 2, is amended by striking the
33 subparagraph and inserting in lieu thereof the following:

34 (4) Rates may be adjusted by the board to reflect any
35 changes in revenues, expenses, and investment due to exogenous

1 factors beyond the control of the local exchange carrier,
2 including, but not limited to, the effects of local
3 competition. The board shall have one hundred eighty days to
4 consider rate changes proposed under this subparagraph, but
5 for good cause may grant one extension of sixty days, not to
6 exceed a total of two hundred forty days.

7 Sec. 36. Section 514I.5, subsection 3, Code 2001, is
8 amended to read as follows:

9 3. Members appointed by the governor shall serve two-year
10 staggered terms as designated by the governor, and legislative
11 members of the board shall serve two-year terms. The filling
12 of positions reserved for the public representatives,
13 vacancies, membership terms, payment of compensation and
14 expenses, and removal of the members are governed by chapter
15 69. Members of the board are entitled to receive
16 reimbursement of actual expenses incurred in the discharge of
17 their duties. Public members of the board are also eligible
18 to receive compensation as provided in section 7E.6. The
19 members shall select a chairperson on an annual basis from
20 among the membership of the board.

21 Sec. 37. Section 541A.1, subsection 7, Code 2001, is
22 amended to read as follows:

23 7. "Individual development account" means a either of the
24 following:

25 a. A financial instrument which that is certified to have
26 the characteristics described in section 541A.2 by the
27 operating organization.

28 b. A financial instrument that is certified by the
29 operating organization to have the characteristics described
30 in and funded by a federal individual development account
31 program under which federal and state funding contributed to
32 match account holder deposits is deposited by an operating
33 organization in accordance with federal law and regulations,
34 and which includes but is not limited to any of the programs
35 implemented under the following federal laws:

1 (1) The federal Personal Responsibility and Work
2 Oppportunity Act of 1996, 42 U.S.C. § 604(h).

3 (2) The federal Assets for Independence Act, Pub. L. No.
4 105-285, Title IV.

5 Sec. 38. Section 541A.3, subsection 1, unnumbered
6 paragraph 1, Code 2001, is amended to read as follows:

7 Payment by the state of a savings refund on amounts of up
8 to two thousand dollars per calendar year that an account
9 holder deposits in the account holder's account. Moneys
10 transferred to an individual development account from another
11 individual development account shall not be considered an
12 account holder deposit for purposes of determining a savings
13 refund. Payment of a savings refund either shall be made
14 directly to the account holder's account or to an operating
15 organization's central reserve account for later distribution
16 to the account holder's account in the most appropriate manner
17 as determined by the administrator. The state savings refund
18 shall be the indicated percentage of the amount deposited:

19 Sec. 39. Section 541A.3, subsection 5, Code 2001, is
20 amended to read as follows:

21 5. The administrator shall coordinate the filing of claims
22 for savings refunds authorized under subsection 1, between
23 account holders, operating organizations, and the department
24 of revenue and finance. Claims approved by the administrator
25 may be paid by the department of revenue and finance to each
26 account, ~~or~~ for an aggregate amount for distribution to the
27 accounts in a particular financial institution, or to an
28 operating organization's central reserve account for later
29 distribution to the account holders' accounts depending on the
30 efficiency for issuing the refunds. Claims shall be initially
31 filed with the administrator on or before a date established
32 by the administrator. Claims approved by the administrator
33 shall be paid from the general fund of the state in the manner
34 specified in section 422.74.

35 Sec. 40. Section 556.12, subsection 1, Code 2001, is

1 amended to read as follows:

2 1. If a report has been filed with the treasurer of state,
3 or property has been paid or delivered to the treasurer of
4 state, for the fiscal year ending on June 30 as required by
5 section 556.11, the treasurer of state shall provide for the
6 publication annually of at least one notice ~~not-later-than~~
7 which notice shall not be published between the following
8 September 10 and the following November 30 10. Each notice
9 shall be published at least once each week for two successive
10 weeks in an English language newspaper of general circulation
11 in the county in this state in which is located the last known
12 address of any person to be named in the notice. If an
13 address is not listed or if the address is outside this state,
14 the notice shall be published in the county in which the
15 holder of the abandoned property has its principal place of
16 business within this state.

17 Sec. 41. Section 602.1302, subsection 3, Code 2001, is
18 amended to read as follows:

19 3. A revolving fund is created in the state treasury for
20 the payment of jury and witness fees, and mileage, and costs
21 related to summoning jurors by the judicial branch. The
22 judicial branch shall deposit any reimbursements to the state
23 for the payment of jury and witness fees and mileage in the
24 revolving fund. Notwithstanding section 8.33, unencumbered
25 and unobligated receipts in the revolving fund at the end of a
26 fiscal year do not revert to the general fund of the state.
27 The judicial branch shall on or before February 1 file a
28 financial accounting of the moneys in the revolving fund with
29 the legislative fiscal bureau. The accounting shall include
30 an estimate of disbursements from the revolving fund for the
31 remainder of the fiscal year and for the next fiscal year.

32 Sec. 42. Section 602.8108, subsection 5, Code Supplement
33 2001, is amended to read as follows:

34 5. A court technology and modernization fund is
35 established as a separate fund in the state treasury. The

1 state court administrator shall allocate one million dollars
2 of the moneys received under subsection 2 to be deposited in
3 the fund, which shall be administered by the supreme court and
4 shall be used as follows:

5 ~~a. Eighty percent shall be used~~ to enhance the ability of
6 the judicial branch to process cases more quickly and
7 efficiently, to electronically transmit information to state
8 government, local governments, law enforcement agencies, and
9 the public, and to improve public access to the court system.
10 ~~Moneys in this paragraph shall not be used for the Iowa court~~
11 ~~information system.~~

12 ~~b. Twenty percent shall be used in equal amounts to~~
13 ~~facilitate alternative dispute resolution and methods to~~
14 ~~resolve domestic abuse cases, which may include personnel for~~
15 ~~hearings under section 236.4.~~

16 Sec. 43. 2001 Iowa Acts, chapter 182, section 7,
17 subsection 2, is amended by adding the following new
18 paragraph:

19 NEW PARAGRAPH. g. Notwithstanding section 8.33, any
20 moneys which exceed the amount budgeted in the fiscal year
21 beginning July 1, 2001, and ending June 30, 2002, that remain
22 unencumbered or unobligated at the close of the fiscal year
23 shall not revert but shall remain available for expenditure by
24 the veterans home until the close of the succeeding fiscal
25 year. For the purposes of this paragraph, "moneys" means cash
26 receipts, accruals attributable to the fiscal year beginning
27 July 1, 2001, and ending June 30, 2002, and the amount of the
28 estimated reversions to the general fund, as last agreed to by
29 the state revenue estimating conference during fiscal year
30 beginning July 1, 2001.

31 Sec. 44. Section 904.108, subsection 1, paragraph o, Code
32 Supplement 2001, is amended to read as follows:

33 o. Establish and maintain a correctional training center
34 ~~at the Mount Pleasant correctional facility~~ program.

35 Sec. 45. IOWA CONGRESSIONAL MEDAL OF HONOR RECIPIENTS.

1 The department of cultural affairs shall conduct a study to
2 identify an appropriate location in the state capitol for a
3 plaque and display honoring the Iowa recipients of the
4 congressional medal of honor. The department shall report the
5 findings and recommendations of the study to the governor and
6 general assembly on or before December 31, 2002.

7 Sec. 46. DUPLICATION AND REORGANIZATION REVIEWS. In
8 implementing the requirements of 2002 Iowa Acts, Senate File
9 2326, division I, involving the department of general
10 services, department of management, department of personnel,
11 and information technology department identifying duplicative
12 positions or studying the reorganization of state government,
13 those departments shall consult with the departments that may
14 be affected, consider previously conducted studies or reviews,
15 and identify the projected impacts of recommended changes upon
16 the general fund of the state, road use tax fund, and any
17 other affected funding source.

18 Sec. 47. CHEROKEE MENTAL HEALTH INSTITUTE -- RELOCATION OF
19 SEXUALLY VIOLENT PREDATORS UNIT. In implementing the
20 relocation of the unit for commitment of sexually violent
21 predators from Oakdale to the state mental health institute at
22 Cherokee in the fiscal year beginning July 1, 2002, in
23 accordance with the requirement in the appropriation for the
24 unit in 2002 Iowa Acts, Senate File 2326, it is the intent of
25 the general assembly that the department of human services
26 complete the renovation of space at the institute and the
27 relocation of the unit as expeditiously as possible. If
28 requested by the department of human services as necessary to
29 complete the renovation of space and relocation as
30 expeditiously as possible, notwithstanding any provision of
31 law or rule to the contrary, the department of general
32 services shall grant a waiver for purposes of the renovation
33 project from those requirements in administrative rule and
34 policy that would otherwise govern the length of time the
35 renovation project components are noticed.

1 Sec. 48. EXPENDITURE REPORTS. For the fiscal year
2 beginning July 1, 2002, the department of agriculture and land
3 stewardship and the department of natural resources shall each
4 file a written report on a quarterly basis with the
5 chairpersons and ranking members of the joint appropriations
6 subcommittee on agriculture and natural resources and the
7 legislative fiscal bureau regarding all expenditures of moneys
8 appropriated from the general fund of the state or from other
9 funds available to either department during the quarter and
10 the number of full-time equivalent positions allocated during
11 the quarter.

12 Sec. 49. IPERS POSITIONS. The number of full-time
13 equivalent positions authorized the Iowa public employees'
14 retirement system division in 2002 Iowa Acts, Senate File
15 2326, section 15, subsection 1, if enacted, is increased by
16 2.00 full-time equivalent positions.

17 Sec. 50. 2002 Iowa Acts, Senate File 2326, section 25,
18 unnumbered paragraph 4, if enacted, is amended to read as
19 follows:

20 If 2002 Iowa Acts, House File 681, is enacted and provides
21 for the pledging of collateral in relation to the deposit of
22 uninsured public funds, then the treasurer of state is
23 authorized not more than the following additional full-time
24 equivalent positions for the purposes provided for in that
25 Act:

26	FTEs	2.00
27	<u>FTE</u>	<u>1.00</u>

28 Sec. 51. SCOPE OF PRACTICE REVIEW COMMITTEE. 2002 Iowa
29 Acts, Senate File 2326, section 91, subsection 10, paragraph
30 a, if enacted, is amended to read as follows:

31 a. The department may expend funds received from licensing
32 fees in addition to amounts appropriated in this subsection,
33 if those additional expenditures are directly the result of a
34 ~~scope-of-practice-review-committee-or~~ unanticipated litigation
35 costs arising from the discharge of an examining board's

1 regulatory duties. Before the department expends or encumbers
2 funds for ~~a-scope-of-practice-review-committee-or~~ an amount in
3 excess of the funds budgeted for an examining board, the
4 director of the department of management shall approve the
5 expenditure or encumbrance. The amounts necessary to fund any
6 unanticipated litigation ~~or-scope-of-practice-review-committee~~
7 expense in the fiscal year beginning July 1, 2002, shall not
8 exceed 5 percent of the average annual fees generated by the
9 boards for the previous two fiscal years.

10 Sec. 52. SCOPE OF PRACTICE REVIEW COMMITTEE. 2002 Iowa
11 Acts, Senate File 2326, section 98, if enacted, is repealed.

12 Sec. 53. 2002 Iowa Acts, Senate File 2326, section 134, if
13 enacted, is amended to read as follows:

14 SEC. 134. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND
15 DEVELOPMENTAL DISABILITIES (MH/MR/DD) ALLOWED GROWTH FACTOR
16 ADJUSTMENT AND ALLOCATIONS -- DISTRIBUTION FOR FY 2002-2003.

17 1. For the fiscal year beginning July 1, 2002, the moneys
18 appropriated in 2001 Acts, chapter 176, section 1, as amended
19 by this division of this Act, for distribution to counties of
20 the county mental health, mental retardation, and
21 developmental disabilities allowed growth factor adjustment,
22 shall be distributed as provided in this section in lieu of
23 the provisions of section 331.438, subsection 2, and section
24 331.439, subsection 3, and chapter 426B, as follows:

25 a. The first ~~\$2,000,000~~ 500,000 shall be credited to the
26 risk pool created in the property tax relief fund and shall be
27 distributed pursuant to section 426B.5, subsection 2.

28 b. The remaining ~~\$12,500,000~~ 14,000,000 shall be
29 distributed as provided in this section.

30 2. The following formula amounts shall be utilized only to
31 calculate preliminary distribution amounts for fiscal year
32 2002-2003 under this section by applying the indicated formula
33 provisions to the formula amounts and producing a preliminary
34 distribution total for each county:

35 a. For calculation of an allowed growth factor adjustment

1 amount for each county in accordance with the formula in
2 section 331.438, subsection 2, paragraph "b":

3 \$ 12,000,000

4 b. For calculation of a distribution amount for eligible
5 counties from the per capita expenditure target pool created
6 in the property tax relief fund in accordance with the
7 requirements in section 426B.5, subsection 1:

8 \$ ~~12,492,712~~

9 14,492,712

10 c. For calculation of a distribution amount for counties
11 from the mental health and developmental disabilities (MH/DD)
12 community services fund in accordance with the formula
13 provided in this division of this Act:

14 \$ 18,127,352

15 3. Notwithstanding any contrary provisions of sections
16 225C.7, 331.438, subsection 2, 331.439, subsection 3, and
17 426B.5, the moneys allocated for distribution in subsection 1,
18 paragraph "b", and in any other Act of the Seventy-ninth
19 General Assembly, 2002 Session, for distribution to counties
20 in the fiscal year beginning July 1, 2002, for purposes of the
21 mental health and developmental disabilities (MH/DD) community
22 services fund under section 225C.7, and for the allowed growth
23 factor adjustment for services paid under a county's section
24 331.424A mental health, mental retardation, and developmental
25 disabilities services fund and as calculated under subsection
26 2 to produce preliminary distribution amounts for counties
27 shall be subject to withholding as provided in this section.

28 4. After applying the applicable statutory distribution
29 formulas to the amounts indicated in subsection 2 for purposes
30 of formula calculations to produce preliminary distribution
31 totals, the department of human services shall apply a
32 withholding factor to adjust an eligible individual county's
33 preliminary distribution total. An ending balance percentage
34 for each county shall be determined by expressing the county's
35 ending balance on a modified accrual basis under generally

1 accepted accounting principles for the fiscal year beginning
2 July 1, 2001, in the county's mental health, mental
3 retardation, and developmental disabilities services fund
4 created under section 331.424A, as a percentage of the
5 county's gross expenditures from that fund for that fiscal
6 year. The withholding factor for a county shall be the
7 following applicable percent:

8 a. For an ending balance percentage of less than 10
9 percent, a withholding factor of 0 percent.

10 b. For an ending balance percentage of 10 through 24
11 percent, a withholding factor of 25 41.47 percent.

12 c. For an ending balance percentage of 25 through 34
13 percent, a withholding factor of 60 percent.

14 d. For an ending balance percentage of 35 through 44
15 percent, a withholding factor of 85 percent.

16 e. For an ending balance percentage of 45 percent or more,
17 a withholding factor of 100 percent.

18 5. The total withholding amounts applied pursuant to
19 subsection 4 shall be equal to a withholding target amount of
20 ~~\$11,992,712~~ 12,492,712 and the appropriation made in this
21 division of this Act for the MH/DD community services fund and
22 the appropriation made in 2001 Iowa Acts, chapter 176, section
23 1, as amended by this division of this Act shall be reduced by
24 the amount necessary to attain the withholding target amount.
25 If the department of human services determines that the amount
26 to be withheld in accordance with subsection 4 is not equal to
27 the target withholding amount, the department shall adjust the
28 withholding factors listed in subsection 4 as necessary to
29 achieve the withholding target amount. However, in making
30 such adjustments to the withholding factors, the department
31 shall strive to minimize changes to the withholding factors
32 for those ending balance percentage ranges that are lower than
33 others and shall not adjust the zero withholding factor
34 specified in subsection 4, paragraph "a".

35 6. A In order to be eligible for a funding distribution

1 under this section, a county must levy at least 70 percent of
2 the maximum allowed for the county's services fund under
3 section 331.424A for taxes due and payable in the fiscal year
4 beginning July 1, 2002, and comply with the December 1, 2002,
5 filing deadline for the county annual financial report in
6 accordance with section 331.403. The amount that would
7 otherwise be available for distribution to a county that fails
8 to so comply shall be proportionately distributed among the
9 eligible counties.

10 7. The department of human services shall authorize the
11 issuance of warrants payable to the county treasurer for the
12 distribution amounts due the counties eligible under this
13 section and notwithstanding prior practice for the MH/DD
14 community services fund, the warrants shall be issued in
15 January 2003.

16 Sec. 54. 2002 Iowa Acts, Senate File 2326, section 104,
17 subsection 12, if enacted, is amended to read as follows:

18 ~~12. If federal funding is received or if moneys are~~
19 ~~appropriated, the department may participate~~ Of the moneys
20 appropriated in this section, \$150,000 shall be used as state
21 matching funds, in combination with federal and private funds,
22 for participation in a federal home telecare pilot program
23 intended to manage health care needs of subpopulations of
24 Iowans and specifically including subpopulations of Iowans who
25 require high utilization of health care services and represent
26 a disproportionate share of consumption of health care
27 services. The program shall be administered by the Iowa
28 telecare consortium, which is a collaboration of public,
29 private, academic, and governmental participants coordinated
30 by Des Moines university -- osteopathic medical center. The
31 program may direct telecare services to persons with diagnoses
32 of specific nonacute chronic illnesses, which may include, but
33 are not limited to, chronic obstructive pulmonary disease,
34 congestive heart disease, diabetes, and asthma. Des Moines
35 university -- osteopathic medical center shall submit a report

1 to the general assembly by January 15, 2003, regarding the
2 status of the pilot program. The program guidelines shall be
3 consistent with those specified under 2001 Iowa Acts, chapter
4 191, section 7, subsection 15.

5 Sec. 55. 2002 Iowa Acts, Senate File 2326, section 154,
6 subsection 2, unnumbered paragraph 2, if enacted, is amended
7 to read as follows:

8 Riverboat enforcement costs shall be billed in accordance
9 with section 99F.10, subsection 4, and section 99F.10A. The
10 costs shall be not more than the department's estimated
11 expenditures, including salary adjustment, for riverboat
12 enforcement for the fiscal year. The costs billed to the
13 riverboats shall not be more than \$1,280,000 in excess of the
14 amount billed to the riverboats in the fiscal year beginning
15 July 1, 2001. Racetrack enforcement costs shall be billed in
16 accordance with section 99D.14, subsection 7, and section
17 99D.14A. The costs shall be not more than the department's
18 estimated expenditures, including salary adjustment, for
19 racetrack enforcement for the fiscal year. The costs billed
20 to the racetracks shall not be more than \$420,000 in excess of
21 the amount billed to the racetracks in the fiscal year
22 beginning July 1, 2001.

23 Sec. 56. PUBLIC TRANSIT ASSISTANCE APPROPRIATION. 2002
24 Iowa Acts, Senate File 2326, section 175, subsection 14, if
25 enacted, is amended by striking the subsection.

26 Sec. 57. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.
27 Notwithstanding section 312.2, subsection 14, the amount
28 appropriated from the general fund of the state under section
29 312.2, subsection 14, to the state department of
30 transportation for public transit assistance under chapter
31 324A for the fiscal year beginning July 1, 2001, and ending
32 June 30, 2002, is reduced by the following amount:

33 \$ 1,107,938

34 Sec. 58. Chapter 2A, Code 2001, is repealed.

35 Sec. 59. EFFECTIVE DATE -- CONTINGENCY -- REPORT TO CODE

1 EDITOR. The section of this division of this Act amending
2 section 249A.3, relating to the optional category of
3 individuals covered under the medical assistance program
4 relating to persons with disabilities who have earned income,
5 takes effect only if the department does not win the appeal
6 against the centers for Medicare and Medicaid of the United
7 States department of health and human services relating to the
8 state plan amendment. The department shall notify the Code
9 editor when the department is notified of a decision on the
10 appeal in order to identify an effective date.

11 Sec. 60. EFFECTIVE DATE. The section of this division of
12 this Act that amends 2001 Iowa Acts, chapter 182, section 7,
13 being deemed of immediate importance, takes effect upon
14 enactment.

15 DIVISION III

16 CORRECTIVE AMENDMENTS

17 Sec. 61. Section 8.55, subsection 2, paragraph d, if
18 enacted by 2002 Iowa Acts, House File 2075, section 1, is
19 amended to read as follows:

20 d. Notwithstanding paragraph "a", any moneys in excess of
21 the maximum balance in the economic emergency fund after the
22 distribution of the surplus in the general fund of the state
23 at the conclusion of each fiscal year and after the
24 appropriate ~~amount~~ amounts have been transferred pursuant to
25 paragraphs "b" and "c" shall not be transferred to the general
26 fund of the state but shall be transferred to the endowment
27 for Iowa's health account of the tobacco settlement trust
28 fund. The total amount transferred, in the aggregate, under
29 this paragraph for all fiscal years shall not exceed the
30 difference between fifty-one million five hundred thousand
31 dollars and the amounts transferred to the endowment for
32 Iowa's health account to repay the amounts transferred or
33 appropriated from the endowment for Iowa's health account in
34 2002 Iowa Acts, House File 2245, 2002 Iowa Acts, Senate File
35 2304, and 2002 Iowa Acts, Senate File 2315.

1 Sec. 62. Section 10D.1, unnumbered paragraph 1, as enacted
2 by 2002 Iowa Acts, Senate File 2210, section 3, is amended to
3 read as follows:

4 As used in this section chapter, unless the context
5 otherwise requires:

6 Sec. 63. Section 15E.42, subsection 3, as enacted by 2002
7 Iowa Acts, House File 2271, section 2, is amended to read as
8 follows:

9 3. "Investor" means an individual making a cash investment
10 in a qualifying business or a person making a cash investment
11 in a community-based seed capital fund. "Investor" does not
12 include a person which is a current or previous owner, member,
13 or shareholder in a qualified qualifying business.

14 Sec. 64. Section 15E.43, subsection 1, paragraph a, as
15 enacted by 2002 Iowa Acts, House File 2271, section 3, is
16 amended to read as follows:

17 a. For tax years beginning on or after January 1, 2002, a
18 tax credit shall be allowed against the taxes imposed in
19 chapter 422, division II, for a portion of an individual
20 taxpayer's equity investment, as provided in subsection 2, in
21 a qualified qualifying business. An individual shall not
22 claim a tax credit under this paragraph of a partnership,
23 limited liability company, S corporation, estate, or trust
24 electing to have income taxed directly to the individual.

25 Sec. 65. Section 15E.224, subsection 1, as enacted by 2002
26 Iowa Acts, House File 2078, section 4, is amended to read as
27 follows:

28 1. An Iowa capital investment corporation may be organized
29 as a private, not-for-profit corporation under chapter 504A.
30 The Iowa capital investment corporation is not a public
31 corporation or instrumentality of the state and shall not
32 enjoy any of the privileges and shall not be required to
33 comply with the requirements of a state agency. Except as
34 otherwise provided in this division, this division does not
35 exempt the corporation from the requirements under state law

1 which apply to other corporations organized under chapter
2 504A. The purposes of an Iowa capital investment corporation
3 shall be to organize the Iowa fund of funds, to select a
4 venture capital investment fund allocation manager to select
5 venture capital fund investments by the Iowa fund of funds, to
6 negotiate the terms of a contract with the venture capital
7 investment fund allocation manager, to execute the contract
8 with the selected venture capital investment fund allocation
9 manager on behalf of the Iowa fund of funds, to receive
10 investment returns from the Iowa fund of funds, and to
11 reinvest the investment returns in additional venture capital
12 investments designed to result in a significant potential to
13 create jobs and to diversify and stabilize the economy of the
14 state. The corporation shall not exercise governmental
15 functions and shall not have members. The obligations of the
16 corporation are not obligations of this state or any political
17 subdivision of this state within the meaning of any
18 constitutional or statutory debt limitations, but are
19 obligations of the corporation payable solely and only from
20 the corporation's funds. The corporation shall not and cannot
21 pledge the credit or taxing power of this state or any
22 political subdivision of this state or make its debts payable
23 out of any moneys except those of the corporation.

24 Sec. 66. Section 29A.90, subsection 3, if enacted by 2002
25 Iowa Acts, Senate File 2124, section 24, is amended to read as
26 follows:

27 3. "Military service" means full-time active state service
28 or state active duty, as defined in section 29A.1, for a
29 period of at least ninety consecutive days, commencing on or
30 after the effective date of this division of this Act.

31 Sec. 67. Section 41.1, subsection 28, Code 2001, as
32 amended by 2001 Iowa Acts, First Extraordinary Session,
33 chapter 1, section 2, is amended to read as follows:

34 28. The twenty-eighth representative district in Dubuque
35 county shall consist of those portions of Dubuque and Table

1 Mound townships and the city of Dubuque bounded by a line
2 commencing at the point Asbury road intersects the east
3 corporate limit of the city of Asbury, then proceeding first
4 south, and then in a clockwise manner along the corporate
5 limits of the city of Asbury until it intersects the west east
6 boundary of Dubuque Center township, then proceeding first
7 south, and then in a clockwise manner along the west boundary
8 of Dubuque Center township until it intersects the east
9 boundary of Vernon township and the corporate limits of the
10 city of Dubuque, then proceeding first west south, and then in
11 a counterclockwise manner along the corporate limits of the
12 city of Dubuque until it intersects the south boundary of
13 Dubuque township, then proceeding east along the south
14 boundary of Dubuque township until it intersects the corporate
15 limits of the city of Dubuque, then proceeding first east, and
16 then in a counterclockwise manner along the corporate limits
17 of the city of Dubuque until it intersects the east boundary
18 of Table Mound township, then proceeding north along the
19 boundary of Table Mound township until it intersects the
20 corporate limits of the city of Dubuque, then proceeding first
21 east, and then in a counterclockwise manner along the
22 corporate limits of the city of Dubuque until it intersects
23 the Peosta channel of the Mississippi river, then proceeding
24 southwesterly along the Peosta channel until it intersects
25 East Sixteenth street, then proceeding southwesterly along
26 East Sixteenth street until it intersects Kerper boulevard,
27 then proceeding northerly along Kerper boulevard until it
28 intersects Fengler street, then proceeding northwest along
29 Fengler street until it intersects the I & M Rail Link tracks,
30 then proceeding southwest along the I & M Rail Link tracks
31 until it intersects the extension of Stafford street, then
32 proceeding westerly along the extension of Stafford street
33 until it intersects Garfield avenue, then proceeding southwest
34 along Garfield avenue until it intersects East Twentieth
35 street, then proceeding southwesterly along East Twentieth

1 street until it intersects Central avenue, then proceeding
2 northwest along Central avenue until it intersects West
3 Twenty-third street, then proceeding southwesterly along West
4 Twenty-third street until it intersects Valeria street, then
5 proceeding northwesterly along Valeria street until it
6 intersects Kaufmann avenue, then proceeding southeast along
7 Kaufmann avenue until it intersects Hempstead street, then
8 proceeding southwest along Hempstead street until it
9 intersects Montcrest street, then proceeding westerly along
10 Montcrest street until it intersects Portland street, then
11 proceeding southwest along Portland street until it intersects
12 Abbott street, then proceeding south along Abbott street until
13 it intersects Lowell street, then proceeding east along Lowell
14 street until it intersects Harold street, then proceeding
15 south along Harold street until it intersects Clarke drive,
16 then proceeding easterly along Clarke drive until it
17 intersects Foye street, then proceeding southerly along Foye
18 street until it intersects West Locust street, then proceeding
19 west along West Locust street until it intersects Kirkwood
20 street, then proceeding southwest along Kirkwood street until
21 it intersects Cox street, then proceeding southeast along Cox
22 street until it intersects Loras boulevard, then proceeding
23 southwest along Loras boulevard until it intersects Wood
24 street, then proceeding southeast along Wood street until it
25 intersects University avenue, then proceeding east along
26 University avenue until it intersects Delhi street, then
27 proceeding southwest along Delhi street until it intersects
28 West Fifth street, then proceeding southeast along West Fifth
29 street until it intersects College street, then proceeding
30 southerly along College street until it intersects West Third
31 street, then proceeding southwest along West Third street
32 until it intersects North Grandview avenue, then proceeding
33 south along North Grandview avenue until it intersects Hale
34 street, then proceeding west along Hale street until it
35 intersects North Algona street, then proceeding north along

1 North Algona street until it intersects Bennett street, then
2 proceeding west along Bennett street until it intersects
3 McCormick street, then proceeding northerly along McCormick
4 street until it intersects Mineral street, then proceeding
5 west along Mineral street until it intersects O'Hagen street,
6 then proceeding north along O'Hagen street until it intersects
7 Pearl street, then proceeding west along Pearl street until it
8 intersects Finley street, then proceeding northwest along
9 Finley street until it intersects University avenue, then
10 proceeding northeast along University avenue until it
11 intersects Asbury road, then proceeding northwesterly along
12 Asbury road until it intersects Wilbricht lane, then
13 proceeding west along Wilbricht lane until it intersects Flora
14 Park road, then proceeding southwesterly along Flora Park road
15 until it intersects Pennsylvania avenue, then proceeding west
16 along Pennsylvania avenue until it intersects Churchill drive,
17 then proceeding north along Churchill drive until it
18 intersects St. Anne drive, then proceeding west along St.
19 Anne drive until it intersects Carter road, then proceeding
20 north along Carter road until it intersects Hillcrest road,
21 then proceeding west along Hillcrest road until it intersects
22 John F. Kennedy road, then proceeding north along John F.
23 Kennedy road until it intersects Hillcrest road, then
24 proceeding west along Hillcrest road until it intersects Key
25 Largo drive, then proceeding south along Key Largo drive until
26 it intersects Keymeer drive, then proceeding east along
27 Keymeer drive until it intersects Key Way drive, then
28 proceeding south along Key Way drive until it intersects the
29 north fork of Catfish creek, then proceeding west along the
30 north fork of Catfish creek until it intersects the extension
31 of Winne court, then proceeding north along Winne court and
32 its extension until it intersects Hillcrest road, then
33 proceeding east along Hillcrest road until it intersects the
34 north branch of the north fork of Catfish creek, then
35 proceeding northwesterly along the north branch of the north

1 fork of Catfish creek until it intersects the northwest branch
2 of the north fork of Catfish creek, then proceeding northwest
3 along the northwest branch of the north fork of Catfish creek
4 until it intersects Asbury road, then proceeding west along
5 Asbury road to the point of origin.

6 Sec. 68. Section 53.7, subsection 2, Code 2001, as amended
7 by 2002 Iowa Acts, House File 2409, section 11, is amended to
8 read as follows:

9 2. It is unlawful for any public officer or employee, or
10 any person acting under color of a public officer or employee,
11 to knowingly require a public employee to solicit an
12 application or request ~~for~~ an application for an absentee
13 ballot, or to knowingly ~~requires-that~~ require an employee to
14 take an affidavit or request for an affidavit in connection
15 with an absentee ballot application.

16 Sec. 69. Section 303A.7, subsection 1, as enacted by 2002
17 Iowa Acts, House File 2571, section 8, is amended to read as
18 follows:

19 1. An Iowa cultural trust grant account is created in the
20 office of the treasurer of state under the control of the
21 board to receive interest attributable to the investment of
22 trust fund moneys as required by section 303A.4, subsection 4.
23 The moneys in the grant account are appropriated to the board
24 for purposes of the Iowa cultural trust created in section
25 303A.4. Moneys in the grant account shall not be subject to
26 appropriation for any other purpose by the general assembly,
27 but shall be used only for the purposes of the Iowa cultural
28 trust. The treasurer of state shall act as custodian of the
29 grant account and disburse moneys contained in the grant
30 account as directed by the board. The board shall make
31 expenditures from the grant account consistent with the
32 purposes of the Iowa cultural trust.

33 Sec. 70. Section 356.36A, as enacted by 2002 Iowa Acts,
34 Senate File 2278, section 1, is amended to read as follows:

35 356.36A CONFINEMENT AND DETENTION REPORT -- DESIGN

1 PROPOSALS.

2 The division of criminal and juvenile justice planning of
3 the department of human rights, in consultation with the
4 department of corrections, the Iowa county attorneys
5 association, the Iowa state sheriff's association, the Iowa
6 association of chiefs of police and peace officers, a
7 statewide organization representing rural property taxpayers,
8 the Iowa league of cities, and the Iowa board of supervisors
9 association, shall prepare a report analyzing the confinement
10 and detention needs of jails and facilities established
11 pursuant to ~~chapter~~ chapters 356 and 356A. The report for
12 each type of jail or facility shall include but is not limited
13 to an inventory of prisoner space, daily prisoner counts,
14 options for detention of prisoners with mental illness or
15 substance abuse service needs, and the compliance status under
16 section 356.36 for each jail or facility. The report shall
17 contain an inventory of recent jail or facility construction
18 projects in which voters have approved the issuance of general
19 obligation bonds, essential county purpose bonds, revenue
20 bonds, or bonds issued pursuant to chapter 422B. The report
21 shall be revised periodically as directed by the administrator
22 of the division of criminal and juvenile justice planning.
23 The first submission of the report shall include
24 recommendations on offender data needed to estimate jail space
25 needs in the next two, three, and five years, on a county,
26 geographic region, and statewide basis, which may be based
27 upon information submitted pursuant to section 356.49.

28 Sec. 71. Section 359.49, subsection 7A, unnumbered
29 paragraph 1, as enacted by 2002 Iowa Acts, House File 2448,
30 section 1, is amended to read as follows:

31 A township that has entered into an agreement with a
32 municipality to receive fire protection service or emergency
33 medical service from the municipality may request that a
34 portion of its taxes be paid directly to the municipality
35 providing the fire protection service or emergency medical

1 service. Each year, the township must note its request on the
2 budget and must attach a copy of the emergency services
3 agreement to each copy of the budget transmitted to the county
4 auditor. The auditor shall direct the county treasurer as to
5 what portion of the township taxes to disburse to the
6 municipality providing the fire protection service or
7 emergency medical service.

8 Sec. 72. Section 524.814, Code 2001, is amended to read as
9 follows:

10 524.814 PLEDGE OF ASSETS.

11 Pursuant to a resolution of its board of directors, a state
12 bank may lend or pledge its assets for the following purposes,
13 and for no other purposes:

14 1. To secure deposits of the state bank or a bank that is
15 an affiliate of the state bank when a customer is required to
16 obtain such security, or a bank is required to provide
17 security, by the laws of the United States, by any agency or
18 instrumentality of the United States, by the laws of the state
19 of Iowa, by the state board of regents, by a resolution or
20 ordinance relating to the issuance of bonds, by the terms of
21 any interstate compact or by order of any court of competent
22 jurisdiction. The lending of securities to a bank that is an
23 affiliate, or the pledging of securities for the account of a
24 bank that is an affiliate, shall be on terms and conditions
25 that are consistent with safe and sound banking practices.

26 2. To secure money borrowed by the state bank, provided
27 that capital notes or debentures issued pursuant to section
28 524.404 shall not in any event be secured by a pledge of
29 assets or otherwise.

30 3. To secure participations sold to the federal
31 agricultural mortgage corporation.

32 Sec. 73. Section 633.4213, subsection 1, Code Supplement
33 2001, as amended by 2002 Iowa Acts, House File 2531, if
34 enacted, is amended to read as follows:

35 1. The trustee shall inform each qualified beneficiary of

1 ~~their~~ the beneficiary's right to receive an annual accounting
2 and a copy of the trust instrument. The trustee shall also
3 inform each qualified beneficiary about the process necessary
4 to obtain an annual accounting or a copy of the trust
5 instrument, if not provided. The trustee shall further inform
6 the beneficiary whether the beneficiary will, or will not,
7 receive an annual accounting if the beneficiary fails to take
8 any action. If a beneficiary has previously been provided the
9 notice required by this section, additional notice shall not
10 be required due to a change of trustees or a change in the
11 composition of the qualified beneficiaries.

12 Sec. 74. Section 724.26, as amended by 2002 Iowa Acts,
13 House File 2363, section 4, is amended to read as follows:

14 724.26 POSSESSION, RECEIPT, TRANSPORTATION, OR DOMINION
15 AND CONTROL OF FIREARMS AND OFFENSIVE WEAPONS BY FELONS.

16 A person who is convicted of a felony in a state or federal
17 court, or who is adjudicated delinquent on the basis of
18 conduct that would constitute a felony if committed by an
19 adult, and who knowingly has under the person's dominion and
20 control or possession, or receives, or transports or causes to
21 be transported a firearm or offensive weapon is guilty of a
22 class "D" felony.

23 Sec. 75. 2001 Iowa Acts, chapter 174, section 1,
24 subsection 1, unnumbered paragraph 3, as enacted by 2002 Iowa
25 Acts, Senate File 2315, section 4, is amended to read as
26 follows:

27 For the fiscal year beginning July 1, 2002, and ending June
28 30, 2003, of the \$75,000,000 to be deposited in the endowment
29 for Iowa's health account of the tobacco settlement trust fund
30 under this subsection, ~~the-first~~ \$20,000,000 is appropriated
31 to the department of management to pay that part of foundation
32 aid which represents the allowable growth amounts for all
33 school districts. An appropriation from the general fund of
34 the state for foundation aid which is supplanted by the
35 appropriation made in this subsection, shall be reduced by the

1 amount of the appropriation which supplants it.

2 Sec. 76. 2002 Iowa Acts, Senate File 348, section 14, if
3 enacted, is amended to read as follows:

4 SEC. 14. EXPEDITED APPLICATION PROCEDURE. The state board
5 of education shall develop an expedited charter school
6 application procedure for the fiscal year beginning July 1,
7 ~~2003~~ 2002, for purposes of receiving federal planning funds
8 issued pursuant to the federal Elementary and Secondary
9 Education Act of 1965, Title X, Part C, as codified in 20
10 U.S.C. § 8061-8067.

11 Sec. 77. 2002 Iowa Acts, Senate File 2326, section 38,
12 subsection 2, if enacted, is amended to read as follows:

13 2. If House File ~~2524~~ 2617 is enacted by the Seventy-ninth
14 General Assembly, 2002 Session, the amount appropriated in
15 subsection 1 shall be increased by \$38,000. The increased
16 amount shall be used to fill a vacant position in the dairy
17 products control bureau.

18 Sec. 78. 2002 Iowa Acts, Senate File 2326, section 175,
19 subsection 2, unnumbered paragraph 2, if enacted, is amended
20 to read as follows:

21 If total approved claims for reimbursement for nonpublic
22 school pupil transportation claims exceed the amount
23 appropriated in this ~~section~~ subsection, the department of
24 education shall prorate the amount of each claim.

25 Sec. 79. 2002 Iowa Acts, House File 2453, section 6, if
26 enacted, is repealed.

27 Sec. 80. EFFECTIVE DATE. The sections in this division of
28 this Act amending new Code section 29A.90, subsection 3, and
29 2002 Iowa Acts, Senate File 348, section 14, being deemed of
30 immediate importance, take effect upon enactment.

31 Sec. 81. CONTINGENT EFFECTIVE DATE. The section in this
32 division of this Act amending section 524.814 is effective
33 contingent upon the enactment of 2002 Iowa Acts, House File
34 681.

35

DIVISION IV

1 MH/MR/DD -- FY 2003-2004 ALLOWED GROWTH
2 Sec. 82. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND
3 DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ADJUSTMENT
4 AND ALLOCATIONS -- FISCAL YEAR 2003-2004. There is
5 appropriated from the general fund of the state to the
6 department of human services for the fiscal year beginning
7 July 1, 2003, and ending June 30, 2004, the following amount,
8 or so much thereof as is necessary, to be used for the purpose
9 designated:

10 For distribution to counties of the county mental health,
11 mental retardation, and developmental disabilities allowed
12 growth factor adjustment, as provided in this section in lieu
13 of the provisions of section 331.438, subsection 2, and
14 section 331.439, subsection 3, and chapter 426B:

15 \$ 19,073,638

16 1. The funding appropriated in this section is the allowed
17 growth factor adjustment for fiscal year 2003-2004, and is
18 allocated as follows:

19 a. For distribution as provided in this section:
20 \$ 17,073,638

21 b. For deposit in the risk pool created in the property
22 tax relief fund and for distribution in accordance with
23 section 426B.5, subsection 2:
24 \$ 2,000,000

25 2. The following formula amounts shall be utilized only to
26 calculate preliminary distribution amounts for fiscal year
27 2003-2004 under this section by applying the indicated formula
28 provisions to the formula amounts and producing a preliminary
29 distribution total for each county:

30 a. For calculation of an allowed growth factor adjustment
31 amount for each county in accordance with the formula in
32 section 331.438, subsection 2, paragraph "b":
33 \$ 12,000,000

34 b. For calculation of a distribution amount for eligible
35 counties from the per capita expenditure target pool created

1 in the property tax relief fund in accordance with the
2 requirements in section 426B.5, subsection 1:

3 \$ 12,492,712

4 c. For calculation of a distribution amount for counties
5 from the mental health and developmental disabilities (MH/DD)
6 community services fund in accordance with the formula
7 provided in 2002 Iowa Acts, Senate File 2326, section 119,
8 subsection 1:

9 \$ 18,127,352

10 3. Notwithstanding any contrary provisions of sections
11 225C.7, 331.438, subsection 2, 331.439, subsection 3, and
12 426B.5, the moneys allocated for distribution in subsection 1,
13 paragraph "b", and in any other Act of the Eightieth General
14 Assembly, 2003 Session, for distribution to counties in the
15 fiscal year beginning July 1, 2003, for purposes of the mental
16 health and developmental disabilities (MH/DD) community
17 services fund under section 225C.7, and for the allowed growth
18 factor adjustment for services paid under a county's section
19 331.424A mental health, mental retardation, and developmental
20 disabilities services fund and as calculated under subsection
21 2 to produce preliminary distribution amounts for counties
22 shall be subject to withholding as provided in this section.

23 4. After applying the applicable statutory distribution
24 formulas to the amounts indicated in subsection 2 for purposes
25 to produce preliminary distribution totals, the department of
26 human services shall apply a withholding factor to adjust an
27 eligible individual county's preliminary distribution total.
28 An ending balance percentage for each county shall be
29 determined by expressing the county's ending balance on a
30 modified accrual basis under generally accepted accounting
31 principles for the fiscal year beginning July 1, 2002, in the
32 county's mental health, mental retardation, and developmental
33 disabilities services fund created under section 331.424A, as
34 a percentage of the county's gross expenditures from that fund
35 for that fiscal year. The withholding factor for a county

1 shall be the following applicable percent:

2 a. For an ending balance percentage of less than 10
3 percent, a withholding factor of 0 percent.

4 b. For an ending balance percentage of 10 through 24
5 percent, a withholding factor of 25 percent.

6 c. For an ending balance percentage of 25 through 34
7 percent, a withholding factor of 60 percent.

8 d. For an ending balance percentage of 35 through 44
9 percent, a withholding factor of 85 percent.

10 e. For an ending balance percentage of 45 percent or more,
11 a withholding factor of 100 percent.

12 5. The total withholding amounts applied pursuant to
13 subsection 4 shall be equal to a withholding target amount of
14 \$7,419,074 and the appropriation enacted by the Eightieth
15 General Assembly, 2003 Session, for the MH/DD community
16 services fund shall be reduced by the amount necessary to
17 attain the withholding target amount. If the department of
18 human services determines that the amount to be withheld in
19 accordance with subsection 4 is not equal to the target
20 withholding amount, the department shall adjust the
21 withholding factors listed in subsection 4 as necessary to
22 achieve the withholding target amount. However, in making
23 such adjustments to the withholding factors, the department
24 shall strive to minimize changes to the withholding factors
25 for those ending balance percentage ranges that are lower than
26 others and shall not adjust the zero withholding factor
27 specified in subsection 4, paragraph "a".

28 6. A county must comply with both the requirements listed
29 in this subsection to be eligible to receive a funding
30 distribution under this section. The amount that would
31 otherwise be available for distribution to a county that fails
32 to so comply shall be proportionately distributed among the
33 eligible counties. Both of the following requirements are
34 applicable:

35 a. A county must comply with the December 1, 2003, filing

1 deadline for the county annual financial report in accordance
2 with section 331.403.

3 b. A county must levy the not less than 70 percent of the
4 maximum amount allowed for the county's mental health, mental
5 retardation, and developmental disabilities services fund
6 under section 331.424A for taxes due and payable in the fiscal
7 year beginning July 1, 2003.

8 7. The department of human services shall authorize the
9 issuance of warrants payable to the county treasurer for the
10 distribution amounts due the counties eligible under this
11 section and notwithstanding prior practice for the MH/DD
12 community services fund, the warrants shall be issued in
13 January 2004.

14 EXPLANATION

15 DIVISION I - Division I of this bill relates to and
16 appropriates moneys for the fiscal year beginning July 1,
17 2002, to fund salary adjustments for employees subject to
18 collective bargaining agreements, and certain noncontract
19 employees. Division I provides the funding from the transfer
20 of a percentage of the proceeds received by the state board of
21 regents as a result of the principal mutual holding company's
22 demutualization.

23 Division I allocates appropriations to the state board of
24 regents to fund its collective bargaining agreements and
25 provide merit employees not covered by a collective bargaining
26 agreement with increases comparable to similar contract-
27 covered employees and faculty and the professional and
28 scientific employees not covered under a collective bargaining
29 agreement with a percentage increase similar to the university
30 of northern Iowa faculty bargaining unit.

31 Division I allocates moneys to the judicial branch to fund
32 salary increases for judges, justices, and magistrates and for
33 increases for other judicial branch employees. The salary
34 increases amount to 3 percent but do not begin until December
35 20, 2002.

1 Division I allocates moneys to fund collective bargaining
2 agreements and similar percentage increases for noncontract
3 state employees but the noncontract employees' increase does
4 not begin until October 25, 2002.

5 Division I also provides supplemental authorization to fund
6 salaries from trust, revolving, and special funds for which
7 the general assembly has established a budget.

8 Division I funds salary model coordinator, to maintain, in
9 conjunction with the legislative fiscal bureau, the state's
10 salary model.

11 Division I provides for the collection of a surcharge on
12 the state employee's share of the health insurance premium
13 cost to the state's share of the terminal liability of the
14 existing Wellmark health insurance contract. The health
15 insurance plans of the state police officers council
16 collective bargaining unit are exempt from the surcharge.

17 DIVISION II - Division II makes statutory changes to the
18 Code as follows:

19 Code section 8.63(4) is amended to eliminate a standing
20 appropriation to agencies to pay off their loans to the
21 innovations fund if the agency project results in a net
22 increase to the general fund of the state.

23 Code section 12.21, concerning the authority of the
24 treasurer of state to enter into an agreement with a financial
25 institution or credit card processor to provide credit card
26 receipt processing for state departments, is amended to
27 provide that any credit card charges shall be considered to be
28 part of the payment due and any charges paid shall be paid
29 from the aggregate fees collected by the state agency.

30 Code sections 14B.203(3), 14B.205, 15.108(9), 421.17(31),
31 421.17(34), and 455A.4(5) are amended to reflect the
32 amendments to Code section 12.21.

33 Code section 15E.112 is amended to allow moneys in the
34 value-added agricultural products and process financial
35 assistance fund to be used for administration of the fund.

1 Code section 18.75 is amended to provide that the
2 legislative service bureau shall solicit and process orders
3 for the distribution of state publications produced by the
4 bureau.

5 Code section 18.97A is amended to provide that the
6 governor, supreme court, and legislative council shall control
7 the number of state publications distributed by the
8 legislative service bureau to recipients in their respective
9 branches.

10 Code section 101.24, new subsection 5, is enacted to
11 provide that a tank manufactured for aboveground use at a tank
12 site that meets the requirements for the regular venting of
13 the tank in case of fire to relieve excessive internal
14 pressure caused by fire exposure and has notified the state
15 fire marshal of the existence of the tank, its age, type, and
16 uses shall be considered the equivalent of underwriters
17 laboratory rated tanks.

18 New Code section 239B.2A is enacted to make eligible for
19 the family investment program a conditional resident alien who
20 was battered or subject to extreme cruelty or whose child was
21 battered or subject to extreme cruelty by a person who is a U.
22 S. citizen or lawful permanent resident.

23 Code section 249A.3, relating to an optional category
24 covered under the medical assistance program for persons with
25 disabilities who have earned income, is amended. Current law
26 provides one option, whereas the amendment provides an
27 additional, alternative two-part option. The two-part option
28 is subject to a contingent effectiveness provision so that the
29 option only takes effect if the department of human services
30 does not win its appeal against the federal centers for
31 Medicare and Medicaid services.

32 Code section 256.67 is amended to correct a reference to a
33 library service area.

34 Code section 260G.4B amends the accelerated career
35 education program by reducing the total amount of program job

1 credits from all employers during the 2002-2003 fiscal year
2 from \$6 million to \$3 million.

3 Code section 368.4 is amended to specify that a city's
4 notice of the hearing on annexation shall be served by regular
5 mail.

6 New Code section 368.26, relating to annexing moratorium,
7 is amended to strike an incorrect reference and specifies that
8 the "municipal services" to be provided in an annexed area
9 must be within the legal authority of the annexing city.

10 Code section 476.97 is amended to permit the utilities
11 board 180 days to consider certain rate changes, with one 60-
12 day extension possible.

13 Code section 514I.5 is amended to provide that the members
14 of the hawk-i board, who are appointed by the governor, are to
15 serve two-year staggered terms as designated by the governor.

16 The Code section 541A.1 definition of an individual
17 development account is amended to include a financial
18 instrument certified by an operating organization to comply
19 with federal requirements involving state and federal funds
20 deposited to match account holder deposits, including two
21 existing federal programs. Under current law, Code section
22 541A.3 provides that a state savings refund must be paid
23 directly to an account holder's account. The bill allows for
24 payment of the state savings refund to an operating
25 organization's central reserve account for later distribution
26 to an account holder's account.

27 Code section 556.12 is amended to provide that the annual
28 publication of lists of unclaimed property by the treasurer of
29 state shall not be done between September 10 and November 10
30 of each year. Under current law, the treasurer is required to
31 make the annual publication no later than November 30.

32 Code section 602.1302(3) is amended to permit the cost of
33 summoning jurors to be paid from a revolving fund established
34 in Code section 602.1302.

35 Code section 602.8108(5) is amended to eliminate the

1 requirement that 20 percent of the court technology and
2 modernization fund be used for alternative dispute resolution
3 and methods to resolve domestic abuse. The amendment also
4 permits the fund to be used for the Iowa court information
5 system.

6 Code section 904.108 is amended to provide that the
7 department of corrections shall maintain a correctional
8 training program, but the program does not necessarily need to
9 be located at the Mount Pleasant correctional facility.

10 A section of this division amends 2001 Iowa Acts, chapter
11 182, section 7, subsection 2, to allow the Iowa veterans home
12 to retain certain moneys which exceed the amount budgeted in
13 the fiscal year beginning July 1, 2001, and ending June 30,
14 2002, that remain unencumbered or unobligated at the close of
15 that fiscal year.

16 A section of the division directs the department of
17 cultural affairs to identify an appropriate location in the
18 state capitol for a plaque honoring Iowa recipients of the
19 congressional medal of honor.

20 A section of this division requires the departments of
21 general services, management, personnel, and information
22 technology in studying reorganization and identifying
23 duplicative positions to consult with the affected agencies
24 and to consider previous studies.

25 A section of this division provides for transitional
26 language involving the implementation of the relocation of the
27 unit for commitment of sexually violent predators from Oakdale
28 to the state mental health institute at Cherokee.

29 A section of this division requires the departments of
30 agriculture and land stewardship and natural resources to
31 submit quarterly written reports on their expenditures and
32 FTEs allocated for the previous quarter.

33 A section of this division increases the FTEs authorized
34 for the Iowa public employees' retirement system division by
35 two FTEs.

1 A section of this division amends an appropriation made to
2 the office of the treasurer of state by reducing the
3 authorized FTEs from 2.00 to 1.00 for the purpose of carrying
4 out the requirements of House File 681 if enacted.

5 Two sections of this division eliminate the extension of
6 the scope of practice review committee and references to the
7 committee under an appropriation to the Iowa department of
8 public health in Senate File 2326.

9 A section of this division affects the county mental
10 health, mental retardation, and developmental disabilities
11 (MH/MR/DD) allowed growth factor adjustment for fiscal year
12 2002-2003. Under Code section 331.439, the statute
13 establishing the adjustment must be enacted during the fiscal
14 year in progress two years prior to the fiscal year to which
15 the adjustment is applicable. The section amends the
16 provisions for distribution of the adjustment if enacted in
17 Senate File 2326 during the 2002 legislative session for
18 fiscal year 2002-2003.

19 Under 2001 Iowa Acts, chapter 176, the growth factor
20 adjustment for fiscal year 2002-2003 was to be distributed by
21 law in lieu of the distribution formula in Code sections
22 331.438 and 331.439. The division also includes the
23 appropriation for the MH/DD community services fund in the
24 distribution formula. The division provides allocation
25 amounts to be used for calculating preliminary distribution
26 amounts in accordance with statutory formulas. After a
27 preliminary amount is determined using the formulas, a
28 withholding amount is applied, based upon a county's MH/DD
29 community services fund balance at the close of the previous
30 fiscal year. A county must comply with a financial reporting
31 deadline and levy the maximum allowable amount to be eligible
32 to receive a distribution.

33 One section of this division directs that some of the
34 moneys appropriated for medical assistance be used as state
35 matching funds for participation in a federal telecare pilot

1 program.

2 A section of this division amends Senate File 2326 to limit
3 the amount of riverboat and racetrack enforcement costs that
4 may be billed to the riverboats and racetracks to a specified
5 amount in excess of the amount billed in the fiscal year
6 beginning July 2001.

7 Two sections of this division relate to the standing
8 appropriation for public transit assistance for two different
9 fiscal years. One section removes the amount appropriated
10 from Senate File 2326 and the other section provides for a
11 reduction by a specified amount of the standing appropriation.

12 Code chapter 2A is repealed. This chapter establishes the
13 commission on compensation, expenses, and salaries for elected
14 state officials.

15 DIVISION III - Division III contains corrective amendments
16 to Code and session law provisions enacted or amended in bills
17 passed earlier in the 2002 legislative session or in the first
18 2001 special session.

19 Code section 8.55 is amended to correct a grammatical
20 mistake and to refer to multiple amounts rather than a single
21 amount being transferred from the economic emergency fund to
22 other funds.

23 Code section 10D.1 is amended to correctly state that the
24 new Code chapter 10D definitions, relating to the holding of
25 agricultural land by qualified enterprises involved in baby
26 chick and fertilized egg production, are applicable to the
27 chapter rather than just the definitional section itself.

28 Code sections 15E.42 and 15E.43 are amended to correctly
29 refer to the defined term "qualifying business" rather than
30 "qualified business" in the new Code provisions relating to
31 investment tax credits.

32 Code section 15E.224 is amended to correctly refer to the
33 venture capital investment fund allocation manager for the
34 Iowa fund of funds.

35 Code section 29A.90, new subsection 3, is amended to

1 clarify that the effective date referred to is the effective
2 date of the division that enacts subsection 3 since there are
3 different effective dates for the various divisions of the
4 Act.

5 Code section 41.1 is amended to correct the legal
6 description of the twenty-eighth house district as passed in
7 the first 2001 special session. The correction does not
8 affect population statistics for the house district.

9 Code section 53.7 is amended to correct grammatical errors
10 describing unlawful solicitations or requests for absentee
11 ballots.

12 New Code section 303A.7 is amended to correctly refer to
13 the office of the treasurer of state.

14 New Code section 356.36A is amended to include a reference
15 to another Code chapter for which reports on the needs of
16 jails established pursuant to that chapter are to apply.

17 Code section 359.49 is amended to correctly refer to a
18 municipality's provision to a township of either fire
19 protection service or emergency medical service in return for
20 receipt of a portion of township taxes.

21 Code section 524.814 is amended to permit an Iowa state
22 bank to lend or pledge its securities for the account of its
23 affiliate in order to provide collateral for the public funds
24 of the affiliate. This provision is contingent upon the
25 enactment of House File 681.

26 Code section 633.4213 is amended to correct a grammatical
27 error relating to a qualified beneficiary of a trust and the
28 beneficiary's right to receive an annual accounting and a copy
29 of the trust instrument.

30 Code section 724.26, relating to possession of a firearm by
31 a felon, is amended to correct a grammatical error by striking
32 an unnecessary conjunction.

33 A new session law paragraph enacted in 2002 legislation is
34 amended to delete the words "the first" in relation to an
35 appropriation of moneys from gambling revenues flowing through

1 the tobacco settlement trust fund to pay school foundation aid
2 relating to allowable growth.

3 A section of this division corrects the fiscal year from
4 July 1, 2003, to July 1, 2002, to which applies the state
5 board of education's expedited charter school application
6 procedure for purposes of receiving federal funds.

7 A provision in an appropriations bill that increases the
8 amount of the appropriation contingent upon the enactment of
9 House File 2524 is amended to change the reference to the
10 enactment of House File 2617 since House File 2524 was passed
11 out of committee and the bill number was changed.

12 A provision in an appropriation bill that relates to the
13 proration of each claim for reimbursement for nonpublic school
14 pupils transportation claims is amended to change reference
15 from "section" to "subsection".

16 A section of this division, enacted in 2002 and related to
17 the state medical examiner, is repealed since the bill section
18 no longer contains any change to the Code section set out in
19 the bill section.

20 Division IV makes an appropriation and establishes the
21 allowed mental health, mental retardation, and developmental
22 disabilities growth factor adjustment for fiscal year 2003-
23 2004 and distributes the appropriation in a similar manner as
24 the bill provides for fiscal year 2002-2003.

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HOUSE FILE 2623

H-8618

1 Amend House File 2623 as follows:
2 1. Page 17, by inserting after line 16 the
3 following:
4 "Sec. ____ . Section 249A.4, subsection 7, Code
5 2001, is amended by adding the following new
6 unnumbered paragraph:
7 NEW UNNUMBERED PARAGRAPH. Advanced registered
8 nurse practitioners licensed pursuant to chapter 152
9 shall be regarded as approved providers of health care
10 services, including primary care pursuant to chapter
11 152, for purposes of managed care or prepaid services
12 contracts under the medical assistance program."

By KREIMAN of Davis
REYNOLDS of Van Buren

H-8618 FILED APRIL 11, 2002

4-11-02 - *not Krellman*
(P. 1371)

HOUSE FILE 2623

H-8620

1 Amend House File 2623 as follows:
2 1. Page 26, by inserting after line 11 the
3 following:
4 "Sec. ____ . CHILD WELFARE PURCHASE OF SERVICE
5 PROVIDERS. For the fiscal year beginning July 1,
6 2002, if the department of human services determines
7 that a service provided by a child welfare purchase of
8 service provider can instead be provided directly by
9 the department at a lower cost while maintaining at
10 least the same level of quality, the department may
11 use child and family services funding for the
12 department to directly provide the service."
13 2. By renumbering as necessary.

By KREIMAN of Davis

H-8620 FILED APRIL 11, 2002

W/D
4/11/02
(P. 1363)

HOUSE FILE 2623**H-8621**

1 Amend House File 2623 as follows:
2 1. Page 26, by inserting after line 27 the
3 following:
4 "Sec. ____ . 2002 Iowa Acts, Senate File 2326,
5 section 39, if enacted, is amended by adding the
6 following new subsection:
7 NEW SUBSECTION. 5. Of the amount appropriated in
8 this section, \$1,250,000 shall be used for salaries,
9 support, maintenance, and miscellaneous purposes for
10 activities regarding animal agriculture."

By MERTZ of Kossuth
DRAKE of Pottawattamie

H-8621 FILED APRIL 11, 2002

Adapted
4-11-02
P. 1364

HOUSE FILE 2623**H-8622**

1 Amend House File 2623 as follows:
2 1. Page 27, by inserting after line 9 the
3 following:
4 "Sec. ____ . 2002 Iowa Acts, Senate File 2326,
5 section 92, subsection 6, if enacted, is amended by
6 adding the following new unnumbered paragraph:
7 NEW UNNUMBERED PARAGRAPH. The appropriation in
8 this subsection is contingent upon the appointment of
9 an administrator of the division on the status of
10 African-Americans and the appointment of all nine
11 members to the commission on the status of African-
12 Americans."

By ALONS of Sioux
FINCH of Story
BRUNKHORST of Bremer

H-8622 FILED APRIL 11, 2002

Adapted
4-11-02
(P. 1364)

HOUSE FILE 2623

H-8623

1 Amend House File 2623 as follows:

2 1. Page 26, by inserting after line 27 the
3 following:

4 "Sec. _____. 2002 Iowa Acts, Senate File 2326,
5 section 81, subsection 2, paragraph a, unnumbered
6 paragraph 1, if enacted, is amended to read as
7 follows:

8 For salaries, support, maintenance, equipment,
9 miscellaneous purposes, and for not more than the
10 following full-time equivalent positions:

11	\$ 229,802,807
12	<u>229,787,807</u>
13	FTEs 4,055.62

14 Sec. _____. 2002 Iowa Acts, Senate File 2326,
15 section 81, subsection 2, paragraph a, if enacted, is
16 amended by adding the following new unnumbered
17 paragraph:

18 NEW UNNUMBERED PARAGRAPH. The university shall
19 reduce by \$15,000 the amount of funds allocated for
20 fiscal year 2002-2003 to the university theater
21 department and shall not increase tuition fees to
22 recover this amount.

23 Sec. _____. 2002 Iowa Acts, Senate File 2326,
24 section 81, subsection 3, paragraph a, unnumbered
25 paragraph 1, if enacted, is amended to read as
26 follows:

27 For salaries, support, maintenance, equipment,
28 miscellaneous purposes, and for not more than the
29 following full-time equivalent positions:

30	\$ 181,487,906
31	<u>181,472,906</u>
32	FTEs 3,647.42

33 Sec. _____. 2002 Iowa Acts, Senate File 2326,
34 section 81, subsection 3, paragraph a, if enacted, is
35 amended by adding the following new unnumbered
36 paragraph:

37 NEW UNNUMBERED PARAGRAPH. The university shall
38 reduce by \$15,000 the amount of funds allocated for
39 fiscal year 2002-2003 to the university theater
40 department and shall not increase tuition fees to
41 recover this amount.

42 Sec. _____. 2002 Iowa Acts, Senate File 2326,
43 section 81, subsection 4, paragraph a, unnumbered
44 paragraph 1, if enacted, is amended to read as
45 follows:

46 For salaries, support, maintenance, equipment,
47 miscellaneous purposes, and for not more than the
48 following full-time equivalent positions:

49	\$ 81,226,925
50	<u>81,211,925</u>

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Page 2

1 FTEs 1,428.79

2 Sec. ____ 2002 Iowa Acts, Senate File 2326,
3 section 81, subsection 4, paragraph a, if enacted, is
4 amended by adding the following new unnumbered
5 paragraph:

6 NEW UNNUMBERED PARAGRAPH. The university shall
7 reduce by \$15,000 the amount of funds allocated for
8 fiscal year 2002-2003 to the university theater
9 department and shall not increase tuition fees to
10 recover this amount."

11 2. Page 27, by inserting after line 9 the
12 following:

13 "Sec. ____ 2002 Iowa Acts, Senate File 2326,
14 section 93, subsection 1, unnumbered paragraph 1, if
15 enacted, is amended to read as follows:

16 For salaries, support, maintenance, miscellaneous
17 purposes, including the war orphan educational fund
18 established pursuant to chapter 35, and for not more
19 than the following full-time equivalent positions:

20	\$	<u>196,727</u>
21		241,727
22	FTEs	<u>3.00"</u>

23 3. By renumbering as necessary.

By ALONS of Sioux	RAECKER of Polk
EICHHORN of Hamilton	REKOW of Allamakee
BRUNKHORST of Bremer	TYRRELL of Iowa
BAUDLER of Adair	

H-8623 FILED APRIL 11, 2002

*WID
4-11-02
(P. 1364)*

HOUSE FILE 2623

H-8625

1 Amend House File 2623 as follows:

2 1. Page 31, by inserting after line 22 the
3 following:

4 "Sec. ____ 2002 Iowa Acts, Senate File 2326,
5 section 172, if enacted, is amended by striking the
6 section."

7 2. By renumbering as necessary.

By WISE of Lee

H-8625 FILED APRIL 11, 2002

*LAST
4-11-02
(P. 1366)*

HOUSE FILE 2623

H-8626

1 Amend House File 2623 as follows:

2 1. Page 31, by inserting after line 33, the
3 following:

4 "Sec. ____ . TEACHER COMPENSATION. There is
5 appropriated from the Iowa economic emergency fund
6 created in section 8.55 to the department of education
7 for the fiscal year beginning July 1, 2002, and ending
8 June 30, 2003, the following amount, or so much
9 thereof as is necessary, to be used for the purposes
10 designated:

11 For purposes of teacher compensation under the
12 student achievement and teacher quality program
13 established pursuant to chapter 284:

14 \$ 32,250,000

15 Moneys appropriated in this section are declared to
16 be appropriated for emergency expenditures as required
17 in section 8.55, subsection 3, paragraph "a".

18 Funds appropriated in this subsection shall
19 supplement, not supplant, funds appropriated for the
20 student achievement and teacher quality program
21 pursuant to 2002 Iowa Acts, Senate File 2326, section
22 79, subsection 17, if enacted, and shall be
23 distributed as provided under section 284.13,
24 subsection 1, paragraphs "g" and "h".

25 2. By renumbering as necessary.

By WISE of Lee

H-8626 FILED APRIL 11, 2002

WLD
4/11/02 (P. 1366)

HOUSE FILE 2623

H-8627

1 Amend House File 2623 as follows:

2 1. Page 13, by striking lines 11 through 22.

By BELL of Jasper
GIPP of Winneshiek
MURPHY of Dubuque

H-8627 FILED APRIL 11, 2002

Adopted
4-11-02
(P. 1353)

HOUSE FILE 2623

H-8628

1 Amend House File 2623 as follows:
 2 1. Page 31, by inserting after line 33 the
 3 following:
 4 "Sec. ____ . TEACHER COMPENSATION. There is
 5 appropriated from the general fund of the state to the
 6 department of education for the fiscal year beginning
 7 July 1, 2002, and ending June 30, 2003, the following
 8 amount, or so much thereof as is necessary, to be used
 9 for the purposes designated:
 10 For purposes of teacher compensation under the
 11 student achievement and teacher quality program
 12 established pursuant to chapter 284:
 13 \$ 32,250,000
 14 Funds appropriated in this subsection shall
 15 supplement, not supplant, funds appropriated for the
 16 student achievement and teacher quality program
 17 pursuant to 2002 Iowa Acts, Senate File 2326, section
 18 79, subsection 17, if enacted, and shall be
 19 distributed as provided under section 284.13,
 20 subsection 1, paragraphs "g" and "h".
 21 2. By renumbering as necessary.

By WISE of Lee

H-8628 FILED APRIL 11, 2002

WID
4-11-02
(p. 1366)

HOUSE FILE 2623

H-8630

1 Amend House File 2623 as follows:
 2 1. Page 26, by inserting after line 11, the
 3 following:
 4 "Sec. ____ . INFORMATION TECHNOLOGY DEPARTMENT --
 5 ADDITIONAL POSITIONS AUTHORIZED. For the fiscal year
 6 beginning July 1, 2002, and ending June 30, 2003, the
 7 information technology department shall be authorized
 8 to hire additional FTEs over those authorized in other
 9 Acts, provided that the amounts expended for the
 10 additional FTEs are reimbursable, and provided that
 11 the following conditions are satisfied:
 12 1. The department shall notify the department of
 13 management, the legislative fiscal bureau, and the
 14 members of the legislative fiscal committee of the
 15 necessity for the additional FTEs.
 16 2. The department shall file with each of the
 17 entities listed in subsection 1 a written
 18 justification for the department's determination that
 19 additional FTEs are necessary, and an estimated cost
 20 for the additional FTE expenditures."

By STEVENS of Dickinson
LENSING of Johnson

H-8630 FILED APRIL 11, 2002

lost
4-11-02 (p. 1363)

HOUSE FILE 2623**H-8633**

1 Amend House File 2623 as follows:
 2 1. Page 26, by inserting after line 11 the
 3 following:
 4 "Sec. ____ . EXTENSION SERVICES TO 4-H FEES WAIVED.
 5 The Iowa cooperative extension service in agriculture
 6 and home economics shall waive any fees which it would
 7 otherwise charge during the fiscal year beginning July
 8 1, 2002, for its extension services, for extension
 9 services provided to the 4-H organization and its
 10 clubs, and shall seek voluntary contributions from
 11 individuals to cover the costs of providing extension
 12 services to the 4-H organization and its clubs."

By KREIMAN of Davis
 REKOW of Allamakee

H-8633 FILED APRIL 11, 2002*W/D**4-11-02**(P. 1363)***HOUSE FILE 2623****H-8636**

1 Amend House File 2623 as follows:
 2 1. By striking page 22, line 35, through page 23,
 3 line 16.

By MURPHY of Dubuque

H-8636 FILED APRIL 11, 2002*Doat**4-11-02**(P. 1361)***HOUSE FILE 2623****H-8637**

1 Amend House File 2623 as follows:
 2 1. Page 23, by inserting before line 32 the
 3 following:
 4 "Sec. ____ . Section 602.6105, Code 2001, is amended
 5 by adding the following new subsection:
 6 NEW SUBSECTION. 2A. The court shall maintain a
 7 magistrate court in a city that is not the county seat
 8 if a magistrate court existed in that city as of July
 9 1, 2001, and if the city requests a magistrate. Any
 10 additional costs to the judicial branch for
 11 maintaining a magistrate in a city other than the
 12 county seat shall be paid by the city requesting the
 13 magistrate.
 14 Sec. ____ . Section 602.6401, subsection 1, Code
 15 2001, is amended by adding the following new
 16 paragraph:
 17 NEW PARAGRAPH. f. The existence of a city in the
 18 county other than the county seat that maintained a
 19 magistrate court as of July 1, 2001."
 20 2. By renumbering as necessary.

By REKOW of Allamakee
 BRUNKHORST of Bremer
 BOGGESS of Page

H-8637 FILED APRIL 11, 2002*W/D 4-11-02 (P. 1361)*

HOUSE FILE 2623

H-8639

1 Amend House File 2623 as follows:
2 1. Page 13, by inserting after line 22 the
3 following:
4 "Sec. ____ . Section 123.3, subsection 12A, Code
5 2001, is amended to read as follows:
6 12A. "Designated security employee" means an
7 agent, contract employee, or employee of a licensee or
8 permittee who ~~is primarily employed for security~~
9 ~~purposes~~ works in a security position in any capacity
10 at a commercial establishment licensed or permitted
11 under this chapter."
12 2. By renumbering as necessary.

By FORD of Polk

H-8639 FILED APRIL 11, 2002

Not Signed
Motion to suspend Rules - Last
4-11-02
(p. 1354)

HOUSE FILE 2623

H-8644

1 Amend House File 2623 as follows:

2 1. Page 9, by inserting after line 28 the
3 following:

4 "Sec. ____ . NEW SECTION. 514C.21 NEUROBIOLOGICAL
5 DISORDER.

6 1. Notwithstanding the uniformity of treatment
7 requirements of section 514C.6, a group policy or
8 contract providing for third-party payment or
9 prepayment of health or medical expenses issued by a
10 carrier, as defined in section 513B.2, or by an
11 organized delivery system authorized under 1993 Iowa
12 Acts, chapter 158, shall provide coverage benefits for
13 treatment of a neurobiological disorder if either of
14 the following is satisfied:

15 a. The policy or contract is issued to an employer
16 who on at least fifty percent of the employer's
17 working days during the preceding calendar year
18 employed more than fifty full-time equivalent
19 employees. In determining the number of full-time
20 equivalent employees of an employer, employers who are
21 affiliated or who are able to file a consolidated tax
22 return for purposes of state taxation shall be
23 considered one employer.

24 b. The policy or contract is issued to a small
25 employer as defined in section 513B.2, and such policy
26 or contract provides coverage benefits for the
27 treatment of neurobiological disorder.

28 2. Notwithstanding the uniformity of treatment
29 requirements of section 514C.6, a plan established
30 pursuant to chapter 509A for public employees shall
31 provide coverage benefits for treatment of a
32 neurobiological disorder.

33 3. For purposes of this section:

34 a. "Neurobiological disorder" means the following:

- 35 (1) Schizophrenia and other psychotic disorders.
36 (2) Mood disorders.
37 (3) Anxiety disorders.
38 (4) Pervasive developmental disorders and
39 attention deficit.

40 b. "Substance abuse" means a pattern of
41 pathological use of alcohol or a drug that causes
42 impairment in social or occupational functioning, or
43 that produces physiological dependency evidenced by
44 physical tolerance or by physical symptoms when the
45 alcohol or drug is withdrawn.

46 4. The commissioner, by rule, shall define the
47 neurobiological disorders identified in subsection 3.
48 Definitions established by the commissioner shall be
49 consistent with definitions provided in the most
50 recent edition of the American psychiatric

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Page 2

1 association's diagnostic and statistical manual of
2 mental disorders, as the definitions may be amended
3 from time to time. The commissioner may adopt the
4 definitions provided in such manual by reference.

5 5. This section shall not apply to accident only,
6 specified disease, short-term hospital or medical,
7 hospital confinement indemnity, credit, dental,
8 vision, Medicare supplement, long-term care, basic
9 hospital and medical-surgical expense coverage as
10 defined by the commissioner, disability income
11 insurance coverage, coverage issued as a supplement to
12 liability insurance, workers' compensation or similar
13 insurance, or automobile medical payment insurance, or
14 individual accident and sickness policies issued to
15 individuals or to individual members of a member
16 association.

17 6. A carrier, organized delivery system, or plan
18 established pursuant to chapter 509A may manage the
19 benefits provided through common methods including,
20 but not limited to, providing payment of benefits or
21 providing care and treatment under a capitated payment
22 system, prospective reimbursement rate system,
23 utilization control system, incentive system for the
24 use of least restrictive and least costly levels of
25 care, a preferred provider contract limiting choice of
26 specific providers, or any other system, method, or
27 organization designed to assure services are medically
28 necessary and clinically appropriate.

29 7. a. A group policy or contract or plan covered
30 under this section shall not impose an aggregate
31 annual or lifetime limit on neurobiological disorder
32 coverage benefits unless the policy or contract or
33 plan imposes an aggregate annual or lifetime limit on
34 substantially all medical and surgical coverage
35 benefits.

36 b. A group policy or contract or plan covered
37 under this section that imposes an aggregate annual or
38 lifetime limit on substantially all medical and
39 surgical coverage benefits shall not impose an
40 aggregate annual or lifetime limit on neurobiological
41 disorder coverage benefits which is less than the
42 aggregate annual or lifetime limit imposed on
43 substantially all medical and surgical coverage
44 benefits.

45 8. A group policy or contract or plan covered
46 under this section shall at a minimum allow for thirty
47 inpatient days and fifty-two outpatient visits
48 annually. The policy or contract or plan may also
49 include deductibles, coinsurance, or copayments,
50 provided the amounts and extent of such deductibles,

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Page 3

1 coinsurance, or copayments applicable to other medical
2 or surgical services coverage under the policy or
3 contract or plan are the same. It is not a violation
4 of this section if the policy or contract or plan
5 excludes entirely from coverage benefits for the cost
6 of providing the following:

7 a. Marital, family, educational, developmental, or
8 training services.

9 b. Care that is substantially custodial in nature.

10 c. Services and supplies that are not medically
11 necessary or clinically appropriate.

12 d. Experimental treatments.

13 9. This section applies to third-party payment
14 provider policies or contracts and plans established
15 pursuant to chapter 509A delivered, issued for
16 delivery, continued, or renewed in this state on or
17 after January 1, 2003."

18 2. Page 25, by inserting after line 17 the
19 following:

20 "Sec. ____ . INSURANCE DIVISION STUDY.

21 1. The insurance division of the department of
22 commerce shall conduct a study to determine the impact
23 of providing coverage for substance abuse. The
24 division shall include in the study all of the
25 following:

26 a. An estimate of the impact of mandated coverage
27 for substance abuse treatment on health care coverage
28 benefit costs.

29 b. Actions taken by the division to ensure that
30 third-party payors subject to section 514C.21, if
31 enacted by this Act are in compliance, and that the
32 quality of and access to treatment for substance abuse
33 are not compromised by providing for coverage parity
34 with other coverage benefits provided for other health
35 or medical conditions under third-party payor
36 contracts or policies.

37 c. An analysis and comparison of the choices for
38 treatment of substance abuse with regard to level of
39 access, choice, and financial burden on the
40 individual.

41 d. Identification of any segments of the
42 population of this state that may be excluded from, or
43 have limited access to, treatment for substance abuse,
44 including the number of citizens that may be excluded
45 from, or have limited access to, treatment under
46 third-party payor policies or contracts provided by
47 employers who receive substantial revenue from public
48 sources.

49 2. The insurance division shall submit a written
50 report to the general assembly on or before January

H-8644

Page 4

1 15, 2003."

2 3. By renumbering as necessary.

By GRUNDBERG of Polk

H-8644 FILED APRIL 11, 2002

W/D

4.11-02

(P. 1366)

HOUSE FILE 2623

H-8645

1 Amend House File 2623 as follows:

2 1. Page 26, by inserting after line 27 the

3 following:

4 "Sec. ____ 2002 Iowa Acts, Senate File 2326,

5 section 51, if enacted, is amended to read as follows:

6 SEC. 51. TOURISM OPERATIONS. There is

7 appropriated from the community attraction and tourism

8 fund created in section 15F.204 to the department of

9 economic development for the fiscal year beginning

10 July 1, 2002, and ending June 30, 2003, the following

11 amount, or so much thereof as is necessary, to be used

12 for the purposes designated:

13 For tourism operations, including salaries,

14 support, maintenance, and miscellaneous purposes:

15 \$ 1,200,000

16 Of the amount appropriated in this section,

17 \$100,000 shall be used by the Iowa Lewis and Clark

18 bicentennial commission established in section

19 15.221."

By WARNSTADT of Woodbury

H-8645 FILED APRIL 11, 2002

W/D

4/11/02

(P. 1364)

HOUSE FILE 2623

H-8643

1 Amend House File 2623 as follows:

2 1. Page 13, by inserting after line 10 the
3 following:

4 "Sec. ____ . Section 99F.11, unnumbered paragraph 1,
5 Code 2001, is amended to read as follows:

6 A tax is imposed on the adjusted gross receipts
7 received annually from gambling games authorized under
8 this chapter at the rate of five percent on the first
9 one million dollars of adjusted gross receipts, at the
10 rate of ten percent on the next two million dollars of
11 adjusted gross receipts, and at the rate of twenty
12 percent on any amount of adjusted gross receipts over
13 three million dollars. However, beginning January 1,
14 1997, the rate on any amount of adjusted gross
15 receipts over three million dollars from gambling
16 games at racetrack enclosures is twenty-two percent
17 and shall increase by two percent each succeeding
18 calendar year until the rate is thirty-six percent.
19 However, at racetrack enclosures at which the total
20 amount of adjusted gross receipts from gambling games
21 annually is not more than seventy million dollars, the
22 tax rate on the amount of adjusted gross receipts over
23 three million dollars from gambling games is the rate
24 which was in effect on December 31, 2001. The taxes
25 imposed by this section shall be paid by the licensee
26 to the treasurer of state within ten days after the
27 close of the day when the wagers were made and shall
28 be distributed as follows:"

29 2. Title page, line 5, by inserting after the
30 word "appropriations" the following: ", setting of
31 wagering tax rate,".

By OSTERHAUS of Jackson
ATTEBERRY of Delaware
JOCHUM of Dubuque

SCHERRMAN of Dubuque
MURPHY of Dubuque

H-8643 FILED APRIL 11, 2002

W/D

4-11-02

(P. 1370)

HOUSE FILE 2623

H-8646

1 Amend House File 2623 as follows:

2 1. Page 9, by inserting after line 30 the
3 following:

4 "Sec. ____ . NEW SECTION. 509A.6A NEUROBIOLOGICAL
5 DISORDER AND SUBSTANCE ABUSE COVERAGE FOR STATE
6 EMPLOYEES.

7 1. A state health or medical group insurance plan
8 for state employees shall provide coverage benefits
9 for treatment services for neurobiological disorders
10 and substance abuse that shall be provided on terms
11 and conditions that are no more restrictive than the
12 terms and conditions for coverage benefits provided
13 for other medical conditions under such plan.

14 2. For purposes of this section:

15 a. "Neurobiological disorder" means the following:

16 (1) Schizophrenia and other psychotic disorders.

17 (2) Mood disorders.

18 (3) Anxiety disorders.

19 (4) Pervasive development disorders and attention
20 deficit.

21 b. "State employee" means a person who is a paid
22 employee of the state of Iowa, including a paid
23 employee of the state board of regents.

24 c. "State health or medical group insurance plan"
25 means as defined in section 509A.13A.

26 d. "Substance abuse" means a pattern of
27 pathological use of alcohol or a drug that causes
28 impairment in social or occupational functioning, or
29 that produces physiological dependency evidenced by
30 physical tolerance or by physical symptoms when the
31 alcohol or drug is withdrawn.

32 3. The commissioner, by rule, shall define the
33 neurobiological disorders identified in subsection 2.
34 Definitions established by the commissioner shall be
35 consistent with definitions provided in the most
36 recent edition of the American psychiatric
37 association's diagnostic and statistical manual of
38 mental disorders, as such definitions may be amended
39 from time to time. The commissioner may adopt the
40 definitions provided in such manual by reference.

41 4. This section shall not apply to accident only,
42 specified disease, short-term hospital or medical,
43 hospital confinement indemnity, credit, dental,
44 vision, Medicare supplement, long-term care, basic
45 hospital and medical-surgical expense coverage as
46 defined by the commissioner, disability income
47 insurance coverage, coverage issued as a supplement to
48 liability insurance, workers' compensation or similar
49 insurance, or automobile medical payment insurance, or
50 individual accident and sickness policies issued to

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1 individuals or to individual members of a member
2 association.

3 5. A carrier, organized delivery system, or plan
4 may manage the benefits provided under this section
5 provided through common methods including, but not
6 limited to, providing payment of benefits or providing
7 care and treatment under a capitated payment system,
8 prospective reimbursement rate system, utilization
9 control system, incentive system for the use of least
10 restrictive and least costly levels of care, a
11 preferred provider contract limiting choice of
12 specific providers, or any other system, method, or
13 organization designed to ensure that services are
14 medically necessary and clinically appropriate.

15 6. a. A plan covered under this section shall not
16 impose an aggregate annual or lifetime limit on
17 neurobiological disorder or substance abuse coverage
18 benefits unless the plan imposes an aggregate annual
19 or lifetime limit on substantially all medical and
20 surgical coverage benefits.

21 b. A plan covered under this section that imposes
22 an aggregate annual or lifetime limit on substantially
23 all medical and surgical coverage benefits shall not
24 impose an aggregate annual or lifetime limit on
25 neurobiological disorder or substance abuse coverage
26 benefits which is less than the aggregate annual or
27 lifetime limit imposed on substantially all medical
28 and surgical coverage benefits.

29 7. A plan covered under this section shall at a
30 minimum allow for thirty inpatient days and fifty-two
31 outpatient visits annually. The plan may also include
32 deductibles, coinsurance, or copayments, provided the
33 amounts and extent of such deductibles, coinsurance,
34 or copayments applicable to other medical or surgical
35 services coverage under the plan are the same. It is
36 not a violation of this section if the plan excludes
37 entirely from coverage benefits for the cost of
38 providing the following:

39 a. Marital, family, educational, developmental, or
40 training services.

41 b. Care that is substantially custodial in nature.

42 c. Services and supplies that are not medically
43 necessary or clinically appropriate.

44 d. Experimental treatments.

45 8. This section applies to plans established
46 pursuant to this chapter delivered, issued for
47 delivery, continued, or renewed in this state on or
48 after January 1, 2003."

By GRUNDBERG of Polk

H-8646 FILED APRIL 11, 2002

W/D

4-11-02

(P. 1366)

HOUSE FILE 2623

H-8647

1 Amend House File 2623 as follows:

2 1. Page 1, line 18, by inserting after the word
3 "fund" the following: "and other moneys transferred
4 or appropriated to the salary adjustment fund in this
5 Act".

6 2. Page 1, line 23, by striking the figure
7 "\$30,000,000" and inserting the following:
8 "\$55,000,000".

9 3. Page 4, line 3, by striking the words and
10 figure ", not to exceed \$18,000,000,".

11 4. Page 4, line 20, by striking the words and
12 figure ", not to exceed \$2,970,000,".

13 5. Page 6, by inserting after line 10 the
14 following:

15 "Sec. ____ . ECONOMIC EMERGENCY FUND APPROPRIATION.
16 There is appropriated from the Iowa economic emergency
17 fund created in section 8.55 to the salary adjustment
18 fund for the fiscal year beginning July 1, 2002, and
19 ending June 30, 2003, the following amount:

20 \$ 12,500,000

21 Moneys appropriated in this section are declared to
22 be appropriated for emergency expenditures as required
23 in section 8.55, subsection 3, paragraph "a".

24 Sec. ____ . UNDERGROUND STORAGE TANK FUND.
25 Notwithstanding section 455G.3, subsection 1, there is
26 transferred from the Iowa comprehensive petroleum
27 underground storage tank fund created in section
28 455G.3, subsection 1, to the salary adjustment fund
29 during the fiscal year beginning July 1, 2002, and
30 ending June 30, 2003, the following amount:

31 \$ 12,500,000"

By MURPHY of Dubuque

H-8647 FILED APRIL 11, 2002

*W/D
4-11-02
(p. 1352)*

HOUSE FILE 2623

H-8650

1 Amend House File 2623 as follows:

2 1. Page 9, by inserting after line 30, the
3 following:

4 "Sec. ____ . NEW SECTION. 509A.6A NEUROBIOLOGICAL
5 DISORDER COVERAGE FOR STATE EMPLOYEES.

6 1. A state health or medical group insurance plan
7 for state employees shall provide coverage benefits
8 for treatment services for neurobiological disorders
9 that shall be provided on terms and conditions that
10 are no more restrictive than the terms and conditions
11 for coverage benefits provided for other medical
12 conditions under such plan.

13 2. For purposes of this section:

14 a. "Neurobiological disorder" means the following:

- 15 (1) Schizophrenia and other psychotic disorders.
16 (2) Mood disorders.
17 (3) Anxiety disorders.
18 (4) Pervasive development disorders and attention
19 deficit.

20 b. "State employee" means a person who is a paid
21 employee of the state of Iowa, including a paid
22 employee of the state board of regents.

23 c. "State health or medical group insurance plan"
24 means as defined in section 509A.13A.

25 3. The commissioner, by rule, shall define the
26 neurobiological disorder identified in subsection 2.
27 Definitions established by the commissioner shall be
28 consistent with definitions provided in the most
29 recent edition of the American psychiatric
30 association's diagnostic and statistical manual of
31 mental disorders, as such definitions may be amended
32 from time to time. The commissioner may adopt the
33 definitions provided in such manual by reference.

34 4. This section shall not apply to accident only,
35 specified disease, short-term hospital or medical,
36 hospital confinement indemnity, credit, dental,
37 vision, Medicare supplement, long-term care, basic
38 hospital and medical-surgical expense coverage as
39 defined by the commissioner, disability income
40 insurance coverage, coverage issued as a supplement to
41 liability insurance, workers' compensation or similar
42 insurance, or automobile medical payment insurance, or
43 individual accident and sickness policies issued to
44 individuals or to individual members of a member
45 association.

46 5. A carrier, organized delivery system, or plan
47 may manage the benefits provided under this section
48 provided through common methods including, but not
49 limited to, providing payment of benefits or providing
50 care and treatment under a capitated payment system,

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1 prospective reimbursement rate system, utilization
2 control system, incentive system for the use of least
3 restrictive and least costly levels of care, a
4 preferred provider contract limiting choice of
5 specific providers, or any other system, method, or
6 organization designed to ensure that services are
7 medically necessary and clinically appropriate.

8 6. a. A plan covered under this section shall not
9 impose an aggregate annual or lifetime limit on
10 neurobiological disorder coverage benefits unless the
11 plan imposes an aggregate annual or lifetime limit on
12 substantially all medical and surgical coverage
13 benefits.

14 b. A plan covered under this section that imposes
15 an aggregate annual or lifetime limit on substantially
16 all medical and surgical coverage benefits shall not
17 impose an aggregate annual or lifetime limit on
18 neurobiological disorder coverage benefits which is
19 less than the aggregate annual or lifetime limit
20 imposed on substantially all medical and surgical
21 coverage benefits.

22 7. A plan covered under this section shall at a
23 minimum allow for thirty inpatient days and fifty-two
24 outpatient visits annually. The plan may also include
25 deductibles, coinsurance, or copayments, provided the
26 amounts and extent of such deductibles, coinsurance,
27 or copayments applicable to other medical or surgical
28 services coverage under the plan are the same. It is
29 not a violation of this section if the plan excludes
30 entirely from coverage benefits for the cost of
31 providing the following:

32 a. Marital, family, educational, developmental, or
33 training services.

34 b. Care that is substantially custodial in nature.

35 c. Services and supplies that are not medically
36 necessary or clinically appropriate.

37 d. Experimental treatments.

38 8. This section applies to plans established
39 pursuant to this chapter delivered, issued for
40 delivery, continued, or renewed in this state on or
41 after January 1, 2003."

By GRUNDBERG of Polk

H-8650 FILED APRIL 11, 2002

Not Serrano
4-11-02
(P. 1370)

HOUSE FILE 2623

H-8651

1 Amend House File 2623 as follows:

2 1. Page 26, by inserting after line 11, the
3 following:

4 "Sec. ____ . MICROSOFT LAWSUIT. The general
5 assembly believes that the Iowa attorney general's
6 lawsuit against the Microsoft corporation is not in
7 the best interest of the state of Iowa and its
8 citizens, therefore, moneys from the general fund of
9 the state or any other funds available to the
10 department of justice shall not be used to pay for or
11 continue to support a lawsuit against the Microsoft
12 corporation."

13 2. Page 32, by inserting after line 14 the
14 following:

15 "Sec. ____ . EFFECTIVE DATE. The section of this
16 division of this Act relating to the Microsoft
17 lawsuit, being deemed of immediate importance, takes
18 effect upon enactment."

By DIX of Butler

H-8651 FILED APRIL 11, 2002

*W/P
4-11-02
(P. 1363)*

HOUSE FILE 2623

H-8652

1 Amend House File 2623 as follows:

2 1. Page 31, by striking lines 26 through 33.

By JOCHUM of Dubuque
FALLON of Polk

H-8652 FILED APRIL 11, 2002

*W/D
4-11-02
(P. 1366)*

HOUSE FILE 2623

H-8653

1 Amend House File 2623 as follows:

2 1. Page 24, by inserting after line 30, the
3 following:

4 "Sec. _____. 2001 Iowa Acts, chapter 191, section
5 14, subsection 2, is amended by adding the following
6 new paragraph:

7 NEW PARAGRAPH. f. Notwithstanding section
8 232.143, subsection 1, a region may exceed its budget
9 target for group foster care by up to twenty percent
10 in the fiscal year beginning July 1, 2001, and ending
11 June 30, 2002, provided the overall funding allocated
12 by the department for all child welfare services in
13 the region is not exceeded. It is the intent of the
14 general assembly that for the fiscal year beginning
15 July 1, 2002, the budget targets for group foster care
16 will be determined at levels so that special statutory
17 authority for exceeding the budget targets beyond the
18 amount authorized in section 232.143, subsection 1,
19 will not be necessary."

20 2. Page 25, by inserting after line 35 the
21 following:

22 "Sec. _____. MEDICAL ASSISTANCE -- DENTAL SERVICES
23 FOR ADULTS. In addition to other dental services
24 provided to adults under the medical assistance
25 program in accordance with 2002 Iowa Acts, House File
26 2245, section 7, subsection 2, the following services
27 shall be provided:

- 28 1. Root canal treatments on permanent anterior
- 29 teeth.
- 30 2. General anesthesia and intravenous sedation if
- 31 necessitated by the physical or mental disability of
- 32 the patient.

33 The department may adopt emergency rules to
34 implement this section in accordance with the
35 provisions of 2002 Iowa Acts, Senate File 2326,
36 division VI, section 135, if enacted."

37 3. Page 27, by inserting before line 12, the
38 following:

39 "Sec. _____. 2002 Iowa Acts, Senate File 2326,
40 section 99, subsection 1, if enacted, is amended to
41 read as follows:

42 1. To be credited to the family investment program
43 account and used for assistance under the family
44 investment program under chapter 239B:

45	\$ 45,618,447
46	<u>46,508,982</u>

47 Sec. _____. 2002 Iowa Acts, Senate File 2326,
48 section 99, subsection 11, unnumbered paragraph 2, if
49 enacted, is amended to read as follows:

50 Pregnancy prevention grants shall be awarded to

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1 programs in existence on or before July 1, 2002, if
 2 the programs are comprehensive in scope and have
 3 demonstrated positive outcomes. Grants shall be
 4 awarded to pregnancy prevention programs which are
 5 developed after July 1, 2002, if the programs are
 6 comprehensive in scope and are based on existing
 7 models that have demonstrated positive outcomes.
 8 Grants shall comply with the requirements provided in
 9 1997 Iowa Acts, chapter 208, section 14, subsections 1
 10 and 2, including the requirement that grant programs
 11 must emphasize sexual abstinence. Priority in the
 12 awarding of grants shall be given to programs that
 13 serve areas of the state which demonstrate the highest
 14 percentage of unplanned pregnancies of females age or
 15 older but younger than age 18 within the geographic
 16 area to be served by the grant.

17 In addition to the full-time equivalent positions
 18 funded in this division of this Act, the department
 19 may use a portion of the funds appropriated in this
 20 subsection to employ an employee in up to 1.00 full-
 21 time equivalent position for the administration of
 22 programs specified in this subsection."

23 4. Page 32, by inserting after line 10, the
 24 following:

25 "Sec. ____ . EFFECTIVE DATE. The section in this
 26 Act relating to dental services for adults under the
 27 medical assistance program, being deemed of immediate
 28 importance, takes effect upon enactment."

29 5. Page 32, by inserting after line 14, the
 30 following:

31 "Sec. ____ . EFFECTIVE DATE. The provision of this
 32 division of this Act amending 2001 Iowa Acts, chapter
 33 191, section 14, relating to the department of human
 34 services exceeding its budget target for group foster
 35 care by up to twenty percent in fiscal year 2001-
 36 2002."

37 6. By renumbering as necessary.

By HEATON of Henry
 JOHNSON of Osceola

H-8653 FILED APRIL 11, 2002

Adopted
4-11-02
(P. 1363)

HOUSE FILE 2623

H-8655

1 Amend House File 2623, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 13, by inserting after line 22 the
4 following:

5 "Section 1. Section 124.401, subsection 1,
6 paragraph a, subparagraph (2), unnumbered paragraph 1,
7 Code 2001, is amended to read as follows:

8 More than five kilograms of ~~a~~ any compound, mixture
9 ~~or, preparation, or substance~~ containing a detectable
10 amount of any of the following:

11 Sec. _____. Section 124.401, subsection 1, paragraph
12 a, subparagraph (2), subparagraph divisions (a), (b),
13 and (c), Code 2001, are amended by striking the
14 subparagraph subdivisions.

15 Sec. _____. Section 124.401, subsection 1, paragraph
16 a, subparagraph (2), subparagraph division (f), Code
17 2001, is amended to read as follows:

18 (f) Any compound, mixture, or preparation which
19 contains any quantity of any of the substances
20 referred to in ~~subparagraph subdivisions (a) through~~
21 ~~(e)~~ this subparagraph (2).

22 Sec. _____. Section 124.401, subsection 1, paragraph
23 a, subparagraph (3), Code 2001, is amended to read as
24 follows:

25 (3) More than fifty grams of ~~a~~ any compound,
26 mixture or, preparation, or substance described in
27 ~~subparagraph (2) which contains~~ containing a
28 detectable amount of cocaine base.

29 Sec. _____. Section 124.401, subsection 1, paragraph
30 a, Code 2001, is amended by adding the following new
31 subparagraph:

32 NEW SUBPARAGRAPH. (3A) More than five hundred
33 grams of any compound, mixture, preparation, or
34 substance containing a detectable amount of any of the
35 following:

36 (a) Coca leaves, except coca leaves and extracts
37 of coca leaves from which cocaine, ecgonine, and
38 derivatives of ecgonine or their salts have been
39 removed.

40 (b) Cocaine, its salts, optical and geometric
41 isomers, and salts of isomers.

42 (c) Ecgonine, its derivatives, their salts,
43 isomers, and salts of isomers.

44 Sec. _____. Section 124.401, subsection 1, paragraph
45 b, subparagraph (2), Code 2001, is amended by striking
46 the subparagraph.

47 Sec. _____. Section 124.401, subsection 1, paragraph
48 b, subparagraph (3), Code 2001, is amended to read as
49 follows:

50 (3) More than five grams but not more than fifty

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1 grams of ~~a any compound, mixture, preparation, or~~
2 substance ~~described in subparagraph (2) which contains~~
3 containing a detectable amount of cocaine base.

4 Sec. ____ Section 124.401, subsection 1, paragraph
5 b, Code 2001, is amended by adding the following new
6 subparagraph:

7 NEW SUBPARAGRAPH. (3A) More than fifty grams but
8 not more than five hundred grams of any compound,
9 mixture, preparation, or substance containing a
10 detectable amount of any of the following:

11 (a) Coca leaves, except coca leaves and extracts
12 of coca leaves from which cocaine, ecgonine, and
13 derivatives of ecgonine or their salts have been
14 removed.

15 (b) Cocaine, its salts, optical and geometric
16 isomers, and salts of isomers.

17 (c) Ecgonine, its derivatives, their salts,
18 isomers, and salts of isomers.

19 Sec. ____ Section 124.401, subsection 1, paragraph
20 c, subparagraph (2), Code 2001, is amended by striking
21 the subparagraph.

22 Sec. ____ Section 124.401, subsection 1, paragraph
23 c, subparagraph (3), Code 2001, is amended to read as
24 follows:

25 (3) Five grams or less of ~~a any compound, mixture,~~
26 preparation, or substance described in subparagraph
27 ~~(2) which contains~~ containing a detectable amount of
28 cocaine base.

29 Sec. ____ Section 124.401, subsection 1, paragraph
30 c, Code 2001, is amended by adding the following new
31 subparagraph:

32 NEW SUBPARAGRAPH. (3A) Fifty grams or less of any
33 compound, mixture, preparation, or substance
34 containing a detectable amount of any of the
35 following:

36 (a) Coca leaves, except coca leaves and extracts
37 of coca leaves from which cocaine, ecgonine, and
38 derivatives of ecgonine or their salts have been
39 removed.

40 (b) Cocaine, its salts, optical and geometric
41 isomers, and salts of isomers.

42 (c) Ecgonine, its derivatives, their salts,
43 isomers, and salts of isomers.

44 Sec. ____ Section 232.22, subsection 1, paragraph
45 e, subparagraph (2), Code Supplement 2001, is amended
46 to read as follows:

47 (2) A mixture or substance containing cocaine, its
48 salts, optical and geometric isomers, and salts of
49 isomers, and if the act was committed by an adult, it
50 would be a violation of section 124.401, subsection 1,

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-2-

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Page 3

- 1 paragraph "a", subparagraph ~~(2)~~ (3A), subparagraph
- 2 subdivision (b), paragraph "b", subparagraph ~~(2)~~ (3A),
- 3 subparagraph subdivision (b), or paragraph "c",
- 4 subparagraph ~~(2)~~ (3A), subparagraph subdivision (b)."
- 5 2. By renumbering as necessary.

By FORD of Polk**H-8655** FILED APRIL 11, 2002

W/B

4/11/02

(P. 1370)

HOUSE FILE 2623

H-8656

1 Amend House File 2623 as follows:

2 1. Page 17, by inserting after line 16, the
3 following:

4 "Sec. ____ . NEW SECTION. 249A.21 INTERMEDIATE
5 CARE FACILITIES FOR PERSONS WITH MENTAL RETARDATION --
6 ASSESSMENT.

7 1. The department may assess intermediate care
8 facilities for persons with mental retardation, as
9 defined in section 135C.1, that are not operated by
10 the state, a fee in an amount not to exceed six
11 percent of the total annual revenue of the facility
12 for the preceding fiscal year. Counties shall not be
13 required to participate in the cost of the assessment.

14 2. The assessment shall be paid to the department
15 in equal monthly amounts on or before the fifteenth
16 day of each month. The department may deduct the
17 monthly amount from medical assistance payments to a
18 facility described in subsection 1. The amount
19 deducted from payments shall not exceed the total
20 amount of the assessments due.

21 3. Revenue from the assessments shall be credited
22 to the state medical assistance appropriation. This
23 revenue may be used only for services for which
24 federal financial participation under the medical
25 assistance program is available to match state funds.

26 4. If federal financial participation to match the
27 assessments made under subsection 1 becomes
28 unavailable under federal law, the department shall
29 terminate the imposing of the assessments beginning on
30 the date that the federal statutory, regulatory, or
31 interpretive change takes effect.

32 5. The department of human services may procure a
33 sole source contract to implement the provisions of
34 this section."

35 2. Page 27, by inserting after line 11, the
36 following:

37 "Sec. ____ . 2002 Iowa Acts, House File 2326,
38 section 93, subsection 2, unnumbered paragraph 1, if
39 enacted, is amended to read as follows:

40 2. IOWA VETERANS HOME

41 For salaries, support, maintenance, miscellaneous
42 purposes, and for not more than the following full-
43 time equivalent positions:

44 \$ 14,445,884
45 \$ 14,937,582

46 Sec. ____ . 2002 Iowa Acts, House File 2326, section
47 106, if enacted, is amended by adding the following
48 new subsection:

49 NEW SUBSECTION. 3. Moneys received in excess of
50 \$491,899 pursuant to section 249A.21, if enacted by

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Page 2

1 the Seventy-ninth General Assembly, 2002 Session,
 2 shall be used to supplement the appropriation for the
 3 hawk-i program in this section and in any other Act."
 4 3. Page 32, by inserting after line 14, the
 5 following:
 6 "Sec. ____ . EFFECTIVE DATE. The section of this
 7 division of this Act that creates section 249A.21,
 8 relating to an assessment on intermediate care
 9 facilities for persons with mental retardation, being
 10 deemed of immediate importance, takes effect upon
 11 enactment."

By SMITH of Marshall

H-8656 FILED APRIL 11, 2002

Pat Hermone
4-11-02
(P. 1360)

HOUSE FILE 2623

H-8657

1 Amend House File 2623 as follows:
 2 1. Page 17, by inserting after line 22 the
 3 following:
 4 "Sec. ____ . Section 257.16, Code 2001, is amended
 5 to read as follows:
 6 1. There is appropriated each year from the
 7 general fund of the state an amount necessary to pay
 8 the foundation aid and supplementary aid under section
 9 257.4, subsection 2.
 10 2. All state aids paid under this chapter, unless
 11 otherwise stated, shall be paid in monthly
 12 installments beginning on September 15 of a budget
 13 year and ending on or about June 15 of the budget year
 14 as determined by the department of management, taking
 15 into consideration the relative budget and cash
 16 position of the state resources.
 17 3. All moneys received by a school district from
 18 the state under this chapter shall be deposited in the
 19 general fund of the school district, and may be used
 20 for any school general fund purpose.
 21 4. Notwithstanding any provision to the contrary,
 22 if the governor orders budget reductions in accordance
 23 with section 8.31, reductions in the appropriations
 24 provided in accordance with this section shall be
 25 distributed on a per pupil basis calculated with the
 26 weighted enrollment determined in accordance with
 27 section 257.6, subsection 5."
 28 2. By renumbering as necessary.

By GRUNDBERG of Polk

H-8657 FILED APRIL 11, 2002

W/A
4-11-02
(P. 1371)

HOUSE FILE 2623

H-8659

1 Amend House File 2623 as follows:

2 1. Page 1, line 5, by striking the word
3 "TRANSFER." and inserting the following: "AND
4 UNDERGROUND STORAGE TANK FUND TRANSFERS.
5 a."

6 2. Page 1, by inserting after line 14 the
7 following:

8 "b. Notwithstanding section 455G.3, subsection 1,
9 on July 1, 2002, \$11,100,000 is transferred from the
10 Iowa comprehensive petroleum underground storage tank
11 fund created in section 455G.3, subsection 1, to the
12 salary adjustment fund."

13 3. Page 1, line 16, by inserting after the word
14 "PROCEEDS" the following: " -- UNDERGROUND STORAGE
15 TANK FUND TRANSFER".

16 4. Page 1, line 17, by inserting after the word
17 "proceeds" the following: "and underground storage
18 tank fund moneys".

19 5. Page 1, line 23, by striking the figure
20 "\$30,000,000" and inserting the following:
21 "\$41,100,000".

22 6. Page 4, line 3, by striking the figure
23 "\$18,000,000" and inserting the following:
24 "\$25,000,000".

25 7. Page 4, line 20, by striking the figure
26 "\$2,970,000" and inserting the following:
27 "\$4,000,000".

28 8. Page 46, by inserting after line 13 the
29 following:

"DIVISION

APPROPRIATION ADJUSTMENTS

32 Sec. ____ . SECRETARY OF STATE. 2002 Iowa Acts,
33 Senate File 2326, section 23, subsection 2, if
34 enacted, is amended to read as follows:

35 2. BUSINESS SERVICES

36 For salaries, support, maintenance, miscellaneous
37 purposes, and for not more than the following full-
38 time equivalent positions

39	\$	1,433,235
40		<u>1,533,235</u>
41	FTEs	<u>32.00</u>

42 Sec. ____ . 2002 Iowa Acts, Senate File 2326,
43 section 79, subsections 17 and 18, if enacted, are
44 amended to read as follows:

45 17. STUDENT ACHIEVEMENT AND TEACHER QUALITY
46 PROGRAM

47 For purposes, as provided in law, of the student
48 achievement and teacher quality program established
49 pursuant to chapter 284:

50	\$	7,750,000
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Page 2

1 16,100,000
2 Notwithstanding section 8.33, any moneys remaining
3 unencumbered or unobligated from the moneys allocated
4 as provided in this subsection shall not revert but
5 shall remain available in the succeeding fiscal year
6 for expenditure for the purposes designated. The
7 provisions of section 8.39 shall not apply to the
8 funds appropriated pursuant to this subsection.

9 18. COMMUNITY COLLEGES

10 For general state financial aid, including general
11 financial aid to merged areas in lieu of personal
12 property tax replacement payments, to merged areas as
13 defined in section 260C.2, for vocational education
14 programs in accordance with chapters 258 and 260C:
15 \$~~137,585,680~~
16 138,585,680

17 The funds appropriated in this subsection shall be
18 allocated as follows:

- 19 a. Merged Area I \$ ~~6,602,820~~
20 6,650,811
- 21 b. Merged Area II \$ ~~7,755,900~~
22 7,812,271
- 23 c. Merged Area III \$ ~~7,205,055~~
24 7,257,423
- 25 d. Merged Area IV \$ ~~3,521,678~~
26 3,547,274
- 27 e. Merged Area V \$ ~~7,367,785~~
28 7,421,336
- 29 f. Merged Area VI \$ ~~6,826,113~~
30 6,875,727
- 31 g. Merged Area VII \$ ~~9,849,174~~
32 9,920,760
- 33 h. Merged Area IX \$ ~~12,113,770~~
34 12,201,815
- 35 i. Merged Area X \$ ~~19,011,042~~
36 19,149,218
- 37 j. Merged Area XI \$ ~~20,177,551~~
38 20,324,204
- 39 k. Merged Area XII \$ ~~7,949,367~~
40 8,007,145
- 41 l. Merged Area XIII \$ ~~8,174,348~~
42 8,233,761
- 43 m. Merged Area XIV \$ ~~3,563,670~~
44 3,589,571
- 45 n. Merged Area XV \$ ~~11,213,616~~
46 11,295,119
- 47 o. Merged Area XVI \$ ~~6,253,791~~
48 6,299,245

49 Sec. ____ . REGENTS INSTITUTIONS. The amounts
50 appropriated from the general fund of the state to the

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1 state board of regents for the state university of
 2 Iowa, the Iowa state university of science and
 3 technology, and the university of northern Iowa, in
 4 2002 Iowa Acts, Senate File 2326, section 81,
 5 subsections 2, 3, and 4, if enacted, for the fiscal
 6 year beginning July 1, 2002, and ending June 30, 2003,
 7 are reduced by the following amount:

8 \$ 5,000,000

9 The state board of regents shall apply the
 10 reduction made in this section to the appropriations
 11 made to the indicated institutions in a manner so that
 12 an institution's appropriation is reduced in
 13 proportion to the amount the institution's
 14 appropriation in 2002 Iowa Acts, Senate File 2326,
 15 section 81, bears to the total amount appropriated in
 16 that section to the three institutions.

17 Sec. ____ . MEDICAL ASSISTANCE. 2002 Iowa Acts,
 18 Senate File 2326, section 104, unnumbered paragraph 2,
 19 if enacted, is amended to read as follows:

20 For medical assistance reimbursement and associated
 21 costs as specifically provided in the reimbursement
 22 methodologies in effect on June 30, 2002, except as
 23 otherwise expressly authorized by law, including
 24 reimbursement for abortion services, which shall be
 25 available under the medical assistance program only
 26 for those abortions which are medically necessary:

27 ~~\$416,607,073~~
 28 412,907,073

29 Sec. ____ . CHILDREN'S HEALTH INSURANCE PROGRAM.
 30 2002 Iowa Acts, Senate File 2326, section 106,
 31 unnumbered paragraph 2, if enacted, is amended to read
 32 as follows:

33 For maintenance of the healthy and well kids in
 34 Iowa (hawk-i) program pursuant to chapter 514I for
 35 receipt of federal financial participation under Title
 36 XXI of the federal Social Security Act, which creates
 37 the state children's health insurance program:

38 \$ ~~9,958,412~~
 39 11,458,412

40 Sec. ____ . 2002 Iowa Acts, Senate File 2326,
 41 section 172, if enacted, is amended to read as
 42 follows:

43 SEC. 172. EDUCATIONAL EXCELLENCE. Notwithstanding
 44 section 294A.25, subsection 1, the amount appropriated
 45 from the general fund of the state under section
 46 294A.25, subsection 1, to the department of education
 47 for phase III moneys for the fiscal year beginning
 48 July 1, 2002, and ending June 30, 2003, is reduced by
 49 the following amount:

50 \$ ~~11,750,000~~

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1 14,000,000
2 Sec. ____ UNDERGROUND STORAGE TANK FUND.
3 Notwithstanding section 455G.3, subsection 1, there is
4 transferred from the Iowa comprehensive petroleum
5 underground storage tank fund created in section
6 455G.3, subsection 1, to the department of education
7 during the fiscal year beginning July 1, 2002, and
8 ending June 30, 2003, the following amount, to be used
9 for the purposes designated:

10 For purposes, as provided in law, of the student
11 achievement and teacher quality program established
12 pursuant to chapter 284:

13 \$ 8,900,000

14 Moneys transferred in this section are appropriated
15 to the department to be used for the purposes
16 designated. Notwithstanding section 8.33, moneys
17 appropriated in this section that remain unencumbered
18 or unobligated at the close of the fiscal year shall
19 not revert but shall remain available for expenditure
20 for the purposes designated until the close of the
21 succeeding fiscal year. The provisions of section
22 8.39 do not apply to the moneys appropriated in this
23 section.

24 Sec. ____ PREMIUM TAX REVENUES. Notwithstanding
25 any provision of law to the contrary, if 2002 Iowa
26 Acts, Senate File 2318, is enacted, before any premium
27 tax revenues are credited to the general fund of the
28 state for the fiscal year beginning July 1, 2002, and
29 ending June 30, 2003, the following amount of the
30 revenues first received is appropriated to the
31 department of education for the fiscal year beginning
32 July 1, 2002, and ending June 30, 2003, to be used for
33 the purposes designated:

34 For purposes, as provided in law, of the student
35 achievement and teacher quality program established
36 pursuant to chapter 284:

37 \$ 10,000,000

38 Notwithstanding section 8.33, moneys appropriated
39 in this section that remain unencumbered or
40 unobligated at the close of the fiscal year shall not
41 revert but shall remain available for expenditure for
42 the purposes designated until the close of the
43 succeeding fiscal year. The provisions of section
44 8.39 do not apply to the moneys appropriated in this
45 section.

46 Sec. ____ REBUILD IOWA INFRASTRUCTURE FUND --
47 GAMBLING REVENUES. Notwithstanding section 8.57,
48 subsection 5, there is transferred from pari-mutuel
49 wagering and gambling revenues credited to the rebuild
50 Iowa infrastructure fund created in section 8.57,

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1 subsection 5, for public vertical infrastructure
2 projects, to the department of education for the
3 fiscal year beginning July 1, 2002, and ending June
4 30, 2003, the following amount, to be used for the
5 purposes designated:

6 For purposes, as provided in law, of the student
7 achievement and teacher quality program established
8 pursuant to chapter 284:

9 \$ 5,000,000

10 Moneys transferred in this section are appropriated
11 to the department to be used for the purposes
12 designated. Notwithstanding section 8.33, moneys
13 appropriated in this section that remain unencumbered
14 or unobligated at the close of the fiscal year shall
15 not revert but shall remain available for expenditure
16 for the purposes designated until the close of the
17 succeeding fiscal year. The provisions of section
18 8.39 do not apply to the moneys appropriated in this
19 section."

20 9. By renumbering as necessary.

By MILLAGE of Scott

H-8659 FILED APRIL 11, 2002

*Adapted
4-11-02
(p. 1352)*

HOUSE FILE 2623

H-8661

1 Amend House File 2623 as follows:

2 1. Page 18, by inserting after line 27, the
3 following:

4 "Sec. ____ Section 321.182, subsection 1, Code
5 Supplement 2001, as amended by 2002 Iowa Acts, Senate
6 File 2192, section 23, is amended to read as follows:

7 1. a. Make application on a form provided by the
8 department which shall include the applicant's full
9 name, signature, current mailing address, current
10 residential address, date of birth, social security
11 number, and physical description including sex,
12 height, and eye color. The application may contain
13 other information the department may require by rule.
14 Pursuant to procedures established by the department
15 and for an applicant who is a foreign national
16 temporarily present in this state, the department may
17 waive the requirement that the application include the
18 applicant's social security number. The department
19 shall waive the social security number requirement for
20 a foreign national's application for a noncommercial
21 driver's license or a nonoperator's identification
22 card.

23 b. A licensee shall notify the department when the
24 licensee's mailing address changes and provide the new
25 address within thirty days of obtaining the new
26 address. The application provided by the department
27 shall include a statement for the applicant to sign
28 that acknowledges the applicant's knowledge of the
29 requirement to notify the department of a mailing
30 address change. The penalty under section 321.482
31 shall not apply to a licensee's failure to notify the
32 department of such an address change."

33 2. By renumbering, redesignating, and correcting
34 internal references as necessary.

By HUSER of Polk

H-8661 FILED APRIL 11, 2002

W/D
4/11/02
(P. 1371)

HOUSE FILE 2623

H-8663

1 Amend House File 2623 as follows:

2 1. Page 9, by striking lines 8 through 28 and
3 inserting the following:

4 "Sec. 100. 2002 Iowa Acts, Senate File 2304,
5 section 25, is amended by striking the section and
6 inserting in lieu thereof the following:

7 SEC. 25. EXECUTIVE BRANCH COMPENSATION FUNDING FY
8 2001-2002. There is appropriated from the Iowa
9 economic emergency fund created in section 8.55 to the
10 department of management for the fiscal year beginning
11 July 1, 2001, and ending June 30, 2002, the amount, or
12 so much thereof as is necessary, to be used for the
13 purpose designated:

14 For providing funding to executive branch
15 departments and agencies as necessary to eliminate the
16 need for employee furloughs, layoffs, or other cost
17 reductions to comply with the requirements of 2002
18 Iowa Acts, Senate File 2304, section 25, as originally
19 enacted:

20 \$ 11,702,872

21 Moneys appropriated in this section are not subject
22 to transfer under section 8.39 and shall only be used
23 for the designated purpose. Moneys appropriated in
24 this section that remain unexpended or unobligated for
25 the purpose designated at the close of the fiscal year
26 shall revert as provided in section 8.33."

27 2. Page 9, by inserting after line 34 the
28 following:

29 "Sec. ____ . EFFECTIVE DATE. Section 100 of this
30 division of this Act, relating to executive branch
31 compensation funding, being deemed of immediate
32 importance, takes effect upon enactment."

33 3. By renumbering as necessary.

By JOCHUM of Dubuque

H-8663 FILED APRIL 11, 2002

*W/D
4-11-02
(R 1352)*

HOUSE FILE 2623

H-8664

1 Amend House File 2623 as follows:

2 1. Page 13, by inserting after line 22 the
3 following:

4 "Sec. _____. Section 124.401A, Code 2001, is amended
5 to read as follows:

6 124.401A ENHANCED PENALTY FOR MANUFACTURE OR
7 DISTRIBUTION TO PERSONS ON CERTAIN REAL PROPERTY.

8 In addition to any other penalties provided in this
9 chapter, a person who is eighteen years of age or
10 older who unlawfully manufactures with intent to
11 distribute, distributes, or possesses with intent to
12 distribute a substance or counterfeit substance listed
13 in schedule I, II, or III, or a simulated controlled
14 substance represented to be a controlled substance
15 classified in schedule I, II, or III, to another
16 person who is eighteen years of age or older in or on,
17 or within one thousand feet of the real property
18 comprising a public or private elementary or secondary
19 school, public park, public swimming pool, public
20 recreation center, or on a marked school bus, may be
21 sentenced up to an additional term of confinement of
22 five years.

23 Sec. _____. Section 124.409, subsection 1, Code
24 2001, is amended by striking the subsection."

25 2. Page 22, by inserting after line 34 the
26 following:

27 "Sec. _____. Section 546.10, subsection 3,
28 unnumbered paragraph 2, if enacted by Senate File
29 2326, section 32, is amended to read as follows:

30 Notwithstanding subsection 5, eighty-five percent
31 of the funds received annually resulting from an
32 increase in licensing fees ~~approved and~~ implemented on
33 or after ~~July~~ April 1, 2002, by a licensing board or
34 commission listed in subsection 1, is appropriated to
35 the professional licensing and regulation division to
36 be allocated to the board or commission for the fiscal
37 year beginning July 1, 2002, and succeeding fiscal
38 years, for purposes related to the duties of the board
39 or commission, including but not limited to additional
40 full-time equivalent positions. The director of
41 revenue and finance shall draw warrants upon the
42 treasurer of state from the funds appropriated as
43 provided in this section and shall make the funds
44 available to the professional licensing division on a
45 monthly basis during each fiscal year."

46 3. Page 25, line 9, by inserting after the word
47 and figure "division I," the following: "if
48 enacted,".

49 4. Page 25, line 24, by inserting after the
50 figure "2326," the following: "if enacted,".

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A

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Page 2

1 5. Page 26, by inserting after line 11 the
2 following:

3 "Sec. ____ . STATE MEDICAL LIBRARY TRANSFER. The
4 state medical library, in consultation with the Des
5 Moines university -- osteopathic medical center, shall
6 develop a transition plan for the purpose of
7 transferring the responsibilities of the state medical
8 library to the Des Moines university -- osteopathic
9 medical center. The transition plan shall be filed
10 with the general assembly by January 1, 2003. The
11 transfer of the state medical library shall occur by
12 April 1, 2003."

B

13 6. Page 26, by inserting after line 27 the
14 following:

15 "Sec. ____ . SCHOOL FOR THE DEAF POSITIONS. 2002
16 Iowa Acts, Senate File 2326, section 81, subsection 5,
17 if enacted, is amended to read as follows:

18 5. STATE SCHOOL FOR THE DEAF

A

19 For salaries, support, maintenance, miscellaneous
20 purposes, and for not more than the following full-
21 time equivalent positions:

22	\$	7,891,351
23	FTEs	117.29
24		<u>129.60"</u>

25 7. Page 27, by inserting after line 11 the
26 following:

27 "Sec. ____ . 2002 Iowa Acts, Senate File 2326,
28 section 127, subsection 1, paragraph a, if enacted, is
29 amended to read as follows:

30 a. ~~Notwithstanding 2001 Iowa Acts, chapter 192,~~
31 ~~section 4, subsection 2, paragraph "b", the modified~~
32 ~~price-based case-mix reimbursement rate upon which the~~
33 ~~reimbursement rate for nursing facilities is~~
34 ~~determined shall only include an additional inflation~~
35 ~~factor to the extent of the funding budgeted and~~
36 ~~appropriated specifically for nursing facility~~
37 ~~reimbursement based on a case-mix reimbursement~~
38 ~~methodology in this division of this Act or in other~~
39 ~~appropriations. For the fiscal year beginning July 1,~~
40 2002, and ending June 30, 2003, nursing facilities
41 shall be reimbursed as provided in 2002 Iowa Acts,
42 House File 2613, if enacted. Nursing facilities
43 reimbursed under the medical assistance program shall
44 submit annual cost reports and additional
45 documentation as required by rules adopted by the
46 department."

47 8. Page 38, by inserting after line 15 the
48 following:

49 "Sec. ____ . Section 256F.4, subsections 1 and 3, if
50 enacted by 2002 Iowa Acts, Senate File 348, section 4,

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1 are amended to read as follows:

2 1. Within fifteen days after approval of a charter
3 school application submitted in accordance with
4 section 256F.3, subsection 2, a school board shall
5 report to the department the name of the charter
6 school applicant ~~entry~~, the proposed charter school
7 location, and its projected enrollment.

8 3. A charter school shall not discriminate in its
9 student admissions policies or practices on the basis
10 of intellectual or athletic ability, measures of
11 achievement or aptitude, or status as a person with a
12 disability. However, a charter school may limit
13 admission to students who are within a particular
14 range of ~~age~~ ages or grade ~~level~~ levels or on any
15 other basis that would be legal if initiated by a
16 school district. Enrollment priority shall be given
17 to the siblings of students enrolled in a charter
18 school."

19 9. Page 40, by inserting after line 7 the
20 following:

21 "Sec. ____ Section 453A.58, subsection 1,
22 paragraph a, as created in 2002 Iowa Acts, Senate File
23 2317, section 4, if enacted, is amended to read as
24 follows:

25 a. The tobacco product manufacturer of the brand,
26 or any predecessor tobacco product manufacturer of the
27 brand, is a participating manufacturer ~~in compliance~~
28 with as described in section 453C.2, subsection 1.

29 Sec. ____ Section 453A.58, subsection 2, as
30 created in 2002 Iowa Acts, Senate File 2317, section
31 4, if enacted, is amended to read as follows:

32 2. A distributor shall not affix stamps or cause
33 stamps to be affixed to individual packages of any
34 brand of cigarettes, subsequent to notice to the
35 distributor by the department of revenue and finance
36 that the tobacco product manufacturer is ~~in violation~~
37 of chapter 453C not in compliance with subsection 1
38 with reference to that brand.

39 Sec. ____ Section 453A.59, subsection 1, paragraph
40 a, as created in 2002 Iowa Acts, Senate File 2317,
41 section 5, if enacted, is amended to read as follows:

42 a. A participating manufacturer ~~pursuant to~~
43 described in section 453C.2, subsection 1.

44 Sec. ____ Section 490.732, subsection 4, if
45 enacted by 2002 Iowa Acts, House File 2509, section
46 22, is amended to read as follows:

47 4. An agreement authorized by this section shall
48 cease to be effective when shares of the corporation
49 are listed on a national securities exchange or
50 regularly ~~traced~~ traded in a market maintained by one

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1 or more members of a national or affiliated securities
2 association. If the agreement ceases to be effective
3 for any reason, the board of directors may, if the
4 agreement is contained or referred to in the
5 corporation's articles of incorporation or bylaws,
6 adopt an amendment to the articles of incorporation or
7 bylaws, without shareholder action, to delete the
8 agreement and any references to it.

9 Sec. _____. Section 490.853, subsection 3,
10 unnumbered paragraph 1, if enacted by 2002 Iowa Acts,
11 House File 2509, section 47, is amended to read as
12 follows:

13 Authorizations under this section shall be made
14 according to ~~the~~ one of the following:

15 Sec. _____. Section 490.1003, subsection 2, if
16 enacted by 2002 Iowa Acts, House File 2509, section
17 56, is amended to read as follows:

18 2. Except as provided in ~~section~~ sections
19 490.1005, 490.1007, and 490.1008, after adopting the
20 proposed amendment, the board of directors must submit
21 the amendment to the shareholders for their approval.
22 The board of directors must also transmit to the
23 shareholders a recommendation that the shareholders
24 approved the amendment, unless the board of directors
25 makes a determination that because of conflicts of
26 interest or other special circumstances it should not
27 make such a recommendation, in which case the board of
28 directors must transmit to the shareholders the basis
29 for the determination.

A

30 Sec. _____. Section 490.1303, subsection 2,
31 paragraph b, Code 2001, as amended by 2002 Iowa Acts,
32 House File 2509, section 80, if enacted, is amended to
33 read as follows:

34 b. Does so with respect to all shares of the class
35 ~~of~~ or series that are beneficially owned by the
36 beneficial shareholder."

37 10. Page 40, line 33, by inserting after the
38 figure "2531," the following: "section 12,".

39 11. Page 42, by inserting after line 24 the
40 following:

41 "Sec. _____. 2002 Iowa Acts, House File 2378,
42 section 10, subsection 1, if enacted, is amended to
43 read as follows:

44 1. Section 4 of this Act, amending section
45 15E.193C, subsections 2, 5, and 10, Code Supplement
46 2001, being deemed of immediate importance, takes
47 effect April 30, 2002, and, if approved by the
48 governor after April 30, 2002, shall apply
49 retroactively to April 30, 2002.

50 Sec. _____. 2002 Iowa Acts, Senate File 2275,
sections 170 through 174, if enacted, are repealed."

By MILLAGE of Scott

H-8664 FILED APRIL 11, 2002

adapted - Motion to Revoke adopted - Revision Requested
4-11-02 (p. 1359) *A. adopted* *4-11-02 P. 1371*
B. withdrawn

HOUSE FILE 2623

H-8668

1 Amend the amendment, H-8644, to House File 2623 as
2 follows:

3 1. By striking page 1, line 4, through page 4,
4 line 1, and inserting the following:

5 ""Sec. ____ . NEW SECTION. 514C.21 MANDATED
6 COVERAGE FOR NEUROBIOLOGICAL DISORDERS AND UNDERLYING
7 CO-MORBIDITY.

8 1. For purposes of this section, unless the
9 context otherwise requires:

10 a. "Co-morbidity" means the coexistence of
11 conditions or diagnosable disorders such as
12 neurobiological disorders and substance abuse. For
13 purposes of this section, "substance abuse" means a
14 pattern of pathological use of alcohol or a drug that
15 causes impairment in social or occupational
16 functioning, or that produces physiological dependency
17 evidenced by physical tolerance or by physical
18 symptoms when the alcohol or drug is withdrawn.

19 b. "Neurobiological disorder" means the following:

- 20 (1) Schizophrenia and other psychotic disorders.
21 (2) Affective disorders.
22 (3) Anxiety disorders.
23 (4) Pervasive developmental disorders.
24 (5) Attention deficit hyperactivity disorder and
25 related disorders.
26 (6) Disorders identified in childhood and
27 adolescence.

28 The commissioner, by rule, shall identify the
29 neurobiological disorders covered by this definition,
30 consistent with the guidelines provided in the most
31 recent edition of the American psychiatric
32 association's diagnostic and statistical manual of
33 mental disorders, as such definitions may be amended
34 from time to time. The commissioner may adopt the
35 definitions provided in the manual by reference.

36 c. "Rates, terms, and conditions" means any
37 lifetime or annual payment limits, deductibles,
38 copayments, coinsurance, and any other cost-sharing
39 requirements, out-of-pocket limits, visit limitations,
40 and any other financial component of benefits coverage
41 that affects the covered individual.

42 2. a. Notwithstanding the uniformity of treatment
43 requirements of section 514C.6, a policy, contract, or
44 plan providing for third-party payment or prepayment
45 of health or medical expenses shall provide coverage
46 benefits for treatment for neurobiological disorders
47 and underlying co-morbidity based on rates, terms, and
48 conditions that are no more restrictive than the
49 rates, terms, and conditions for coverage benefits
50 provided for other health or medical conditions under

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1 the policy, contract, or plan.

2 b. Any restrictions or limitations with respect to
3 rates, terms, and conditions involving deductibles,
4 copayments, coinsurance, and any other cost-sharing
5 requirements shall be cumulative for coverage of
6 treatment for neurobiological disorders and underlying
7 co-morbidity and other health or medical conditions
8 under a policy, contract, or plan. A policy,
9 contract, or plan subject to this section shall not
10 impose an aggregate lifetime or annual limit on
11 treatment for neurobiological disorders and underlying
12 co-morbidity coverage benefits unless the policy,
13 contract, or plan imposes an aggregate lifetime or
14 annual limit on substantially all health or medical
15 coverage benefits. A policy, contract, or plan
16 subject to this section that imposes an aggregate
17 lifetime or annual limit on substantially all medical
18 and surgical coverage benefits shall not impose an
19 aggregate lifetime or annual limit on treatment for
20 neurobiological disorders and underlying co-morbidity
21 coverage benefits that is less than the aggregate
22 lifetime or annual limit imposed on substantially all
23 health or medical coverage benefits.

24 c. Coverage required under this section shall be
25 for the treatment of neurobiological disorders and
26 underlying co-morbidity, for services provided by a
27 health professional licensed under chapter 147A, 148,
28 150A, 152, 154B, 154C, or 154D, for services provided
29 in a hospital, clinic, office, community mental health
30 center, health care facility, outpatient treatment
31 facility, residential treatment facility, halfway
32 house, or similar facility for the provision of health
33 care services, and for services provided pursuant to
34 the comprehensive program for treatment for substance
35 abuse maintained by the department of public health
36 pursuant to section 125.12 in a hospital licensed
37 under chapter 135B or a facility licensed under
38 chapter 125.

39 3. This section applies to the following classes
40 of third-party payment provider policies, contracts,
41 or plans delivered, issued for delivery, continued, or
42 renewed in this state on or after January 1, 2003:

43 a. Individual or group accident and sickness
44 insurance providing coverage on an expense-incurred
45 basis.

46 b. An individual or group hospital or medical
47 service contract issued pursuant to chapter 509, 514,
48 or 514A.

49 c. A plan established pursuant to chapter 509A for
50 public employees.

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1 d. An individual or group health maintenance
2 organization contract regulated under chapter 514B.
3 e. An individual or group Medicare supplemental
4 policy, unless coverage pursuant to such policy is
5 preempted by federal law.
6 f. Any other entity engaged in the business of
7 insurance, risk transfer, or risk retention, which is
8 subject to the jurisdiction of the commissioner.
9 g. An organized delivery system licensed by the
10 director of public health.

11 4. The commissioner shall adopt rules pursuant to
12 chapter 17A to administer this section.

13 Sec. ____ . INSURANCE DIVISION STUDY IN CONJUNCTION
14 WITH STATE AUDITOR.

15 1. The insurance division of the department of
16 commerce, in conjunction with the state auditor, shall
17 conduct a study of the cost of providing
18 neurobiological disorder coverage benefits in Iowa.

19 2. The study shall assess at least all of the
20 following:

21 a. Identification of the costs attributed to
22 treatment of neurobiological disorders, and to
23 underlying co-morbidity.

24 b. An estimate of the impact of mandated coverage
25 on health care coverage benefit costs and
26 availability.

27 c. Actions taken by the division to ensure that
28 third-party payors subject to this Act are in
29 compliance.

30 d. Identification of any segments of the
31 population of this state that may be excluded from, or
32 have limited access to, treatment, including the
33 number of citizens that may be excluded from, or have
34 limited access to, treatment under third-party payor
35 policies or contracts provided by employers who
36 receive substantial revenue from public sources.

37 3. The insurance division shall submit a written
38 report to the general assembly on or before January
39 30, 2005.

40 Sec. ____ . DEPARTMENT OF PUBLIC HEALTH STUDY.

41 1. The department of public health shall conduct a
42 two-year study of the mental health delivery system in
43 Iowa, beginning July 1, 2002.

44 2. The study shall include participation by at
45 least all of the following:

46 a. Representatives of professional health care
47 groups licensed under chapters 147A, 148, 150A, 152,
48 154B, 154C, and 154D.

49 b. Representatives of associations or other groups
50 representing hospitals, clinics, community mental

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1 health centers, community corrections and prison
 2 corrections, health care facilities, outpatient
 3 treatment facilities, and any other facility offering
 4 mental health services.

5 c. County supervisors, representatives from the
 6 department of human services, judges, mental health
 7 advocates, and other state or county officials
 8 involved in the provision of mental health services.

9 d. Consumers, family members, and patients.

10 3. The participants in the study shall assess the
 11 relevant issues facing the mental health delivery
 12 system in Iowa, and shall prepare a report with
 13 recommendations for presentation to the general
 14 assembly no later than November 1, 2004."

15 2. By renumbering, redesignating, and correcting
 16 internal references as necessary.

By JOCHUM of Dubuque

MYERS of Johnson

BUKTA of Clinton

COHOON of Des Moines

LARKIN of Lee

D. TAYLOR of Linn

WITT of Black Hawk

GREIMANN of Story

FREVERT of Palo Alto

REYNOLDS of Van Buren

HATCH of Polk

DOTZLER of Black Hawk

KUHN of Floyd

STEVENS of Dickinson

MASCHER of Johnson

WINCKLER of Scott

LENSING of Johnson

FORD of Polk

SMITH of Marshall

FOEGE of Linn

PETERSEN of Polk

WISE of Lee

REEDER of Fayette

MURPHY of Dubuque

SCHERRMAN of Dubuque

ATTEBERRY of Delaware

OSTERHAUS of Jackson

SCHRADER of Marion

CONNORS of Polk

SENG of Scott

KREIMAN of Davis

BELL of Jasper

MAY of Worth

SHOULTZ of Black Hawk

O'BRIEN of Boone

FALLON of Polk

TREMMEL of Wapello

H-8668 FILED APRIL 11, 2002

o/p
4/11/02
(P. 1366)

HOUSE FILE 2623

H-8670

1 Amend House File 2623, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 13, by inserting after line 22 the
4 following:

5 "Sec. _____. Section 124.401, subsection 1,
6 paragraph a, subparagraph (2), unnumbered paragraph 1,
7 Code 2001, is amended to read as follows:

8 More than five kilograms of ~~a any compound~~, mixture
9 ~~or, preparation, or substance containing a detectable~~
10 amount of any of the following:

11 Sec. _____. Section 124.401, subsection 1, paragraph
12 a, subparagraph (2), subparagraph divisions (a), (b),
13 and (c), Code 2001, are amended by striking the
14 subparagraph subdivisions.

15 Sec. _____. Section 124.401, subsection 1, paragraph
16 a, subparagraph (2), subparagraph division (f), Code
17 2001, is amended to read as follows:

18 (f) Any compound, mixture, or preparation which
19 contains any quantity of any of the substances
20 referred to in ~~subparagraph subdivisions (a) through~~
21 ~~(e) this subparagraph (2)~~.

22 Sec. _____. Section 124.401, subsection 1, paragraph
23 a, subparagraph (2), Code 2001, is amended by adding
24 the following new subparagraph subdivision:

25 NEW SUBPARAGRAPH SUBDIVISION. (g) 3,4-
26 methylenedioxymethamphetamine (MDMA), its salts,
27 isomers, or salts of isomers.

28 Sec. _____. Section 124.401, subsection 1, paragraph
29 a, subparagraph (3), Code 2001, is amended to read as
30 follows:

31 (3) More than fifty grams of ~~a any compound~~,
32 mixture ~~or, preparation, or substance described in~~
33 ~~subparagraph (2) which contains~~ containing a
34 detectable amount of cocaine base.

35 Sec. _____. Section 124.401, subsection 1, paragraph
36 a, Code 2001, is amended by adding the following new
37 subparagraph:

38 NEW SUBPARAGRAPH. (3A) More than five hundred
39 grams of any compound, mixture, preparation, or
40 substance containing a detectable amount of any of the
41 following:

42 (a) Coca leaves, except coca leaves and extracts
43 of coca leaves from which cocaine, ecgonine, and
44 derivatives of ecgonine or their salts have been
45 removed.

46 (b) Cocaine, its salts, optical and geometric
47 isomers, and salts of isomers.

48 (c) Ecgonine, its derivatives, their salts,
49 isomers, and salts of isomers.

50 Sec. _____. Section 124.401, subsection 1, paragraph

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1 b, subparagraph (2), Code 2001, is amended by striking
2 the subparagraph.

3 Sec. _____. Section 124.401, subsection 1, paragraph
4 b, subparagraph (3), Code 2001, is amended to read as
5 follows:

6 (3) More than five grams but not more than fifty
7 grams of a any compound, mixture, preparation, or
8 substance described in subparagraph (2) which contains
9 containing a detectable amount of cocaine base.

10 Sec. _____. Section 124.401, subsection 1, paragraph
11 b, Code 2001, is amended by adding the following new
12 subparagraph:

13 NEW SUBPARAGRAPH. (3A) More than fifty grams but
14 not more than five hundred grams of any compound,
15 mixture, preparation, or substance containing a
16 detectable amount of any of the following:

17 (a) Coca leaves, except coca leaves and extracts
18 of coca leaves from which cocaine, ecgonine, and
19 derivatives of ecgonine or their salts have been
20 removed.

21 (b) Cocaine, its salts, optical and geometric
22 isomers, and salts of isomers.

23 (c) Ecgonine, its derivatives, their salts,
24 isomers, and salts of isomers.

25 Sec. _____. Section 124.401, subsection 1, paragraph
26 b, Code 2001, is amended by adding the following new
27 subparagraph:

28 NEW SUBPARAGRAPH. (9) More than ten grams but not
29 more than five kilograms of 3,4-
30 methylenedioxymethamphetamine (MDMA), its salts,
31 isomers, or salts of isomers, or any compound, mixture
32 or preparation which contains any quantity of
33 detectable amount of MDMA, its salts, isomers, or
34 salts of isomers.

35 Sec. _____. Section 124.401, subsection 1, paragraph
36 c, subparagraph (2), Code 2001, is amended by striking
37 the subparagraph.

38 Sec. _____. Section 124.401, subsection 1, paragraph
39 c, subparagraph (3), Code 2001, is amended to read as
40 follows:

41 (3) Five grams or less of a any compound, mixture,
42 preparation, or substance described in subparagraph
43 (2) which contains containing a detectable amount of
44 cocaine base.

45 Sec. _____. Section 124.401, subsection 1, paragraph
46 c, Code 2001, is amended by adding the following new
47 subparagraph:

48 NEW SUBPARAGRAPH. (3A) Fifty grams or less of any
49 compound, mixture, preparation, or substance
50 containing a detectable amount of any of the

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1 following:

2 (a) Coca leaves, except coca leaves and extracts
3 of coca leaves from which cocaine, ecgonine, and
4 derivatives of ecgonine or their salts have been
5 removed.

6 (b) Cocaine, its salts, optical and geometric
7 isomers, and salts of isomers.

8 (c) Ecgonine, its derivatives, their salts,
9 isomers, and salts of isomers.

10 Sec. _____. Section 124.401, subsection 1, paragraph
11 c, Code 2001, is amended by adding the following new
12 subparagraph:

13 NEW SUBPARAGRAPH. (7A) Ten grams or less of 3,4-
14 methylenedioxymethamphetamine (MDMA), its salts,
15 isomers, or salts of isomers, or any compound, mixture
16 or preparation which contains any quantity of
17 detectable amount of MDMA, its salts, isomers, or
18 salts of isomers.

19 Sec. _____. Section 124.401, subsection 4,
20 unnumbered paragraph 1, Code 2001, is amended to read
21 as follows:

22 A person who possesses any product containing any
23 of the following commits a class "D" felony, if the
24 person possesses with the intent ~~to use the product~~
25 that the product be used to manufacture any controlled
26 substance:

27 Sec. _____. Section 124.401A, Code 2001, is amended
28 to read as follows:

29 124.401A ENHANCED PENALTY FOR MANUFACTURE OR
30 DISTRIBUTION TO PERSONS ON CERTAIN REAL PROPERTY.

31 In addition to any other penalties provided in this
32 chapter, a person who is eighteen years of age or
33 older who unlawfully manufactures with intent to
34 distribute, distributes, or possesses with intent to
35 distribute a substance or counterfeit substance listed
36 in schedule I, II, or III, or a simulated controlled
37 substance represented to be a controlled substance
38 classified in schedule I, II, or III, to another
39 person who is eighteen years of age or older in or on,
40 or within one thousand feet of the real property
41 comprising a public or private elementary or secondary
42 school, public park, public swimming pool, public
43 recreation center, or on a marked school bus, may be
44 sentenced up to an additional term of confinement of
45 five years.

46 Sec. _____. Section 124.409, subsection 1, Code
47 2001, is amended by striking the subsection.

48 Sec. _____. Section 232.22, subsection 1, paragraph
49 e, subparagraph (2), Code Supplement 2001, is amended
50 to read as follows:

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1 (2) A mixture or substance containing cocaine, its
2 salts, optical and geometric isomers, and salts of
3 isomers, and if the act was committed by an adult, it
4 would be a violation of section 124.401, subsection 1,
5 paragraph "a", subparagraph ~~(2)~~ (3A), subparagraph
6 subdivision (b), paragraph "b", subparagraph ~~(2)~~ (3A),
7 subparagraph subdivision (b), or paragraph "c",
8 subparagraph ~~(2)~~ (3A), subparagraph subdivision (b)."

9 2. Page 18, by inserting after line 27 the
10 following:

11 "Sec. _____. Section 321J.2, subsection 3, paragraph
12 a, subparagraph (3), Code 2001, is amended by striking
13 the subparagraph."

14 3. Page 20, by inserting after line 29 the
15 following:

16 "Sec. _____. Section 462A.14, subsection 3,
17 paragraph a, subparagraph (3), Code 2001, is amended
18 by striking the subparagraph."

19 4. Page 24, by inserting after line 15 the
20 following:

21 Sec. _____. Section 622.53, Code 2001, is amended to
22 read as follows:

23 622.53 JUDICIAL RECORD -- STATE OR FEDERAL COURTS.

24 A judicial record of this state, including the
25 filed certified shorthand notes of the official court
26 reporter as transcribed or a court of the United
27 States may be proved by the production of the
28 original, or a copy of it certified by the clerk or
29 person having the legal custody of it, authenticated
30 by the custodian's seal of office, if there is a seal.
31 ~~That~~ A judicial record of another state may be proved
32 by the attestation of the clerk and the seal of the
33 court annexed, if there is a seal, ~~together with a~~
34 ~~certificate of a judge, chief justice, or presiding~~
35 ~~magistrate that the attestation is in due form of law.~~

36 Sec. _____. Section 711.3, Code 2001, is amended to
37 read as follows:

38 711.3 ROBBERY IN THE SECOND DEGREE.

39 All robbery which is not robbery in the first
40 degree is robbery in the second degree, except as
41 provided in section 711.3A. Robbery in the second
42 degree is a class "C" felony.

43 Sec. _____. NEW SECTION. 711.3A ROBBERY IN THE
44 THIRD DEGREE.

45 A person commits robbery in the third degree when,
46 while perpetrating a robbery, the person does not do
47 any of the following: cause injury, attempt to cause
48 injury, threaten to cause injury or to commit a
49 forcible felony, purposefully put another in fear of
50 injury, possess a firearm or dangerous weapon, commit

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1 a theft of cash or an item with a value greater than
2 fifty dollars, or commit a robbery of a financial
3 institution as defined in section 12C.1. Robbery in
4 the third degree is a class "D" felony.

5 Sec. ____ . Section 713.6A, subsection 2, Code
6 Supplement 2001, is amended to read as follows:

7 2. Burglary in the third degree involving a
8 burglary of an unoccupied motor vehicle or motor truck
9 as defined in section 321.1, or a vessel defined in
10 section 462A.2, is an aggravated misdemeanor for a
11 first offense. ~~A second or subsequent~~ If the person
12 has a prior conviction under this section chapter, the
13 offense is punishable under subsection 1.

14 Sec. ____ . Section 713.6B, subsection 2, Code
15 Supplement 2001, is amended to read as follows:

16 2. Attempted burglary in the third degree
17 involving an attempted burglary of an unoccupied motor
18 vehicle or motor truck as defined in section 321.1, or
19 a vessel defined in section 462A.2, is a serious
20 misdemeanor for a first offense. ~~A second or~~
21 ~~subsequent~~ If the person has a prior conviction under
22 this section chapter, the offense is punishable under
23 subsection 1.

24 Sec. ____ . Section 901.5, Code 2001, is amended by
25 adding the following new subsection:

26 NEW SUBSECTION. 13. In addition to any sentence
27 or other penalty imposed against the defendant, the
28 court shall sentence the defendant to an additional
29 term of years if required under section 902.13.

30 Sec. ____ . NEW SECTION. 901.11 DEFERRED JUDGMENTS
31 -- PREVIOUS OFFENSES FOR PURPOSES OF ENHANCEMENT.

32 In determining if an offense is a second or
33 subsequent offense for purposes of sentencing, the
34 following shall apply:

35 1. A deferred judgment entered pursuant to section
36 907.3 for the same offense shall be counted as a
37 previous offense.

38 2. A conviction, deferred judgment, or the
39 equivalent of a deferred judgment for a violation in
40 any other state under a statute substantially
41 corresponding to the offense shall be counted as a
42 previous offense. The courts shall judicially notice
43 the statutes of other states which define offenses
44 substantially equivalent to those defined in the Code
45 and can therefore be considered corresponding
46 statutes.

47 3. Each previous offense for which conviction or
48 deferral of judgment was entered prior to the date of
49 the violation charged shall be considered and counted
50 as a separate previous offense.

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1 Sec. _____. Section 902.3A, subsection 1, unnumbered
2 paragraph 1, Code Supplement 2001, is amended to read
3 as follows:

4 Notwithstanding section 902.3, when a conviction
5 for a class "D" felony or a class "C" felony under
6 section 124.401, subsection 1, paragraph "c", is
7 entered against a person, the court, at its
8 discretion, in imposing a sentence of confinement
9 pursuant to section 901.5, may commit the person into
10 the custody of the director of the Iowa department of
11 corrections for a determinate term of less than the
12 maximum length of the sentence prescribed by section
13 902.9, ~~subsection 5, if mitigating circumstances exist~~
14 ~~and those circumstances are stated specifically on the~~
15 ~~record.~~

16 Sec. _____. Section 902.3A, subsection 1, paragraph
17 e, Code Supplement 2001, is amended to read as
18 follows:

19 e. This section does not apply to an offense
20 classified as a forcible felony, a felony under
21 section 321J.2, felonies in chapters 707, ~~708,~~ and
22 709, ~~a person sentenced as a habitual offender,~~
23 ~~felonies listed in section 901A.1, or felonies listed~~
24 ~~in section 902.12 or 902.13, or a felony committed by~~
25 ~~a person on parole or work release, or while in the~~
26 ~~custody of the director of the department of~~
27 ~~corrections.~~

28 Sec. _____. Section 902.3A, subsection 3, Code
29 Supplement 2001, is amended by striking the
30 subsection.

31 Sec. _____. Section 902.11, unnumbered paragraph 1,
32 Code 2001, is amended to read as follows:

33 A person serving a sentence for conviction of a
34 felony, other than a forcible felony under section
35 902.12 or 902.13, who has a criminal record of one or
36 more prior convictions for a forcible felony or a
37 crime of a similar gravity in this or any other state,
38 shall be denied parole or work release unless the
39 person has served at least one-half of the maximum
40 term of the defendant's sentence. However, the
41 mandatory sentence provided for by this section does
42 not apply if either of the following apply:

43 Sec. _____. Section 902.12, subsection 5, unnumbered
44 paragraph 1, Code 2001, is amended to read as follows:

45 5. Robbery in the first ~~or second~~ degree in
46 violation of section 711.2 ~~or 711.3~~.

47 Sec. _____. NEW SECTION. 902.13 MINIMUM SENTENCE
48 -- ROBBERY SECOND.

49 1. Except as otherwise provided in section 903A.2,
50 a person serving a sentence for conviction of robbery

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1 in the second degree shall serve one hundred percent
2 of the maximum term of the person's sentence and shall
3 not be released on parole or work release.

4 2. The person shall also be sentenced to an
5 additional term of three years. The board of parole
6 shall determine whether the person should be released
7 on parole or placed in a work release program. When a
8 person commences service of the additional term of
9 years, the person shall initially be released by the
10 board of parole subject to the terms and conditions
11 set out in chapter 906. Violations of the terms and
12 conditions of release shall be subject to the
13 procedures set out in chapter 905 or 908 or rules
14 adopted under those chapters. The sentence of an
15 additional term of years shall be consecutive to the
16 original term of confinement.

17 Sec. ____ . Section 903A.2, subsection 1, paragraph
18 a, Code 2001, is amended to read as follows:

19 a. Category "A" sentences are those sentences
20 which are not subject to a maximum accumulation of
21 earned time of ~~fifteen percent of the total sentence~~
22 ~~of confinement~~ under section 902.12 or 902.13. To the
23 extent provided in subsection 5, category "A"
24 sentences also include life sentences imposed under
25 section 902.1. An inmate of an institution under the
26 control of the department of corrections who is
27 serving a category "A" sentence is eligible for a
28 reduction of sentence equal to one and two-tenths days
29 for each day the inmate demonstrates good conduct and
30 satisfactorily participates in any program or
31 placement status identified by the director to earn
32 the reduction. The programs include but are not
33 limited to the following:

34 Sec. ____ . Section 903A.2, subsection 1, Code 2001,
35 is amended by adding the following new paragraph:

36 NEW PARAGRAPH. c. Category "C" sentences are
37 those sentences which are subject to a maximum
38 accumulation of earned time of thirty percent of the
39 total sentence of confinement under section 902.13.
40 An inmate of an institution under the control of the
41 department of corrections who is serving a category
42 "C" sentence is eligible for a reduction of sentence
43 equal to three-sevenths of a day for each day of good
44 conduct by the inmate.

45 Sec. ____ . Section 903A.7, Code 2001, is amended to
46 read as follows:

47 903A.7 SEPARATE SENTENCES.

48 Consecutive multiple sentences that are within the
49 same category under section 903A.2 shall be construed
50 as one continuous sentence for purposes of calculating

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1 reductions of sentence for earned time. If a person
2 is sentenced to serve sentences of ~~both~~ multiple
3 categories, category "B" sentences shall be served
4 before category "C" and category "A" sentences are
5 served, and category "C" sentences shall be served
6 before category "A" sentences are served, and earned
7 time accrued against the category "B" sentences shall
8 not be used to reduce the category "C" or category "A"
9 sentences, and earned time accrued against category
10 "C" sentences shall not be used to reduce category "A"
11 or category "B" sentences. If an inmate serving a
12 category "A" sentence is sentenced to serve a category
13 "B" sentence or a category "C" sentence, the category
14 "A" sentence shall be interrupted, and no further
15 earned time shall accrue against that sentence until
16 the category "B" sentence is completed. If an inmate
17 -serving a category "C" sentence is sentenced to serve
18 a category "B" sentence, the category "C" sentence
19 shall be interrupted, and no further earned time shall
20 accrue against that sentence until the category "B"
21 sentence is completed.

22 Sec. ____ . Section 906.15, unnumbered paragraph 1,
23 Code 2001, is amended to read as follows:

24 Unless sooner discharged, a person released on
25 parole shall be discharged when the person's term of
26 parole equals the period of imprisonment specified in
27 the person's sentence, less all time served in
28 confinement. Discharge from parole may be granted
29 prior to such time, when an early discharge is
30 appropriate. The board shall periodically review all
31 paroles, and when the board determines that any person
32 on parole is able and willing to fulfill the
33 obligations of a law-abiding citizen without further
34 supervision, the board shall discharge the person from
35 parole. A parole officer shall periodically review
36 all paroles assigned to the parole officer, and when
37 the parole officer determines that any person assigned
38 to the officer is able and willing to fulfill the
39 obligations of a law-abiding citizen without further
40 supervision, the officer may discharge the person from
41 parole after notification and approval of the district
42 director and notification of the board of parole. In
43 any event, discharge from parole shall terminate the
44 person's sentence. However, if a person has been
45 sentenced to an additional term of years under section
46 902.13, the person shall not be discharged from the
47 term until the additional term of years has been
48 served. However, a person convicted of a violation of
49 section 709.3, 709.4 or 709.8 committed on or with a
50 child shall not be discharged from parole until the

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1 person's term of parole equals the period of
2 imprisonment specified in the person's sentence, less
3 all time served in confinement.

4 Sec. ____ . Section 907.3, subsection 1, paragraph
5 c, Code 2001, is amended to read as follows:

6 c. Prior to the commission of the offense the
7 defendant had been granted a deferred judgment or
8 similar relief, ~~two or more times~~ anywhere in the
9 United States.

10 Sec. ____ . Section 907.3, subsection 1, paragraph
11 d, Code 2001, is amended by striking the paragraph.

12 Sec. ____ . Section 907.3, subsection 1, paragraph
13 g, subparagraph (3), Code 2001, is amended by striking
14 the subparagraph."

15 5. By renumbering as necessary.

By TREMMEL of Wapello

H-8670 FILED APRIL 11, 2002

W/D

4-11-02

(P 1359)

HOUSE FILE 2623

H-8671

1 Amend House File 2623 as follows:

2 1. Page 17, by inserting after line 16 the
3 following:

4 "Sec. ____ Section 256.7, subsection 21,
5 unnumbered paragraph 1, Code Supplement 2001, is
6 amended to read as follows:

7 Develop and adopt rules ~~by July 1, 1999,~~
8 incorporating accountability for student achievement
9 into the standards and accreditation process described
10 in section 256.11. The rules shall provide for all of
11 the following:

12 Sec. ____ Section 256.7, subsection 21, Code
13 Supplement 2001, is amended by adding the following
14 new paragraphs:

15 NEW PARAGRAPH. d. A requirement that all school
16 districts and accredited nonpublic schools that
17 administer the Iowa test of basic skills or the Iowa
18 test of educational development annually report to the
19 department and the local community the results of the
20 test, including the number of students taking the
21 test; and the number of students exempted from taking
22 the tests and the reasons, in general, the students
23 received exemptions.

24 NEW PARAGRAPH. e. Beginning October 1, 2004, a
25 requirement that school districts and accredited
26 nonpublic schools submit to the department key data
27 area information in accordance with the definitions
28 adopted pursuant to subsection 25, annually as a
29 component of the comprehensive school improvement plan
30 required pursuant to this subsection. The
31 department's purpose of collecting the data from these
32 key areas is to provide the greatest possible insight
33 into the needs and condition of the state's students.

34 Sec. ____ Section 256.7, Code Supplement 2001, is
35 amended by adding the following new subsection:

36 NEW SUBSECTION. 25. On or by June 30, 2003, adopt
37 rules specifying clear, accurate, and unambiguous
38 definitions for key data areas, including but not
39 limited to drop-out and graduation rates, expulsion
40 and suspension. A public hearing shall be held in
41 each congressional district prior to the adoption of
42 rules by the state board pursuant to this subsection.

43 Sec. ____ Section 256.9, Code Supplement 2001, is
44 amended by adding the following new subsection:

45 NEW SUBSECTION. 51. Establish by June 30, 2003,
46 to the maximum degree possible, procedures for
47 cooperation with area education agencies, community
48 colleges, the department of human services and its
49 districts, and judicial districts, to promote
50 continuity in the delivery of services to students and

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1 their families."

2 2. By renumbering as necessary.

By HATCH of Polk

LARSON of Linn

H-8671 FILED APRIL 11, 2002

*WID
4-11-02*

HOUSE FILE 2623

H-8679

1 Amend House File 2623 as follows:

2 1. Page 4, line 3, by inserting before the word
3 "shall" the following: "plus needed supplemental
4 funds appropriated in section 5A,".

5 2. Page 4, line 20, by inserting before the word
6 "shall" the following: "plus needed supplemental
7 funds appropriated in section 5A,".

8 3. Page 6, by inserting after line 10 the
9 following:

10 "Sec. 5A. OTHER FUNDS.

11 1. ECONOMIC EMERGENCY FUND APPROPRIATION. There
12 is appropriated from the Iowa economic emergency fund
13 created in section 8.55 to the salary adjustment fund
14 for the fiscal year beginning July 1, 2002, and ending
15 June 30, 2003, the following amount:

16 \$ 7,000,000

17 Moneys appropriated in this subsection are declared
18 to be appropriated for emergency expenditures as
19 required in section 8.55, subsection 3, paragraph "a".

20 2. UNDERGROUND STORAGE TANK FUND. Notwithstanding
21 section 455G.3, subsection 1, there is transferred
22 from the Iowa comprehensive petroleum underground
23 storage tank fund created in section 455G.3,
24 subsection 1, to the salary adjustment fund during the
25 fiscal year beginning July 1, 2002, and ending June
26 30, 2003, the following amount:

27 \$ 7,000,000

28 3. The moneys appropriated or transferred in
29 subsection 1 or 2 to the salary adjustment fund are
30 appropriated to supplement the appropriation made in
31 section 1, subsection 2, of this division of this
32 Act."

By MURPHY of Dubuque

H-8679 FILED APRIL 11, 2002

*Lost
4-11-02
(p.1368)*

HOUSE FILE 2623

H-8683

1 Amend House File 2623 as follows:

2 1. Page 9, by inserting after line 28 the
3 following:

4 "Sec. ____ . NEW SECTION. 514C.21 NEUROBIOLOGICAL
5 DISORDER.

6 1. Notwithstanding the uniformity of treatment
7 requirements of section 514C.6, a group policy or
8 contract providing for third-party payment or
9 prepayment of health or medical expenses issued by a
10 carrier, as defined in section 513B.2, or by an
11 organized delivery system authorized under 1993 Iowa
12 Acts, chapter 158, shall provide coverage benefits for
13 treatment of a neurobiological disorder if either of
14 the following is satisfied:

15 a. The policy or contract is issued to an employer
16 who on at least fifty percent of the employer's
17 working days during the preceding calendar year
18 employed more than fifty full-time equivalent
19 employees. In determining the number of full-time
20 equivalent employees of an employer, employers who are
21 affiliated or who are able to file a consolidated tax
22 return for purposes of state taxation shall be
23 considered one employer.

24 b. The policy or contract is issued to a small
25 employer as defined in section 513B.2, and such policy
26 or contract provides coverage benefits for the
27 treatment of neurobiological disorder.

28 2. Notwithstanding the uniformity of treatment
29 requirements of section 514C.6, a plan established
30 pursuant to chapter 509A for public employees shall
31 provide coverage benefits for treatment of a
32 neurobiological disorder.

33 3. For purposes of this section:

34 a. "Neurobiological disorder" means the following:

35 (1) Schizophrenia and other psychotic disorders.

36 (2) Mood disorders.

37 (3) Anxiety disorders.

38 (4) Pervasive developmental disorders and
39 attention deficit.

40 b. "Substance abuse" means a pattern of
41 pathological use of alcohol or a drug that causes
42 impairment in social or occupational functioning, or
43 that produces physiological dependency evidenced by
44 physical tolerance or by physical symptoms when the
45 alcohol or drug is withdrawn.

46 4. The commissioner, by rule, shall define the
47 neurobiological disorders identified in subsection 3.
48 Definitions established by the commissioner shall be
49 consistent with definitions provided in the most
50 recent edition of the American psychiatric

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1 association's diagnostic and statistical manual of
2 mental disorders, as the definitions may be amended
3 from time to time. The commissioner may adopt the
4 definitions provided in such manual by reference.

5 5. This section shall not apply to accident only,
6 specified disease, short-term hospital or medical,
7 hospital confinement indemnity, credit, dental,
8 vision, Medicare supplement, long-term care, basic
9 hospital and medical-surgical expense coverage as
10 defined by the commissioner, disability income
11 insurance coverage, coverage issued as a supplement to
12 liability insurance, workers' compensation or similar
13 insurance, or automobile medical payment insurance, or
14 individual accident and sickness policies issued to
15 individuals or to individual members of a member
16 association.

17 6. A carrier, organized delivery system, or plan
18 established pursuant to chapter 509A may manage the
19 benefits provided through common methods including,
20 but not limited to, providing payment of benefits or
21 providing care and treatment under a capitated payment
22 system, prospective reimbursement rate system,
23 utilization control system, incentive system for the
24 use of least restrictive and least costly levels of
25 care, a preferred provider contract limiting choice of
26 specific providers, or any other system, method, or
27 organization designed to assure services are medically
28 necessary and clinically appropriate.

29 7. a. A group policy or contract or plan covered
30 under this section shall not impose an aggregate
31 annual or lifetime limit on neurobiological disorder
32 coverage benefits unless the policy or contract or
33 plan imposes an aggregate annual or lifetime limit on
34 substantially all medical and surgical coverage
35 benefits.

36 b. A group policy or contract or plan covered
37 under this section that imposes an aggregate annual or
38 lifetime limit on substantially all medical and
39 surgical coverage benefits shall not impose an
40 aggregate annual or lifetime limit on neurobiological
41 disorder coverage benefits which is less than the
42 aggregate annual or lifetime limit imposed on
43 substantially all medical and surgical coverage
44 benefits.

45 8. A group policy or contract or plan covered
46 under this section shall at a minimum allow for thirty
47 inpatient days and fifty-two outpatient visits
48 annually. The policy or contract or plan may also
49 include deductibles, coinsurance, or copayments,
50 provided the amounts and extent of such deductibles,

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1 coinsurance, or copayments applicable to other medical
2 or surgical services coverage under the policy or
3 contract or plan are the same. It is not a violation
4 of this section if the policy or contract or plan
5 excludes entirely from coverage benefits for the cost
6 of providing the following:

7 a. Marital, family, educational, developmental, or
8 training services.

9 b. Care that is substantially custodial in nature.

10 c. Services and supplies that are not medically
11 necessary or clinically appropriate.

12 d. Experimental treatments.

13 9. This section applies to third-party payment
14 provider policies or contracts and plans established
15 pursuant to chapter 509A delivered, issued for
16 delivery, continued, or renewed in this state on or
17 after January 1, 2003."

18 2. Page 25, by inserting after line 17 the
19 following:

20 "Sec. ____ . INSURANCE DIVISION STUDY.

21 1. The insurance division of the department of
22 commerce shall conduct a study to determine the impact
23 of providing coverage for substance abuse. The
24 division shall include in the study all of the
25 following:

26 a. An estimate of the impact of mandated coverage
27 for substance abuse treatment on health care coverage
28 benefit costs.

29 b. Actions taken by the division to ensure that
30 third-party payors subject to section 514C.21, if
31 enacted by this Act are in compliance, and that the
32 quality of and access to treatment for substance abuse
33 are not compromised by providing for coverage parity
34 with other coverage benefits provided for other health
35 or medical conditions under third-party payor
36 contracts or policies.

37 c. An analysis and comparison of the choices for
38 treatment of substance abuse with regard to level of
39 access, choice, and financial burden on the
40 individual.

41 d. Identification of any segments of the
42 population of this state that may be excluded from, or
43 have limited access to, treatment for substance abuse,
44 including the number of citizens that may be excluded
45 from, or have limited access to, treatment under
46 third-party payor policies or contracts provided by
47 employers who receive substantial revenue from public
48 sources.

49 2. The insurance division shall submit a written
50 report to the general assembly on or before January

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1 15, 2003."

2 3. By renumbering as necessary.

By JOCHUM of Dubuque

H-8683 FILED APRIL 11, 2002

Not Lemone - Motion to suspend last

4-11-02

(P. 1379)

HOUSE FILE 2623

H-8684

1 Amend the amendment, H-8683, to House File 2623 as
2 follows:

3 1. By striking page 1, line 4, through page 4,
4 line 2, and inserting the following:

5 ""Sec. ____ . NEW SECTION. 514C.21 MANDATED
6 COVERAGE FOR NEUROBIOLOGICAL DISORDERS AND UNDERLYING
7 CO-MORBIDITY.

8 1. For purposes of this section, unless the
9 context otherwise requires:

10 a. "Co-morbidity" means the coexistence of
11 conditions or diagnosable disorders such as
12 neurobiological disorders and substance abuse. For
13 purposes of this section, "substance abuse" means a
14 pattern of pathological use of alcohol or a drug that
15 causes impairment in social or occupational
16 functioning, or that produces physiological dependency
17 evidenced by physical tolerance or by physical
18 symptoms when the alcohol or drug is withdrawn.

19 b. "Neurobiological disorder" means the following:

- 20 (1) Schizophrenia and other psychotic disorders.
- 21 (2) Affective disorders.
- 22 (3) Anxiety disorders.
- 23 (4) Pervasive developmental disorders.
- 24 (5) Attention deficit hyperactivity disorder and
25 related disorders.
- 26 (6) Disorders identified in childhood and
27 adolescence.

28 The commissioner, by rule, shall identify the
29 neurobiological disorders covered by this definition,
30 consistent with the guidelines provided in the most
31 recent edition of the American psychiatric
32 association's diagnostic and statistical manual of
33 mental disorders, as such definitions may be amended
34 from time to time. The commissioner may adopt the
35 definitions provided in the manual by reference.

36 c. "Rates, terms, and conditions" means any
37 lifetime or annual payment limits, deductibles,
38 copayments, coinsurance, and any other cost-sharing
39 requirements, out-of-pocket limits, visit limitations,
40 and any other financial component of benefits coverage
41 that affects the covered individual.

42 2. a. Notwithstanding the uniformity of treatment
43 requirements of section 514C.6, a policy, contract, or
44 plan providing for third-party payment or prepayment
45 of health or medical expenses shall provide coverage
46 benefits for treatment for neurobiological disorders
47 and underlying co-morbidity based on rates, terms, and
48 conditions that are no more restrictive than the
49 rates, terms, and conditions for coverage benefits
50 provided for other health or medical conditions under

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1 the policy, contract, or plan.

2 b. Any restrictions or limitations with respect to
3 rates, terms, and conditions involving deductibles,
4 copayments, coinsurance, and any other cost-sharing
5 requirements shall be cumulative for coverage of
6 treatment for neurobiological disorders and underlying
7 co-morbidity and other health or medical conditions
8 under a policy, contract, or plan. A policy,
9 contract, or plan subject to this section shall not
10 impose an aggregate lifetime or annual limit on
11 treatment for neurobiological disorders and underlying
12 co-morbidity coverage benefits unless the policy,
13 contract, or plan imposes an aggregate lifetime or
14 annual limit on substantially all health or medical
15 coverage benefits. A policy, contract, or plan
16 subject to this section that imposes an aggregate
17 lifetime or annual limit on substantially all medical
18 and surgical coverage benefits shall not impose an
19 aggregate lifetime or annual limit on treatment for
20 neurobiological disorders and underlying co-morbidity
21 coverage benefits that is less than the aggregate
22 lifetime or annual limit imposed on substantially all
23 health or medical coverage benefits.

24 c. Coverage required under this section shall be
25 for the treatment of neurobiological disorders and
26 underlying co-morbidity, for services provided by a
27 health professional licensed under chapter 147A, 148,
28 150A, 152, 154B, 154C, or 154D, for services provided
29 in a hospital, clinic, office, community mental health
30 center, health care facility, outpatient treatment
31 facility, residential treatment facility, halfway
32 house, or similar facility for the provision of health
33 care services, and for services provided pursuant to
34 the comprehensive program for treatment for substance
35 abuse maintained by the department of public health
36 pursuant to section 125.12 in a hospital licensed
37 under chapter 135B or a facility licensed under
38 chapter 125.

39 3. This section applies to the following classes
40 of third-party payment provider policies, contracts,
41 or plans delivered, issued for delivery, continued, or
42 renewed in this state on or after January 1, 2003:

43 a. Individual or group accident and sickness
44 insurance providing coverage on an expense-incurred
45 basis.

46 b. An individual or group hospital or medical
47 service contract issued pursuant to chapter 509, 514,
48 or 514A.

49 c. A plan established pursuant to chapter 509A for
50 public employees.

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- 1 d. An individual or group health maintenance
- 2 organization contract regulated under chapter 514B.
- 3 e. An individual or group Medicare supplemental
- 4 policy, unless coverage pursuant to such policy is
- 5 preempted by federal law.
- 6 f. Any other entity engaged in the business of
- 7 insurance, risk transfer, or risk retention, which is
- 8 subject to the jurisdiction of the commissioner.
- 9 g. An organized delivery system licensed by the
- 10 director of public health.

11 4. The commissioner shall adopt rules pursuant to
12 chapter 17A to administer this section.

13 Sec. ____ . INSURANCE DIVISION STUDY IN CONJUNCTION
14 WITH STATE AUDITOR.

15 1. The insurance division of the department of
16 commerce, in conjunction with the state auditor, shall
17 conduct a study of the cost of providing
18 neurobiological disorder coverage benefits in Iowa.

19 2. The study shall assess at least all of the
20 following:

21 a. Identification of the costs attributed to
22 treatment of neurobiological disorders, and to
23 underlying co-morbidity.

24 b. An estimate of the impact of mandated coverage
25 on health care coverage benefit costs and
26 availability.

27 c. Actions taken by the division to ensure that
28 third-party payors subject to this Act are in
29 compliance.

30 d. Identification of any segments of the
31 population of this state that may be excluded from, or
32 have limited access to, treatment, including the
33 number of citizens that may be excluded from, or have
34 limited access to, treatment under third-party payor
35 policies or contracts provided by employers who
36 receive substantial revenue from public sources.

37 3. The insurance division shall submit a written
38 report to the general assembly on or before January
39 30, 2005.

40 Sec. ____ . DEPARTMENT OF PUBLIC HEALTH STUDY.

41 1. The department of public health shall conduct a
42 two-year study of the mental health delivery system in
43 Iowa, beginning July 1, 2002.

44 2. The study shall include participation by at
45 least all of the following:

46 a. Representatives of professional health care
47 groups licensed under chapters 147A, 148, 150A, 152,
48 154B, 154C, and 154D.

49 b. Representatives of associations or other groups
50 representing hospitals, clinics, community mental

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-3-

REJECT

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1 health centers, community corrections and prison
2 corrections, health care facilities, outpatient
3 treatment facilities, and any other facility offering
4 mental health services.

5 c. County supervisors, representatives from the
6 department of human services, judges, mental health
7 advocates, and other state or county officials
8 involved in the provision of mental health services.

9 d. Consumers, family members, and patients.

10 3. The participants in the study shall assess the
11 relevant issues facing the mental health delivery
12 system in Iowa, and shall prepare a report with
13 recommendations for presentation to the general
14 assembly no later than November 1, 2004.""

15 2. By renumbering, redesignating, and correcting
16 internal references as necessary.

By JOCHUM of Dubuque

H-8684 FILED APRIL 11, 2002

Adopted
4-11-02
(p. 1379)

Substitutes for SF 2331
4/12/02
(P. 1196)

HOUSE FILE 2623
BY COMMITTEE ON APPROPRIATIONS

(As Amended and Passed by the House April 11, 2002)

Passed House, Date _____ Passed Senate, Date ^(P. 1198) 4/12/02
Vote: Ayes _____ Nays _____ Vote: Ayes 27 Nays 18

Approved _____
Item
Veto May 10

A BILL FOR

1 An Act relating to public funding provisions involving the
2 compensation and benefits for public officials and employees,
3 county mental health allowed growth, regulatory and other
4 properly related matters of the state, making and reducing
5 appropriations, and providing effective dates.

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

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House Amendments _____
Deleted Language *

DIVISION I
COMPENSATION AND BENEFITS

Section 1.

1. STATE BOARD OF REGENTS DEMUTUALIZATION PROCEEDS AND
UNDERGROUND STORAGE TANK FUND TRANSFERS.

a. The state board of regents shall transfer by June 1, 2002, to the treasurer of state for deposit in the salary adjustment fund the sum of \$30,000,000 from the proceeds received by the state board of regents as a result of the demutualization of the principal mutual holding company. The amount transferred represents the portion of the funds utilized by the state board of regents institutions for employer contributions toward the premiums on insurance policies which were paid from state general fund appropriations for previous fiscal years.

b. Notwithstanding section 455G.3, subsection 1, on July 1, 2002, \$11,100,000 is transferred from the Iowa comprehensive petroleum underground storage tank fund created in section 455G.3, subsection 1, to the salary adjustment fund.

2. COLLECTIVE BARGAINING AGREEMENTS FUNDED -- REGENTS DEMUTUALIZATION PROCEEDS -- UNDERGROUND STORAGE TANK FUND TRANSFER. The state board of regents demutualization proceeds and underground storage tank fund moneys transferred pursuant to subsection 1 to the salary adjustment fund are appropriated and shall be distributed by the department of management to the various state departments, boards, commissions, councils, and agencies, including the state board of regents, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, in the amount of \$41,100,000, or so much thereof as may be necessary, to fully fund the following annual pay adjustments, expense reimbursements, and related benefits:

a. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the blue collar bargaining unit.

- 1 b. The collective bargaining agreement negotiated pursuant
2 to chapter 20 for employees in the public safety bargaining
3 unit.
- 4 c. The collective bargaining agreement negotiated pursuant
5 to chapter 20 for employees in the security bargaining unit.
- 6 d. The collective bargaining agreement negotiated pursuant
7 to chapter 20 for employees in the technical bargaining unit.
- 8 e. The collective bargaining agreement negotiated pursuant
9 to chapter 20 for employees in the professional fiscal and
10 staff bargaining unit.
- 11 f. The collective bargaining agreement negotiated pursuant
12 to chapter 20 for employees in the university of northern Iowa
13 faculty bargaining unit.
- 14 g. The collective bargaining agreement negotiated pursuant
15 to chapter 20 for employees in the clerical bargaining unit.
- 16 h. The collective bargaining agreement negotiated pursuant
17 to chapter 20 for employees in the professional social
18 services bargaining unit.
- 19 i. The collective bargaining agreement negotiated pursuant
20 to chapter 20 for employees in the community-based corrections
21 bargaining unit.
- 22 j. The collective bargaining agreement negotiated pursuant
23 to chapter 20 for employees in the judicial branch of
24 government bargaining unit.
- 25 k. The collective bargaining agreement negotiated pursuant
26 to chapter 20 for employees in the patient care bargaining
27 unit.
- 28 l. The collective bargaining agreement negotiated pursuant
29 to chapter 20 for employees in the science bargaining unit.
- 30 m. The collective bargaining agreement negotiated pursuant
31 to chapter 20 for employees in the state university of Iowa
32 graduate student bargaining unit.
- 33 n. The collective bargaining agreement negotiated pursuant
34 to chapter 20 for employees in the state university of Iowa
35 hospital and clinics tertiary health care bargaining unit.

1 o. The annual pay adjustments, related benefits, and
2 expense reimbursements referred to in sections 2 and 3 of this
3 division of this Act for employees not covered by a collective
4 bargaining agreement.

5 3. In distributing moneys from the salary adjustment fund,
6 the department of management shall take into consideration the
7 special circumstances of those state institutions operating
8 under the net general fund appropriation budgeting system so
9 that such institutions are not adversely affected because of
10 the use of that budgeting system.

11 Sec. 2. NONCONTRACT STATE EMPLOYEES -- GENERAL.

12 1. a. For the fiscal year beginning July 1, 2002, the
13 maximum salary levels of all pay plans provided for in section
14 19A.9, subsection 2, as they exist for the fiscal year ending
15 June 30, 2002, shall be increased by 3 percent for the pay
16 period beginning October 25, 2002, and any additional changes
17 in the pay plans shall be approved by the governor.

18 b. For the fiscal year beginning July 1, 2002, employees
19 may receive a step increase or the equivalent of a step
20 increase.

21 2. The pay plans for state employees who are exempt from
22 chapter 19A and who are included in the department of revenue
23 and finance's centralized payroll system shall be increased in
24 the same manner as provided in subsection 1, and any
25 additional changes in any executive branch pay plans shall be
26 approved by the governor.

27 3. This section does not apply to members of the general
28 assembly, board members, commission members, salaries of
29 persons set by the general assembly pursuant to this division
30 of this Act or salaries of appointed state officers set by the
31 governor, other persons designated, employees designated under
32 section 19A.3, subsection 5, and employees covered by 581 IAC
33 4.6(3).

34 4. The pay plans for the bargaining eligible employees of
35 the state shall be increased in the same manner as provided in

1 subsection 1, and any additional changes in such executive
2 branch pay plans shall be approved by the governor. As used
3 in this section, "bargaining eligible employee" means an
4 employee who is eligible to organize under chapter 20, but has
5 not done so.

6 5. The policies for implementation of this section shall
7 be approved by the governor.

8 Sec. 3. STATE EMPLOYEES -- STATE BOARD OF REGENTS. Funds
9 from the appropriation in section 1, subsection 2 of this
10 division of this Act, not to exceed \$25,000,000, shall be
11 allocated to the state board of regents for the purposes of
12 providing increases for state board of regents employees
13 covered by section 1 of this division of this Act and for
14 state board of regents employees not covered by a collective
15 bargaining agreement as follows:

16 1. For regents merit system employees and merit
17 supervisory employees to fund for the fiscal year, increases
18 comparable to those provided for similar contract-covered
19 employees in this division of this Act.

20 2. For faculty members and professional and scientific
21 employees to fund for the fiscal year, percentage increases
22 comparable to those provided for contract-covered employees in
23 section 1, subsection 2, paragraph "f", of this division of
24 this Act.

25 Sec. 4. STATE COURTS -- JUSTICES, JUDGES, AND MAGISTRATES.

26 1. Funds from the appropriation in section 1, subsection 2
27 of this division of this Act, not to exceed \$4,000,000, shall
28 be allocated to the judicial branch for the purpose of
29 providing increases in salaries for state judges, justices,
30 and magistrates and for increases for other judicial branch
31 employees. The salary rates specified in subsection 2 are for
32 the fiscal year beginning July 1, 2002, effective for the pay
33 period beginning December 20, 2002, and for subsequent fiscal
34 years until otherwise provided by the general assembly.

35 2. The following annual salary rates shall be paid to the

1 persons holding the judicial positions indicated during the
2 fiscal year beginning July 1, 2002, effective with the pay
3 period beginning December 20, 2002, and for subsequent pay
4 periods.

5	a. Chief justice of the supreme court:	
6	.....	\$ 124,550
7	b. Each justice of the supreme court:	
8	.....	\$ 120,100
9	c. Chief judge of the court of appeals:	
10	.....	\$ 119,980
11	d. Each associate judge of the court of appeals:	
12	.....	\$ 115,540
13	e. Each chief judge of a judicial district:	
14	.....	\$ 114,470
15	f. Each district judge except the chief judge of a	
16	judicial district:	
17	.....	\$ 109,810
18	g. Each district associate judge:	
19	.....	\$ 95,700
20	h. Each associate juvenile judge:	
21	.....	\$ 95,700
22	i. Each associate probate judge:	
23	.....	\$ 95,700
24	j. Each judicial magistrate:	
25	.....	\$ 28,530
26	k. Each senior judge:	
27	.....	\$ 6,370

28 3. Persons receiving the salary rates established under
29 subsection 2 shall not receive any additional salary
30 adjustments provided by this division of this Act.

31 Sec. 5. APPROPRIATIONS FROM ROAD FUNDS.

32 1. There is appropriated from the road use tax fund to the
33 salary adjustment fund for the fiscal year beginning July 1,
34 2002, and ending June 30, 2003, the following amount, or so
35 much thereof as may be necessary, to be used for the purpose

1 designated:

2 To supplement other funds appropriated by the general
3 assembly:

4 \$ 1,588,368

5 2. There is appropriated from the primary road fund to the
6 salary adjustment fund, for the fiscal year beginning July 1,
7 2002, and ending June 30, 2003, the following amount, or so
8 much thereof as may be necessary, to be used for the purpose
9 designated:

10 To supplement other funds appropriated by the general
11 assembly:

12 \$ 8,627,499

13 3. Except as otherwise provided in this division of this
14 Act, the amounts appropriated in subsections 1 and 2 shall be
15 used to fund the annual pay adjustments, expense
16 reimbursements, and related benefits for public employees as
17 provided in this division of this Act.

18 Sec. 6. SPECIAL FUNDS -- AUTHORIZATION. For departmental
19 revolving, trust, or special funds, except for the primary
20 road fund or the road use tax fund, for which the general
21 assembly has established an operating budget, a supplemental
22 expenditure authorization is provided, unless otherwise
23 provided, in an amount necessary to fund salary adjustments,
24 as provided in this division of this Act.

25 Sec. 7. GENERAL FUND SALARY MONEYS. Funds appropriated
26 for distribution from the salary adjustment fund in section 1,
27 subsection 2 of this division of this Act relate only to
28 salaries supported from general fund appropriations of the
29 state except for employees of the state board of regents. The
30 funds allocated in this division of this Act for employees of
31 the state board of regents shall exclude general university
32 indirect costs and general university federal funds.

33 Sec. 8. FEDERAL FUNDS APPROPRIATED. For the fiscal year
34 beginning July 1, 2002, and ending June 30, 2003, all federal
35 grants to and the federal receipts of the agencies affected by

1 this division of this Act which are received and may be
2 expended for purposes of this division of this Act are
3 appropriated for those purposes and as set forth in the
4 federal grants or receipts.

5 Sec. 9. STATE TROOPER MEAL ALLOWANCE. For the fiscal year
6 beginning July 1, 2002, and ending June 30, 2003, the sworn
7 peace officers in the department of public safety who are not
8 covered by a collective bargaining agreement negotiated
9 pursuant to chapter 20 shall receive the same per diem meal
10 allowance as the sworn peace officers in the department of
11 public safety who are covered by a collective bargaining
12 agreement negotiated pursuant to chapter 20.

13 Sec. 10. SALARY MODEL COORDINATOR. Of the funds
14 appropriated in section 1, subsection 2, of this division of
15 this Act, \$126,767 for the fiscal year beginning July 1, 2002,
16 is allocated to the department of management for salary and
17 support of the salary model coordinator who shall work in
18 conjunction with the legislative fiscal bureau to maintain the
19 state's salary model used for analyzing, comparing, and
20 projecting state employee salary and benefit information,
21 including information relating to employees of the state board
22 of regents. The department of revenue and finance, the
23 department of personnel, the five institutions under the
24 jurisdiction of the state board of regents, the judicial
25 district departments of correctional services, and the state
26 department of transportation shall provide salary data to the
27 department of management and the legislative fiscal bureau to
28 operate the state's salary model. The format and frequency of
29 provision of the salary data shall be determined by the
30 department of management and the legislative fiscal bureau.
31 The information shall be used in collective bargaining
32 processes under chapter 20 and in calculating the funding
33 needs contained within the annual salary adjustment
34 legislation. A state employee organization as defined in
35 section 20.3, subsection 4, may request information produced

1 by the model, but the information provided shall not contain
2 information attributable to individual employees.

3 Sec. 11. HEALTH INSURANCE INCENTIVE PROGRAMS. For the
4 fiscal year beginning July 1, 2002, and ending June 30, 2003,
5 the department of revenue and finance shall administer the
6 health insurance incentive programs as contained in the
7 collective bargaining agreements. The incentive payment shall
8 be distributed in the paycheck of an eligible state employee
9 if the employee is employed by a central state agency. Each
10 judicial district department of correctional services and the
11 state board of regents shall provide monthly to the department
12 of revenue and finance a list of their employee counts by
13 benefit plan that qualify for the incentive and the amount of
14 the incentive due. The judicial district department of
15 correctional services and the state board of regents shall
16 include the amount of the incentive payment in their eligible
17 employees' paychecks as soon as the payment is
18 administratively practical.

19 Sec. 12. TERMINAL LIABILITY HEALTH INSURANCE SURCHARGE.
20 For the period beginning July 1, 2002, and ending January 3,
21 2003, the department of personnel shall include in the rates
22 for the Wellmark Blue Cross/Blue Shield Program 3 Plus,
23 Wellmark Blue Cross/Blue Shield Program 3 plus with a
24 comprehensive major medical overlay, and Iowa Select Preferred
25 Provider Organization health insurance plans a surcharge, as
26 determined by the department of management, on only the
27 employer's share of the health insurance premium cost to fund
28 the state's share of the terminal liability of the existing
29 Wellmark health insurance contract. The department of revenue
30 and finance shall collect the surcharge from state agencies,
31 the state fair board, state board of regents, and the judicial
32 district departments of correctional services. The proceeds
33 of the surcharge shall be credited to the terminal liability
34 health insurance fund created in section 421.46. The health
35 insurance plans provided to state employees covered by the

1 state police officers council collective bargaining agreement
2 are exempt from the surcharge provided in this section.

3 Sec. 13. 2002 Iowa Acts, Senate File 2304, section 21,
4 subsection 3, is amended to read as follows:

5 3. As part of implementing the reduction made in
6 subsection 1, notwithstanding the annual salary rates
7 authorized for justices, judges, and magistrates in 2001 Iowa
8 Acts, chapter 190, section 1, for the fiscal year beginning
9 July 1, 2001, those salary rates shall be reduced by applying
10 a 5 percent reduction to the portion of annual salary
11 attributable to the period beginning on the effective date of
12 this Act through June 30 20, 2002. Subsection 2 does not
13 apply to justices, judges, and magistrates subject to this
14 subsection.

15 Sec. 14. 2002 Iowa Acts, Senate File 2304, section 25,
16 subsections 3 and 4, are amended to read as follows:

17 3. As part of implementing the reduction made in this
18 section, notwithstanding the annual salary rates authorized
19 for elective executive branch officials in 2000 Iowa Acts,
20 chapter 1219, section 3, for the fiscal year beginning July 1,
21 2001, the salary rates for such officials shall be reduced by
22 applying a 5 percent reduction to the portion of annual salary
23 attributable to the period beginning on the effective date of
24 this Act through June 30 20, 2002. Subsection 2 does not
25 apply to elective executive branch officials subject to this
26 subsection.

27 4. As part of implementing the reduction made in this
28 section, notwithstanding the annual salaries established under
29 2001 Iowa Acts, chapter 190, section 3, for the fiscal year
30 beginning July 1, 2001, each of those salaries shall be
31 reduced by applying a 5 percent reduction to the portion of
32 the salary attributable to the period beginning on the
33 effective date of this Act through June 30 20, 2002.
34 Subsection 2 does not apply to appointed executive branch
35 officers subject to this subsection.

1 Sec. 15. Section 421.46, subsection 2, Code Supplement
2 2001, is amended by striking the subsection.

3 Sec. 16. EFFECTIVE DATE. Section 1, subsection 1 of this
4 Act relating to the state board of regents demutualization
5 proceeds transfer, being deemed of immediate importance, takes
6 effect upon enactment.

7 DIVISION II

8 STATUTORY AND SESSION LAW CHANGES

9 Sec. 17. Section 8.63, subsection 4, Code 2001, is amended
10 to read as follows:

11 4. a. In order for the innovations fund to be self-
12 supporting, the innovations fund committee shall establish
13 repayment schedules for each innovation fund loan awarded.
14 Agencies shall repay the funds over a period not to exceed
15 five years with interest, at a rate to be determined by the
16 innovations fund committee.

17 ~~b.--If the department of management and the department of~~
18 ~~revenue and finance certify that the savings from a proposed~~
19 ~~innovations fund project will result in a net increase in the~~
20 ~~balance of the general fund of the state without a~~
21 ~~corresponding cost savings to the requesting agency, and if~~
22 ~~the requesting agency meets all other eligibility~~
23 ~~requirements, the innovations fund committee may approve the~~
24 ~~loan for the project and not require repayment by the~~
25 ~~requesting agency.--There is appropriated from the general~~
26 ~~fund of the state to the department of revenue and finance an~~
27 ~~amount sufficient to repay the loan amount.~~

28 Sec. 18. Section 12.21, Code 2001, is amended to read as
29 follows:

30 12.21 ACCEPTING CREDIT CARD PAYMENTS.

31 1. The treasurer of state may enter into an agreement with
32 a financial institution or other credit card processor to
33 provide credit card receipt processing for state departments
34 which are authorized by the treasurer of state to accept
35 payment by credit card.

1 2. A department ~~which accepts~~ authorized by the treasurer
2 of state to accept payment by credit card payments may adjust
3 its fees to reflect the cost of credit card receipt processing
4 as determined by the treasurer of state. ~~A fee may be charged~~
5 ~~by a department for using the credit card payment method~~
6 ~~notwithstanding any other provision of the Code setting~~
7 ~~specific fees.~~ The fees charged to a payer shall be the same
8 regardless of payment method unless otherwise permitted in the
9 agreement with the financial institution or credit card
10 processor.

11 3. The credit card charges applied by a financial
12 institution or credit card processor for credit card receipts
13 accepted in accordance with subsection 1 shall be considered
14 to be part of the payment due and accepted. A state
15 department authorized by the treasurer of state to accept
16 payment by credit card shall pay the credit card receipt
17 processing charges from aggregate fees collected.

18 4. The treasurer of state shall adopt rules to implement
19 this section.

20 Sec. 19. Section 14B.203, subsection 3, Code Supplement
21 2001, is amended to read as follows:

22 3. In addition to other forms of payment, credit cards
23 shall be accepted in payment for moneys owed to a governmental
24 entity as provided in this section, according to rules ~~which~~
25 ~~shall be~~ adopted by the treasurer of state under section
26 12.21. ~~The fees to be charged shall not exceed those~~
27 ~~permitted by statute.--A governmental entity may adjust its~~
28 ~~fees to reflect the cost of processing as determined by the~~
29 ~~treasurer of state.--The discount charged by the credit card~~
30 ~~issuer may be included in determining the fees to be paid for~~
31 ~~completing a financial transaction under this section by using~~
32 ~~a credit card.~~

33 Sec. 20. Section 14B.205, Code 2001, is amended to read as
34 follows:

35 14B.205 CREDIT CARDS ACCEPTED.

1 In addition to other forms of payment, credit cards may
2 shall be accepted in accordance with section 12.21 in payment
3 for any fees, including but not limited to interest,
4 penalties, subscriptions, registrations, purchases,
5 applications, licenses, permits, or other filings transmitted
6 or transactions conducted electronically. ~~The fees to be~~
7 ~~charged shall not exceed those permitted by statute, except~~
8 ~~that the discount charged by the credit card issuer may be~~
9 ~~included in determining the fee to be charged for records~~
10 ~~transmitted or transactions conducted electronically.~~

11 Sec. 21. Section 15.108, subsection 9, paragraph e, Code
12 Supplement 2001, is amended to read as follows:

13 e. ~~At the director's discretion, accept~~ Accept payment by
14 credit card in accordance with section 12.21 of any fees,
15 interest, penalties, subscriptions, registrations, purchases,
16 or other payments, or any portion of such payments, which are
17 due or collected by the department. ~~The department may adjust~~
18 ~~the amount of the payment to reflect the costs of processing~~
19 ~~the payment as determined by the treasurer of state and the~~
20 ~~payment by credit card shall include, in addition to all other~~
21 ~~charges, any discount charged by the credit card issuer.~~

22 Sec. 22. Section 15E.112, subsection 1, Code 2001, is
23 amended to read as follows:

24 1. A value-added agricultural products and processes
25 financial assistance fund is created within the state treasury
26 under the control of the department. The fund shall consist
27 of moneys allocated from the Iowa strategic investment fund
28 created in section 15.313, those appropriated moneys, and any
29 other moneys available to and obtained or accepted by the
30 department from the federal government or private sources for
31 placement in the fund. The assets of the fund shall be used
32 by the department only for administration and carrying out the
33 purposes of section 15E.111.

34 Sec. 23. Section 18.75, subsection 6, Code 2001, is
35 amended to read as follows:

1 6. Have legal custody of all Codes, session laws, books of
2 annotations, tables of corresponding sections, publications,
3 except premium lists published by the Iowa state fair board,
4 containing reprints of statutes or administrative rules, or
5 both, reports of state departments, and reports of the supreme
6 court, and sell, account for, and distribute the same as
7 provided by law. However, the legislative service bureau
8 shall solicit and process orders for the distribution of all
9 printed Codes, session laws, administrative codes and
10 bulletins, court rules, and the state roster.

11 Sec. 24. Section 18.97A, Code 2001, is amended by adding
12 the following new unnumbered paragraph:

13 NEW UNNUMBERED PARAGRAPH. The office of the governor, the
14 supreme court, and the legislative council shall control the
15 number of copies of the printed publications enumerated in
16 section 18.97 distributed to recipients in their respective
17 branches.

* 18 Sec. 25. Section 124.401A, Code 2001, is amended to read
19 as follows:

20 124.401A ENHANCED PENALTY FOR MANUFACTURE OR DISTRIBUTION
21 TO PERSONS ON CERTAIN REAL PROPERTY.

22 In addition to any other penalties provided in this
23 chapter, a person who is eighteen years of age or older who
24 unlawfully manufactures with intent to distribute,
25 distributes, or possesses with intent to distribute a
26 substance or counterfeit substance listed in schedule I, II,
27 or III, or a simulated controlled substance represented to be
28 a controlled substance classified in schedule I, II, or III,
29 to another person who is eighteen years of age or older in or
30 on, or within one thousand feet of the real property
31 comprising a public or private elementary or secondary school,
32 public park, public swimming pool, public recreation center,
33 or on a marked school bus, may be sentenced up to an
34 additional term of confinement of five years.

35 Sec. 26. Section 124.409, subsection 1, Code 2001, is

1 amended by striking the subsection.

2 Sec. 27. NEW SECTION. 239B.2B ELIGIBILITY OF
3 NONCITIZENS.

4 A person who meets the conditions of eligibility under
5 section 239B.2 and who meets either of the following
6 requirements shall be eligible for participation in the family
7 investment program:

8 1. The person is a conditional resident alien who was
9 battered or subjected to extreme cruelty, or whose child was
10 battered or subjected to extreme cruelty, perpetrated by the
11 person's spouse who is a United States citizen or lawful
12 permanent resident as described in 8 C.F.R. § 216.5(a)(3).

13 2. The person was battered or subjected to extreme
14 cruelty, or the person's child was battered or subjected to
15 extreme cruelty, perpetrated by the person's spouse who is a
16 United States citizen or lawful permanent resident and the
17 person's petition has been approved or a petition is pending
18 that sets forth a prima facie case that the person has
19 noncitizen status under any of the following categories:

20 a. Status as a spouse or child of a United States citizen
21 or lawful permanent resident under the federal Immigration and
22 Nationality Act, § 204(a)(1), as codified in 8 U.S.C. §
23 1154(a)(1)(A).

24 b. Status as a spouse or child who was battered or
25 subjected to extreme cruelty by a United States citizen or
26 lawful permanent resident, under the federal Immigration and
27 Nationality Act, § 204(a)(iii), as codified in 8 U.S.C. §
28 1154(a)(1)(A)(iii).

29 c. Classification as a person lawfully admitted for
30 permanent residence under the federal Immigration and
31 Nationality Act.

32 d. Suspension of deportation and adjustment of status
33 under the federal Immigration and Nationality Act, § 244(a),
34 as in effect before the date of enactment of the federal
35 Illegal Immigration Reform and Immigrant Responsibility Act of

1 1996.

2 e. Cancellation of removal or adjustment of status under
3 the federal Immigration and Nationality Act, § 240A, as
4 codified in 8 U.S.C. § 1229b.

5 f. Status as an asylee, if asylum is pending, under the
6 federal Immigration and Nationality Act, § 208, as codified in
7 8 U.S.C. § 1158.

8 Sec. 28. Section 249A.3, subsection 2, paragraph a, Code
9 Supplement 2001, is amended to read as follows:

10 a. As provided either pursuant to subparagraph (1) or
11 pursuant to subparagraphs (2) and (3):

12 (1) As allowed under 42 U.S.C. §
13 1396a(a)(10)(A)(ii)(XIII), individuals with disabilities, who
14 are less than sixty-five years of age, who are members of
15 families whose income is less than two hundred fifty percent
16 of the most recently revised official poverty ~~line~~ guidelines
17 published by the federal-office-of-management-and-budget
18 United States department of health and human services for the
19 family, who have earned income and who are eligible for
20 supplemental security income or supplemental security income-
21 related medical assistance or-additional-medical-assistance
22 under this section if earnings are disregarded. As allowed by
23 42 U.S.C. § 1396a(r)(2), unearned income shall also be
24 disregarded in determining whether an individual is eligible
25 for assistance under this paragraph subparagraph. For the
26 purposes of determining the amount of an individual's
27 resources under this paragraph subparagraph and as allowed by
28 42 U.S.C. § 1396a(r)(2), a maximum of ten thousand dollars of
29 available resources shall be disregarded and any additional
30 resources held in a retirement account, in a medical savings
31 account, or in any other account approved under rules adopted
32 by the department shall also be disregarded. Individuals
33 eligible for assistance under this paragraph subparagraph,
34 whose individual income exceeds one hundred fifty percent of
35 the official poverty ~~line~~ guidelines published by the ~~federal~~

1 ~~office-of-management-and-budget~~ United States department of
2 health and human services for an individual, shall pay a
3 premium. The amount of the premium shall be based on a
4 sliding fee schedule adopted by rule of the department and
5 shall be based on a percentage of the individual's income.
6 The maximum premium payable by an individual whose income
7 exceeds one hundred fifty percent of the official poverty line
8 guidelines shall be commensurate with ~~premiums-charged-for~~
9 ~~private~~ the cost of state employees' group health insurance in
10 this state. This-paragraph-shall-be-implemented-no-later-than
11 March-17-2000.

12 (2) As allowed under 42 U.S.C. § 1396a(a)(10)(A)(ii)(XV),
13 individuals who are at least sixteen years of age but less
14 than sixty-five years of age who, but for earnings in excess
15 of the limit established under 42 U.S.C. § 1396d(q)(2)(B),
16 would be considered to be receiving federal supplemental
17 security income, and who are members of families whose income
18 is less than two hundred fifty percent of the most recently
19 revised official poverty guidelines published by the United
20 States department of health and human services for the family,
21 subject to a resource limit of twelve thousand dollars for an
22 individual and thirteen thousand dollars for a couple. For
23 the purposes of determining the amount of an individual's or
24 couple's resources under this subparagraph, any resources held
25 in a retirement account, in a medical savings account, or in
26 any other account approved under rules adopted by the
27 department shall be disregarded. Individuals eligible for
28 assistance under this subparagraph whose individual income
29 exceeds one hundred fifty percent of the official poverty
30 guidelines for an individual shall pay a premium. The amount
31 of the premium shall be based on a sliding fee schedule
32 adopted by rule of the department and shall be based on a
33 percentage of the individual's income. The maximum premium
34 payable by an individual whose income exceeds one hundred
35 fifty percent of the official poverty guidelines shall be

1 commensurate with the cost of state employees' group health
2 insurance in this state, but shall not exceed seven and one-
3 half percent of income, unless the individual's income exceeds
4 four hundred fifty percent of the official poverty guidelines.

5 (3) As allowed under 42 U.S.C. § 1396a(a)(10)(A)(ii)(XVI),
6 employed individuals with a medically improved disability, as
7 defined in 42 U.S.C. § 1396d(v)(1), who are members of
8 families whose income is less than two hundred fifty percent
9 of the most recently revised official poverty guidelines
10 published by the United States department of health and human
11 services for the family, subject to a resource limit of twelve
12 thousand dollars for an individual and thirteen thousand
13 dollars for a couple. For the purposes of determining the
14 amount of an individual's or couple's resources under this
15 subparagraph, any resources held in a retirement account, in a
16 medical savings account, or in any other account approved
17 under rules adopted by the department shall be disregarded.
18 Individuals eligible for assistance under this subparagraph
19 whose individual income exceeds one hundred fifty percent of
20 the official poverty guidelines for an individual shall pay a
21 premium. The amount of the premium shall be based on a
22 sliding fee schedule adopted by rule of the department and
23 shall be based on a percentage of the individual's income.
24 The maximum premium payable by an individual whose income
25 exceeds one hundred fifty percent of the official poverty
26 guidelines shall be commensurate with the cost of state
27 employees' group health insurance in this state, but shall not
28 exceed seven and one-half percent of income, unless the
29 individual's income exceeds four hundred fifty percent of the
30 official poverty guidelines.

31 Sec. 29. Section 256.67, subsection 1, Code Supplement
32 2001, is amended to read as follows:

33 1. Act as administrator and executive secretary of the
34 region library service area in accordance with the objectives
35 and policies adopted by the area board of trustees and with

1 the intent of this chapter.

2 Sec. 30. Section 260G.4B, subsection 1, Code Supplement
3 2001, is amended to read as follows:

4 1. The total amount of program job credits from all
5 employers which shall be allocated for all accelerated career
6 education programs in the state in any one fiscal year shall
7 not exceed the sum of three million dollars in the fiscal year
8 beginning July 1, 2000, three million dollars in the fiscal
9 year beginning July 1, 2001, three million dollars in the
10 fiscal year beginning July 1, 2002, and six million dollars in
11 the fiscal year beginning July 1, ~~2002~~ 2003, and every fiscal
12 year thereafter. Any increase in program job credits above
13 the six-million-dollar limitation per fiscal year shall be
14 developed, based on recommendations in a study which shall be
15 conducted by the department of economic development of the
16 needs and performance of approved programs in the fiscal years
17 beginning July 1, 2000, and July 1, 2001. The study's
18 findings and recommendations shall be submitted to the general
19 assembly by the department by December 31, 2002. The study
20 shall include but not be limited to an examination of the
21 quality of the programs, the number of program participant
22 placements, the wages and benefits in program jobs, the level
23 of employer contributions, the size of participating
24 employers, and employer locations. A community college shall
25 file a copy of each agreement with the department of economic
26 development. The department shall maintain an annual record
27 of the proposed program job credits under each agreement for
28 each fiscal year. Upon receiving a copy of an agreement, the
29 department shall allocate any available amount of program job
30 credits to the community college according to the agreement
31 sufficient for the fiscal year and for the term of the
32 agreement. When the total available program job credits are
33 allocated for a fiscal year, the department shall notify all
34 community colleges that the maximum amount has been allocated
35 and that further program job credits will not be available for

1 the remainder of the fiscal year. Once program job credits
2 have been allocated to a community college, the full
3 allocation shall be received by the community college
4 throughout the fiscal year and for the term of the agreement
5 even if the statewide program job credit maximum amount is
6 subsequently allocated and used.

7 Sec. 31. Section 368.4, Code 2001, as amended by 2002 Iowa
8 Acts, House File 582, if enacted, is amended to read as
9 follows:

10 368.4 ANNEXING MORATORIUM.

11 A city, following notice and hearing, may by resolution
12 agree with another city or cities to refrain from annexing
13 specifically described territory for a period not to exceed
14 ten years and, following notice and hearing, may by resolution
15 extend the agreement for subsequent periods not to exceed ten
16 years each. Notice of a hearing shall be served by regular
17 mail at least thirty days before the hearing on the city
18 development board, on the board of supervisors of the county
19 in which the territory is located, and on all persons owning
20 land within the area subject to the agreement. The notice
21 shall include the time and place of the hearing, describe the
22 territory subject to the proposed agreement, and the general
23 terms of the agreement. After passage of a resolution by the
24 cities approving the agreements, a copy of the agreement and a
25 copy of any resolution extending an agreement shall be filed
26 with the city development board within ten days of enactment.
27 If such an agreement is in force, the board shall dismiss a
28 petition or plan which violates the terms of the agreement.

29 Sec. 32. Section 368.26, if enacted by 2002 Iowa Acts,
30 House File 582, is amended to read as follows:

31 368.26 FAILURE TO PROVIDE MUNICIPAL SERVICES.

32 If a city fails to provide municipal services to territory
33 involuntarily annexed, according to the plan filed pursuant to
34 section 368.11, within three years after city taxes are
35 imposed in the annexed territory, the city development board

1 shall initiate proceedings to sever the annexed territory from
 2 the city. However, a city may appeal to the board for an
 3 additional three years to provide municipal services if good
 4 cause is shown. A petition for severance filed pursuant to
 5 this section shall be filed and acted upon in the same manner
 6 as a petition under section 368.11. For purposes of this
 7 section ~~and section 368.117-subsection 14~~, "municipal
 8 services" means services selected by a landowner to be
 9 provided by the city, including, but not limited to, water
 10 supply, sewage disposal, street and road maintenance, and
 11 police and fire protection, if the provision of such services
 12 is within the legal authority of the annexing city.

13 Sec. 33. Section 421.17, subsection 31, Code Supplement
 14 2001, is amended to read as follows:

15 31. ~~At the director's discretion, accept~~ Accept payment of
 16 taxes, penalties, interest, and fees, or any portion thereof
 17 of the payment, by credit card in accordance with section
 18 12.21. The director may adjust the payable amount to reflect
 19 the costs of processing the payment as determined by the
 20 treasurer of state and the payment by credit card shall
 21 include, in addition to all other charges, any discount
 22 charged by the credit card issuer.

23 Sec. 34. Section 421.17, subsection 34, paragraph f, Code
 24 Supplement 2001, is amended to read as follows:

25 f. ~~At the director's discretion, the~~ The department may
 26 shall accept payment of debts, interest, and fees, or any
 27 portion of the payment by credit card in accordance with
 28 section 12.21. The director may adjust the payable amount to
 29 reflect the costs of processing the payment as determined by
 30 the treasurer of state and the payment by credit card shall
 31 include, in addition to all other charges, any discount charge
 32 by the credit card issuer.

33 Sec. 35. Section 455A.4, subsection 5, Code 2001, is
 34 amended to read as follows:

35 5. The department may accept payment of any fees,

1 interest, penalties, subscriptions, or other payments due or
2 collected by the department, or any portion of such payments,
3 by credit card in accordance with section 12.21. The
4 ~~department may adjust the amount of the payment to reflect the~~
5 ~~costs of processing the payment as determined by the treasurer~~
6 ~~of state and the payment by credit card shall include, in~~
7 ~~addition to all other charges, any discount charged by the~~
8 ~~credit card issuer.~~

9 Sec. 36. Section 476.97, subsection 11, paragraph g,
10 subparagraph (4), Code 2001, as amended by 2002 Iowa Acts,
11 Senate File 429, section 2, is amended by striking the
12 subparagraph and inserting in lieu thereof the following:

13 (4) Rates may be adjusted by the board to reflect any
14 changes in revenues, expenses, and investment due to exogenous
15 factors beyond the control of the local exchange carrier,
16 including, but not limited to, the effects of local
17 competition. The board shall have one hundred eighty days to
18 consider rate changes proposed under this subparagraph, but
19 for good cause may grant one extension of sixty days, not to
20 exceed a total of two hundred forty days.

21 Sec. 37. Section 514I.5, subsection 3, Code 2001, is
22 amended to read as follows:

23 3. Members appointed by the governor shall serve two-year
24 staggered terms as designated by the governor, and legislative
25 members of the board shall serve two-year terms. The filling
26 of positions reserved for the public representatives,
27 vacancies, membership terms, payment of compensation and
28 expenses, and removal of the members are governed by chapter
29 69. Members of the board are entitled to receive
30 reimbursement of actual expenses incurred in the discharge of
31 their duties. Public members of the board are also eligible
32 to receive compensation as provided in section 7E.6. The
33 members shall select a chairperson on an annual basis from
34 among the membership of the board.

35 Sec. 38. Section 541A.1, subsection 7, Code 2001, is

1 amended to read as follows:

2 7. "Individual development account" means a either of the
3 following:

4 a. A financial instrument which that is certified to have
5 the characteristics described in section 541A.2 by the
6 operating organization.

7 b. A financial instrument that is certified by the
8 operating organization to have the characteristics described
9 in and funded by a federal individual development account
10 program under which federal and state funding contributed to
11 match account holder deposits is deposited by an operating
12 organization in accordance with federal law and regulations,
13 and which includes but is not limited to any of the programs
14 implemented under the following federal laws:

15 (1) The federal Personal Responsibility and Work
16 Opportunity Act of 1996, 42 U.S.C. § 604(h).

17 (2) The federal Assets for Independence Act, Pub. L. No.
18 105-285, Title IV.

19 Sec. 39. Section 541A.3, subsection 1, unnumbered
20 paragraph 1, Code 2001, is amended to read as follows:

21 Payment by the state of a savings refund on amounts of up
22 to two thousand dollars per calendar year that an account
23 holder deposits in the account holder's account. Moneys
24 transferred to an individual development account from another
25 individual development account shall not be considered an
26 account holder deposit for purposes of determining a savings
27 refund. Payment of a savings refund either shall be made
28 directly to the account holder's account or to an operating
29 organization's central reserve account for later distribution
30 to the account holder's account in the most appropriate manner
31 as determined by the administrator. The state savings refund
32 shall be the indicated percentage of the amount deposited:

33 Sec. 40. Section 541A.3, subsection 5, Code 2001, is
34 amended to read as follows:

35 5. The administrator shall coordinate the filing of claims

1 for savings refunds authorized under subsection 1, between
2 account holders, operating organizations, and the department
3 of revenue and finance. Claims approved by the administrator
4 may be paid by the department of revenue and finance to each
5 account, or for an aggregate amount for distribution to the
6 accounts in a particular financial institution, or to an
7 operating organization's central reserve account for later
8 distribution to the account holders' accounts depending on the
9 efficiency for issuing the refunds. Claims shall be initially
10 filed with the administrator on or before a date established
11 by the administrator. Claims approved by the administrator
12 shall be paid from the general fund of the state in the manner
13 specified in section 422.74.

14 Sec. 41. Section 546.10, subsection 3, unnumbered
15 paragraph 2, if enacted by Senate File 2326, section 32, is
16 amended to read as follows:

17 Notwithstanding subsection 5, eighty-five percent of the
18 funds received annually resulting from an increase in
19 licensing fees approved-and implemented on or after July April
20 1, 2002, by a licensing board or commission listed in
21 subsection 1, is appropriated to the professional licensing
22 and regulation division to be allocated to the board or
23 commission for the fiscal year beginning July 1, 2002, and
24 succeeding fiscal years, for purposes related to the duties of
25 the board or commission, including but not limited to
26 additional full-time equivalent positions. The director of
27 revenue and finance shall draw warrants upon the treasurer of
28 state from the funds appropriated as provided in this section
29 and shall make the funds available to the professional
30 licensing division on a monthly basis during each fiscal year.

31 Sec. 42. Section 556.12, subsection 1, Code 2001, is
32 amended to read as follows:

33 1. If a report has been filed with the treasurer of state,
34 or property has been paid or delivered to the treasurer of
35 state, for the fiscal year ending on June 30 as required by

1 section 556.11, the treasurer of state shall provide for the
2 publication annually of at least one notice ~~not-later-than~~
3 which notice shall not be published between the following
4 September 10 and the following November 30 10. Each notice
5 shall be published at least once each week for two successive
6 weeks in an English language newspaper of general circulation
7 in the county in this state in which is located the last known
8 address of any person to be named in the notice. If an
9 address is not listed or if the address is outside this state,
10 the notice shall be published in the county in which the
11 holder of the abandoned property has its principal place of
12 business within this state.

13 Sec. 43. Section 602.1302, subsection 3, Code 2001, is
14 amended to read as follows:

15 3. A revolving fund is created in the state treasury for
16 the payment of jury and witness fees, and mileage, and costs
17 related to summoning jurors by the judicial branch. The
18 judicial branch shall deposit any reimbursements to the state
19 for the payment of jury and witness fees and mileage in the
20 revolving fund. Notwithstanding section 8.33, unencumbered
21 and unobligated receipts in the revolving fund at the end of a
22 fiscal year do not revert to the general fund of the state.
23 The judicial branch shall on or before February 1 file a
24 financial accounting of the moneys in the revolving fund with
25 the legislative fiscal bureau. The accounting shall include
26 an estimate of disbursements from the revolving fund for the
27 remainder of the fiscal year and for the next fiscal year.

28 Sec. 44. Section 602.8108, subsection 5, Code Supplement
29 2001, is amended to read as follows:

30 5. A court technology and modernization fund is
31 established as a separate fund in the state treasury. The
32 state court administrator shall allocate one million dollars
33 of the moneys received under subsection 2 to be deposited in
34 the fund, which shall be administered by the supreme court and
35 shall be used ~~as-follows~~:

1 ~~a.---Eighty-percent-shall-be-used~~ to enhance the ability of
2 the judicial branch to process cases more quickly and
3 efficiently, to electronically transmit information to state
4 government, local governments, law enforcement agencies, and
5 the public, and to improve public access to the court system.
6 ~~Moneys-in-this-paragraph-shall-not-be-used-for-the-Iowa-court~~
7 ~~information-system.~~

8 ~~b.---Twenty-percent-shall-be-used-in-equal-amounts-to~~
9 ~~facilitate-alternative-dispute-resolution-and-methods-to~~
10 ~~resolve-domestic-abuse-cases,which-may-include-personnel-for~~
11 ~~hearings-under-section-236.4.~~

12 Sec. 45. 2001 Iowa Acts, chapter 182, section 7,
13 subsection 2, is amended by adding the following new
14 paragraph:

15 NEW PARAGRAPH. g. Notwithstanding section 8.33, any
16 moneys which exceed the amount budgeted in the fiscal year
17 beginning July 1, 2001, and ending June 30, 2002, that remain
18 unencumbered or unobligated at the close of the fiscal year
19 shall not revert but shall remain available for expenditure by
20 the veterans home until the close of the succeeding fiscal
21 year. For the purposes of this paragraph, "moneys" means cash
22 receipts, accruals attributable to the fiscal year beginning
23 July 1, 2001, and ending June 30, 2002, and the amount of the
24 estimated reversions to the general fund, as last agreed to by
25 the state revenue estimating conference during fiscal year
26 beginning July 1, 2001.

27 Sec. 46. 2001 Iowa Acts, chapter 191, section 14,
28 subsection 2, is amended by adding the following new
29 paragraph:

30 NEW PARAGRAPH. f. Notwithstanding section 232.143,
31 subsection 1, a region may exceed its budget target for group
32 foster care by up to twenty percent in the fiscal year
33 beginning July 1, 2001, and ending June 30, 2002, provided the
34 overall funding allocated by the department for all child
35 welfare services in the region is not exceeded. It is the

1 intent of the general assembly that for the fiscal year
2 beginning July 1, 2002, the budget targets for group foster
3 care will be determined at levels so that special statutory
4 authority for exceeding the budget targets beyond the amount
5 authorized in section 232.143, subsection 1, will not be
6 necessary.

7 Sec. 47. Section 904.108, subsection 1, paragraph o, Code
8 Supplement 2001, is amended to read as follows:

9 o. Establish and maintain a correctional training center
10 ~~at-the-Mount-Pleasant-correctional-facility~~ program.

11 Sec. 48. IOWA CONGRESSIONAL MEDAL OF HONOR RECIPIENTS.
12 The department of cultural affairs shall conduct a study to
13 identify an appropriate location in the state capitol for a
14 plaque and display honoring the Iowa recipients of the
15 congressional medal of honor. The department shall report the
16 findings and recommendations of the study to the governor and
17 general assembly on or before December 31, 2002.

18 Sec. 49. DUPLICATION AND REORGANIZATION REVIEWS. In
19 implementing the requirements of 2002 Iowa Acts, Senate File
20 2326, division I, if enacted, involving the department of
21 general services, department of management, department of
22 personnel, and information technology department identifying
23 duplicative positions or studying the reorganization of state
24 government, those departments shall consult with the
25 departments that may be affected, consider previously
26 conducted studies or reviews, and identify the projected
27 impacts of recommended changes upon the general fund of the
28 state, road use tax fund, and any other affected funding
29 source.

30 Sec. 50. CHEROKEE MENTAL HEALTH INSTITUTE -- RELOCATION OF
31 SEXUALLY VIOLENT PREDATORS UNIT. In implementing the
32 relocation of the unit for commitment of sexually violent
33 predators from Oakdale to the state mental health institute at
34 Cherokee in the fiscal year beginning July 1, 2002, in
35 accordance with the requirement in the appropriation for the

1 unit in 2002 Iowa Acts, Senate File 2326, if enacted, it is
2 the intent of the general assembly that the department of
3 human services complete the renovation of space at the
4 institute and the relocation of the unit as expeditiously as
5 possible. If requested by the department of human services as
6 necessary to complete the renovation of space and relocation
7 as expeditiously as possible, notwithstanding any provision of
8 law or rule to the contrary, the department of general
9 services shall grant a waiver for purposes of the renovation
10 project from those requirements in administrative rule and
11 policy that would otherwise govern the length of time the
12 renovation project components are noticed.

13 Sec. 51. MEDICAL ASSISTANCE -- DENTAL SERVICES FOR ADULTS.

14 In addition to other dental services provided to adults under
15 the medical assistance program in accordance with 2002 Iowa
16 Acts, House File 2245, section 7, subsection 2, the following
17 services shall be provided:

- 18 1. Root canal treatments on permanent anterior teeth.
- 19 2. General anesthesia and intravenous sedation if
20 necessitated by the physical or mental disability of the
21 patient.

22 The department may adopt emergency rules to implement this
23 section in accordance with the provisions of 2002 Iowa Acts,
24 Senate File 2326, division VI, section 135, if enacted.

25 Sec. 52. EXPENDITURE REPORTS. For the fiscal year
26 beginning July 1, 2002, the department of agriculture and land
27 stewardship and the department of natural resources shall each
28 file a written report on a quarterly basis with the
29 chairpersons and ranking members of the joint appropriations
30 subcommittee on agriculture and natural resources and the
31 legislative fiscal bureau regarding all expenditures of moneys
32 appropriated from the general fund of the state or from other
33 funds available to either department during the quarter and
34 the number of full-time equivalent positions allocated during
35 the quarter.

1 Sec. 53. IPERS POSITIONS. The number of full-time
2 equivalent positions authorized the Iowa public employees'
3 retirement system division in 2002 Iowa Acts, Senate File
4 2326, section 15, subsection 1, if enacted, is increased by
5 2.00 full-time equivalent positions.

6 Sec. 54. 2002 Iowa Acts, Senate File 2326, section 25,
7 unnumbered paragraph 4, if enacted, is amended to read as
8 follows:

9 If 2002 Iowa Acts, House File 681, is enacted and provides
10 for the pledging of collateral in relation to the deposit of
11 uninsured public funds, then the treasurer of state is
12 authorized not more than the following additional full-time
13 equivalent positions for the purposes provided for in that
14 Act:

15	FTEs	2.00
16	FTE	1.00

17 Sec. 55. 2002 Iowa Acts, Senate File 2326, section 39, if
18 enacted, is amended by adding the following new subsection:

19 NEW SUBSECTION. 5. Of the amount appropriated in this
20 section, \$1,250,000 shall be used for salaries, support,
21 maintenance, and miscellaneous purposes for activities
22 regarding animal agriculture.

23 Sec. 56. SCHOOL FOR THE DEAF POSITIONS. 2002 Iowa Acts,
24 Senate File 2326, section 81, subsection 5, if enacted, is
25 amended to read as follows:

26 5. STATE SCHOOL FOR THE DEAF
27 For salaries, support, maintenance, miscellaneous purposes,
28 and for not more than the following full-time equivalent
29 positions:

30	\$	7,891,351
31	FTEs	117.29
32		129.60

33 Sec. 57. SCOPE OF PRACTICE REVIEW COMMITTEE. 2002 Iowa
34 Acts, Senate File 2326, section 91, subsection 10, paragraph
35 a, if enacted, is amended to read as follows:

1 a. The department may expend funds received from licensing
2 fees in addition to amounts appropriated in this subsection,
3 if those additional expenditures are directly the result of a
4 ~~scope-of-practice-review-committee-or~~ unanticipated litigation
5 costs arising from the discharge of an examining board's
6 regulatory duties. Before the department expends or encumbers
7 funds for a ~~scope-of-practice-review-committee-or~~ an amount in
8 excess of the funds budgeted for an examining board, the
9 director of the department of management shall approve the
10 expenditure or encumbrance. The amounts necessary to fund any
11 unanticipated litigation ~~or-scope-of-practice-review-committee~~
12 expense in the fiscal year beginning July 1, 2002, shall not
13 exceed 5 percent of the average annual fees generated by the
14 boards for the previous two fiscal years.

15 Sec. 58. 2002 Iowa Acts, Senate File 2326, section 92,
16 subsection 6, if enacted, is amended by adding the following
17 new unnumbered paragraph:

18 NEW UNNUMBERED PARAGRAPH. The appropriation in this
19 subsection is contingent upon the appointment of an
20 administrator of the division on the status of African-
21 Americans and the appointment of all nine members to the
22 commission on the status of African-Americans.

23 Sec. 59. SCOPE OF PRACTICE REVIEW COMMITTEE. 2002 Iowa
24 Acts, Senate File 2326, section 98, if enacted, is repealed.

25 Sec. 60. 2002 Iowa Acts, Senate File 2326, section 99,
26 subsection 1, if enacted, is amended to read as follows:

27 1. To be credited to the family investment program account
28 and used for assistance under the family investment program
29 under chapter 239B:

30 \$ 45,761,847
31 46,508,982

32 Sec. 61. 2002 Iowa Acts, Senate File 2326, section 99,
33 subsection 11, unnumbered paragraph 2, if enacted, is amended
34 to read as follows:

35 Pregnancy prevention grants shall be awarded to programs in

1 existence on or before July 1, 2002, if the programs are
2 comprehensive in scope and have demonstrated positive
3 outcomes. Grants shall be awarded to pregnancy prevention
4 programs which are developed after July 1, 2002, if the
5 programs are comprehensive in scope and are based on existing
6 models that have demonstrated positive outcomes. Grants shall
7 comply with the requirements provided in 1997 Iowa Acts,
8 chapter 208, section 14, subsections 1 and 2, including the
9 requirement that grant programs must emphasize sexual
10 abstinence. Priority in the awarding of grants shall be given
11 to programs that serve areas of the state which demonstrate
12 the highest percentage of unplanned pregnancies of females age
13 or older but younger than age 18 within the geographic area to
14 be served by the grant.

15 In addition to the full-time equivalent positions funded in
16 this division of this Act, the department may use a portion of
17 the funds appropriated in this subsection to employ an
18 employee in up to 1.00 full-time equivalent position for the
19 administration of programs specified in this subsection.

20 Sec. 62. 2002 Iowa Acts, Senate File 2326, section 127,
21 subsection 1, paragraph a, if enacted, is amended to read as
22 follows:

23 a. Notwithstanding-2001-Iowa-Acts-7-chapter-192-7-section-4-7
24 subsection-2-7-paragraph-"b"-7-the-modified-price-based-case-mix
25 reimbursement-rate-upon-which-the-reimbursement-rate-for
26 nursing-facilities-is-determined-shall-only-include-an
27 additional-inflation-factor-to-the-extent-of-the-funding
28 budgeted-and-appropriated-specifically-for-nursing-facility
29 reimbursement-based-on-a-case-mix-reimbursement-methodology-in
30 this-division-of-this-Act-or-in-other-appropriations. For the
31 fiscal year beginning July 1, 2002, and ending June 30, 2003,
32 nursing facilities shall be reimbursed as provided in 2002
33 Iowa Acts, House File 2613, if enacted. Nursing facilities
34 reimbursed under the medical assistance program shall submit
35 annual cost reports and additional documentation as required

1 by rules adopted by the department.

2 Sec. 63. 2002 Iowa Acts, Senate File 2326, section 134, if
3 enacted, is amended to read as follows:

4 SEC. 134. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND
5 DEVELOPMENTAL DISABILITIES (MH/MR/DD) ALLOWED GROWTH FACTOR
6 ADJUSTMENT AND ALLOCATIONS -- DISTRIBUTION FOR FY 2002-2003.

7 1. For the fiscal year beginning July 1, 2002, the moneys
8 appropriated in 2001 Acts, chapter 176, section 1, as amended
9 by this division of this Act, for distribution to counties of
10 the county mental health, mental retardation, and

11 developmental disabilities allowed growth factor adjustment,
12 shall be distributed as provided in this section in lieu of
13 the provisions of section 331.438, subsection 2, and section
14 331.439, subsection 3, and chapter 426B, as follows:

15 a. The first ~~\$2,000,000~~ 500,000 shall be credited to the
16 risk pool created in the property tax relief fund and shall be
17 distributed pursuant to section 426B.5, subsection 2.

18 b. The remaining ~~\$12,500,000~~ 14,000,000 shall be
19 distributed as provided in this section.

20 2. The following formula amounts shall be utilized only to
21 calculate preliminary distribution amounts for fiscal year
22 2002-2003 under this section by applying the indicated formula
23 provisions to the formula amounts and producing a preliminary
24 distribution total for each county:

25 a. For calculation of an allowed growth factor adjustment
26 amount for each county in accordance with the formula in
27 section 331.438, subsection 2, paragraph "b":

28 \$ 12,000,000

29 b. For calculation of a distribution amount for eligible
30 counties from the per capita expenditure target pool created
31 in the property tax relief fund in accordance with the
32 requirements in section 426B.5, subsection 1:

33 \$ ~~12,492,712~~
34 14,492,712

35 c. For calculation of a distribution amount for counties

1 from the mental health and developmental disabilities (MH/DD)
2 community services fund in accordance with the formula
3 provided in this division of this Act:
4 \$ 18,127,352

5 3. Notwithstanding any contrary provisions of sections
6 225C.7, 331.438, subsection 2, 331.439, subsection 3, and
7 426B.5, the moneys allocated for distribution in subsection 1,
8 paragraph "b", and in any other Act of the Seventy-ninth
9 General Assembly, 2002 Session, for distribution to counties
10 in the fiscal year beginning July 1, 2002, for purposes of the
11 mental health and developmental disabilities (MH/DD) community
12 services fund under section 225C.7, and for the allowed growth
13 factor adjustment for services paid under a county's section
14 331.424A mental health, mental retardation, and developmental
15 disabilities services fund and as calculated under subsection
16 2 to produce preliminary distribution amounts for counties
17 shall be subject to withholding as provided in this section.

18 4. After applying the applicable statutory distribution
19 formulas to the amounts indicated in subsection 2 for purposes
20 of formula calculations to produce preliminary distribution
21 totals, the department of human services shall apply a
22 withholding factor to adjust an eligible individual county's
23 preliminary distribution total. An ending balance percentage
24 for each county shall be determined by expressing the county's
25 ending balance on a modified accrual basis under generally
26 accepted accounting principles for the fiscal year beginning
27 July 1, 2001, in the county's mental health, mental
28 retardation, and developmental disabilities services fund
29 created under section 331.424A, as a percentage of the
30 county's gross expenditures from that fund for that fiscal
31 year. The withholding factor for a county shall be the
32 following applicable percent:

- 33 a. For an ending balance percentage of less than 10
- 34 percent, a withholding factor of 0 percent.
- 35 b. For an ending balance percentage of 10 through 24

1 percent, a withholding factor of 25 41.47 percent.

2 c. For an ending balance percentage of 25 through 34
3 percent, a withholding factor of 60 percent.

4 d. For an ending balance percentage of 35 through 44
5 percent, a withholding factor of 85 percent.

6 e. For an ending balance percentage of 45 percent or more,
7 a withholding factor of 100 percent.

8 5. The total withholding amounts applied pursuant to
9 subsection 4 shall be equal to a withholding target amount of
10 ~~\$11,992,712~~ 12,492,712 and the appropriation made in this
11 division of this Act for the MH/DD community services fund and
12 the appropriation made in 2001 Iowa Acts, chapter 176, section
13 1, as amended by this division of this Act shall be reduced by
14 the amount necessary to attain the withholding target amount.
15 If the department of human services determines that the amount
16 to be withheld in accordance with subsection 4 is not equal to
17 the target withholding amount, the department shall adjust the
18 withholding factors listed in subsection 4 as necessary to
19 achieve the withholding target amount. However, in making
20 such adjustments to the withholding factors, the department
21 shall strive to minimize changes to the withholding factors
22 for those ending balance percentage ranges that are lower than
23 others and shall not adjust the zero withholding factor
24 specified in subsection 4, paragraph "a".

25 6. A In order to be eligible for a funding distribution
26 under this section, a county must levy at least 70 percent of
27 the maximum allowed for the county's services fund under
28 section 331.424A for taxes due and payable in the fiscal year
29 beginning July 1, 2002, and comply with the December 1, 2002,
30 filing deadline for the county annual financial report in
31 accordance with section 331.403. The amount that would
32 otherwise be available for distribution to a county that fails
33 to so comply shall be proportionately distributed among the
34 eligible counties.

35 7. The department of human services shall authorize the

1 issuance of warrants payable to the county treasurer for the
2 distribution amounts due the counties eligible under this
3 section and notwithstanding prior practice for the MH/DD
4 community services fund, the warrants shall be issued in
5 January 2003.

6 Sec. 64. 2002 Iowa Acts, Senate File 2326, section 104,
7 subsection 12, if enacted, is amended to read as follows:

8 ~~12. If federal funding is received or if moneys are~~
9 ~~appropriated, the department may participate~~ Of the moneys
10 appropriated in this section, \$150,000 shall be used as state
11 matching funds, in combination with federal and private funds,
12 for participation in a federal home telecare pilot program
13 intended to manage health care needs of subpopulations of
14 Iowans and specifically including subpopulations of Iowans who
15 require high utilization of health care services and represent
16 a disproportionate share of consumption of health care
17 services. The program shall be administered by the Iowa
18 telecare consortium, which is a collaboration of public,
19 private, academic, and governmental participants coordinated
20 by Des Moines university -- osteopathic medical center. The
21 program may direct telecare services to persons with diagnoses
22 of specific nonacute chronic illnesses, which may include, but
23 are not limited to, chronic obstructive pulmonary disease,
24 congestive heart disease, diabetes, and asthma. Des Moines
25 university -- osteopathic medical center shall submit a report
26 to the general assembly by January 15, 2003, regarding the
27 status of the pilot program. The program guidelines shall be
28 consistent with those specified under 2001 Iowa Acts, chapter
29 191, section 7, subsection 15.

30 Sec. 65. 2002 Iowa Acts, Senate File 2326, section 154,
31 subsection 2, unnumbered paragraph 2, if enacted, is amended
32 to read as follows:

33 Riverboat enforcement costs shall be billed in accordance
34 with section 99F.10, subsection 4, and section 99F.10A. The
35 costs shall be not more than the department's estimated

1 expenditures, including salary adjustment, for riverboat
2 enforcement for the fiscal year. The costs billed to the
3 riverboats shall not be more than \$1,280,000 in excess of the
4 amount billed to the riverboats in the fiscal year beginning
5 July 1, 2001. Racetrack enforcement costs shall be billed in
6 accordance with section 99D.14, subsection 7, and section
7 99D.14A. The costs shall be not more than the department's
8 estimated expenditures, including salary adjustment, for
9 racetrack enforcement for the fiscal year. The costs billed
10 to the racetracks shall not be more than \$420,000 in excess of
11 the amount billed to the racetracks in the fiscal year
12 beginning July 1, 2001.

13 Sec. 66. PUBLIC TRANSIT ASSISTANCE APPROPRIATION. 2002
14 Iowa Acts, Senate File 2326, section 175, subsection 14, if
15 enacted, is amended by striking the subsection.

16 Sec. 67. PUBLIC TRANSIT ASSISTANCE APPROPRIATION.
17 Notwithstanding section 312.2, subsection 14, the amount
18 appropriated from the general fund of the state under section
19 312.2, subsection 14, to the state department of
20 transportation for public transit assistance under chapter
21 324A for the fiscal year beginning July 1, 2001, and ending
22 June 30, 2002, is reduced by the following amount:
23 \$ 1,107,938

24 Sec. 68. Chapter 2A, Code 2001, is repealed.

25 Sec. 69. EFFECTIVE DATE -- CONTINGENCY -- REPORT TO CODE
26 EDITOR. The section of this division of this Act amending
27 section 249A.3, relating to the optional category of
28 individuals covered under the medical assistance program
29 relating to persons with disabilities who have earned income,
30 takes effect only if the department does not win the appeal
31 against the centers for Medicare and Medicaid of the United
32 States department of health and human services relating to the
33 state plan amendment. The department shall notify the Code
34 editor when the department is notified of a decision on the
35 appeal in order to identify an effective date.

1 Sec. 70. EFFECTIVE DATE. The section in this Act relating
2 to dental services for adults under the medical assistance
3 program, being deemed of immediate importance, takes effect
4 upon enactment.

5 Sec. 71. EFFECTIVE DATE. The section of this division of
6 this Act that amends 2001 Iowa Acts, chapter 182, section 7,
7 being deemed of immediate importance, takes effect upon
8 enactment.

9 Sec. 72. EFFECTIVE DATE. The provision of this division
10 of this Act amending 2001 Iowa Acts, chapter 191, section 14,
11 relating to the department of human services exceeding its
12 budget target for group foster care by up to twenty percent in
13 fiscal year 2001-2002.

14 DIVISION III

15 CORRECTIVE AMENDMENTS

16 Sec. 73. Section 8.55, subsection 2, paragraph d, if
17 enacted by 2002 Iowa Acts, House File 2075, section 1, is
18 amended to read as follows:

19 d. Notwithstanding paragraph "a", any moneys in excess of
20 the maximum balance in the economic emergency fund after the
21 distribution of the surplus in the general fund of the state
22 at the conclusion of each fiscal year and after the
23 appropriate ~~amount~~ amounts have been transferred pursuant to
24 paragraphs "b" and "c" shall not be transferred to the general
25 fund of the state but shall be transferred to the endowment
26 for Iowa's health account of the tobacco settlement trust
27 fund. The total amount transferred, in the aggregate, under
28 this paragraph for all fiscal years shall not exceed the
29 difference between fifty-one million five hundred thousand
30 dollars and the amounts transferred to the endowment for
31 Iowa's health account to repay the amounts transferred or
32 appropriated from the endowment for Iowa's health account in
33 2002 Iowa Acts, House File 2245, 2002 Iowa Acts, Senate File
34 2304, and 2002 Iowa Acts, Senate File 2315.

35 Sec. 74. Section 10D.1, unnumbered paragraph 1, as enacted

1 by 2002 Iowa Acts, Senate File 2210, section 3, is amended to
2 read as follows:

3 As used in this section chapter, unless the context
4 otherwise requires:

5 Sec. 75. Section 15E.42, subsection 3, as enacted by 2002
6 Iowa Acts, House File 2271, section 2, is amended to read as
7 follows:

8 3. "Investor" means an individual making a cash investment
9 in a qualifying business or a person making a cash investment
10 in a community-based seed capital fund. "Investor" does not
11 include a person which is a current or previous owner, member,
12 or shareholder in a qualified qualifying business.

13 Sec. 76. Section 15E.43, subsection 1, paragraph a, as
14 enacted by 2002 Iowa Acts, House File 2271, section 3, is
15 amended to read as follows:

16 a. For tax years beginning on or after January 1, 2002, a
17 tax credit shall be allowed against the taxes imposed in
18 chapter 422, division II, for a portion of an individual
19 taxpayer's equity investment, as provided in subsection 2, in
20 a qualified qualifying business. An individual shall not
21 claim a tax credit under this paragraph of a partnership,
22 limited liability company, S corporation, estate, or trust
23 electing to have income taxed directly to the individual.

24 Sec. 77. Section 15E.224, subsection 1, as enacted by 2002
25 Iowa Acts, House File 2078, section 4, is amended to read as
26 follows:

27 1. An Iowa capital investment corporation may be organized
28 as a private, not-for-profit corporation under chapter 504A.
29 The Iowa capital investment corporation is not a public
30 corporation or instrumentality of the state and shall not
31 enjoy any of the privileges and shall not be required to
32 comply with the requirements of a state agency. Except as
33 otherwise provided in this division, this division does not
34 exempt the corporation from the requirements under state law
35 which apply to other corporations organized under chapter

1 504A. The purposes of an Iowa capital investment corporation
2 shall be to organize the Iowa fund of funds, to select a
3 venture capital investment fund allocation manager to select
4 venture capital fund investments by the Iowa fund of funds, to
5 negotiate the terms of a contract with the venture capital
6 investment fund allocation manager, to execute the contract
7 with the selected venture capital investment fund allocation
8 manager on behalf of the Iowa fund of funds, to receive
9 investment returns from the Iowa fund of funds, and to
10 reinvest the investment returns in additional venture capital
11 investments designed to result in a significant potential to
12 create jobs and to diversify and stabilize the economy of the
13 state. The corporation shall not exercise governmental
14 functions and shall not have members. The obligations of the
15 corporation are not obligations of this state or any political
16 subdivision of this state within the meaning of any
17 constitutional or statutory debt limitations, but are
18 obligations of the corporation payable solely and only from
19 the corporation's funds. The corporation shall not and cannot
20 pledge the credit or taxing power of this state or any
21 political subdivision of this state or make its debts payable
22 out of any moneys except those of the corporation.

23 Sec. 78. Section 29A.90, subsection 3, if enacted by 2002
24 Iowa Acts, Senate File 2124, section 24, is amended to read as
25 follows:

26 3. "Military service" means full-time active state service
27 or state active duty, as defined in section 29A.1, for a
28 period of at least ninety consecutive days, commencing on or
29 after the effective date of this division of this Act.

30 Sec. 79. Section 41.1, subsection 28, Code 2001, as
31 amended by 2001 Iowa Acts, First Extraordinary Session,
32 chapter 1, section 2, is amended to read as follows:

33 28. The twenty-eighth representative district in Dubuque
34 county shall consist of those portions of Dubuque and Table
35 Mound townships and the city of Dubuque bounded by a line

1 commencing at the point Asbury road intersects the east
2 corporate limit of the city of Asbury, then proceeding first
3 south, and then in a clockwise manner along the corporate
4 limits of the city of Asbury until it intersects the west east
5 boundary of Dubuque Center township, then proceeding first
6 south, and then in a clockwise manner along the west boundary
7 of Dubuque Center township until it intersects the east
8 boundary of Vernon township and the corporate limits of the
9 city of Dubuque, then proceeding first west south, and then in
10 a counterclockwise manner along the corporate limits of the
11 city of Dubuque until it intersects the south boundary of
12 Dubuque township, then proceeding east along the south
13 boundary of Dubuque township until it intersects the corporate
14 limits of the city of Dubuque, then proceeding first east, and
15 then in a counterclockwise manner along the corporate limits
16 of the city of Dubuque until it intersects the east boundary
17 of Table Mound township, then proceeding north along the
18 boundary of Table Mound township until it intersects the
19 corporate limits of the city of Dubuque, then proceeding first
20 east, and then in a counterclockwise manner along the
21 corporate limits of the city of Dubuque until it intersects
22 the Peosta channel of the Mississippi river, then proceeding
23 southwesterly along the Peosta channel until it intersects
24 East Sixteenth street, then proceeding southwesterly along
25 East Sixteenth street until it intersects Kerper boulevard,
26 then proceeding northerly along Kerper boulevard until it
27 intersects Fengler street, then proceeding northwest along
28 Fengler street until it intersects the I & M Rail Link tracks,
29 then proceeding southwest along the I & M Rail Link tracks
30 until it intersects the extension of Stafford street, then
31 proceeding westerly along the extension of Stafford street
32 until it intersects Garfield avenue, then proceeding southwest
33 along Garfield avenue until it intersects East Twentieth
34 street, then proceeding southwesterly along East Twentieth
35 street until it intersects Central avenue, then proceeding

1 northwest along Central avenue until it intersects West
2 Twenty-third street, then proceeding southwesterly along West
3 Twenty-third street until it intersects Valeria street, then
4 proceeding northwesterly along Valeria street until it
5 intersects Kaufmann avenue, then proceeding southeast along
6 Kaufmann avenue until it intersects Hempstead street, then
7 proceeding southwest along Hempstead street until it
8 intersects Montcrest street, then proceeding westerly along
9 Montcrest street until it intersects Portland street, then
10 proceeding southwest along Portland street until it intersects
11 Abbott street, then proceeding south along Abbott street until
12 it intersects Lowell street, then proceeding east along Lowell
13 street until it intersects Harold street, then proceeding
14 south along Harold street until it intersects Clarke drive,
15 then proceeding easterly along Clarke drive until it
16 intersects Foye street, then proceeding southerly along Foye
17 street until it intersects West Locust street, then proceeding
18 west along West Locust street until it intersects Kirkwood
19 street, then proceeding southwest along Kirkwood street until
20 it intersects Cox street, then proceeding southeast along Cox
21 street until it intersects Loras boulevard, then proceeding
22 southwest along Loras boulevard until it intersects Wood
23 street, then proceeding southeast along Wood street until it
24 intersects University avenue, then proceeding east along
25 University avenue until it intersects Delhi street, then
26 proceeding southwest along Delhi street until it intersects
27 West Fifth street, then proceeding southeast along West Fifth
28 street until it intersects College street, then proceeding
29 southerly along College street until it intersects West Third
30 street, then proceeding southwest along West Third street
31 until it intersects North Grandview avenue, then proceeding
32 south along North Grandview avenue until it intersects Hale
33 street, then proceeding west along Hale street until it
34 intersects North Algona street, then proceeding north along
35 North Algona street until it intersects Bennett street, then

1 proceeding west along Bennett street until it intersects
2 McCormick street, then proceeding northerly along McCormick
3 street until it intersects Mineral street, then proceeding
4 west along Mineral street until it intersects O'Hagen street,
5 then proceeding north along O'Hagen street until it intersects
6 Pearl street, then proceeding west along Pearl street until it
7 intersects Finley street, then proceeding northwest along
8 Finley street until it intersects University avenue, then
9 proceeding northeast along University avenue until it
10 intersects Asbury road, then proceeding northwesterly along
11 Asbury road until it intersects Wilbricht lane, then
12 proceeding west along Wilbricht lane until it intersects Flora
13 Park road, then proceeding southwesterly along Flora Park road
14 until it intersects Pennsylvania avenue, then proceeding west
15 along Pennsylvania avenue until it intersects Churchill drive,
16 then proceeding north along Churchill drive until it
17 intersects St. Anne drive, then proceeding west along St.
18 Anne drive until it intersects Carter road, then proceeding
19 north along Carter road until it intersects Hillcrest road,
20 then proceeding west along Hillcrest road until it intersects
21 John F. Kennedy road, then proceeding north along John F.
22 Kennedy road until it intersects Hillcrest road, then
23 proceeding west along Hillcrest road until it intersects Key
24 Largo drive, then proceeding south along Key Largo drive until
25 it intersects Keymeer drive, then proceeding east along
26 Keymeer drive until it intersects Key Way drive, then
27 proceeding south along Key Way drive until it intersects the
28 north fork of Catfish creek, then proceeding west along the
29 north fork of Catfish creek until it intersects the extension
30 of Winne court, then proceeding north along Winne court and
31 its extension until it intersects Hillcrest road, then
32 proceeding east along Hillcrest road until it intersects the
33 north branch of the north fork of Catfish creek, then
34 proceeding northwesterly along the north branch of the north
35 fork of Catfish creek until it intersects the northwest branch

1 of the north fork of Catfish creek, then proceeding northwest
2 along the northwest branch of the north fork of Catfish creek
3 until it intersects Asbury road, then proceeding west along
4 Asbury road to the point of origin.

5 Sec. 80. Section 53.7, subsection 2, Code 2001, as amended
6 by 2002 Iowa Acts, House File 2409, section 11, is amended to
7 read as follows:

8 2. It is unlawful for any public officer or employee, or
9 any person acting under color of a public officer or employee,
10 to knowingly require a public employee to solicit an
11 application or request ~~for~~ an application for an absentee
12 ballot, or to knowingly ~~requires-that~~ require an employee to
13 take an affidavit or request for an affidavit in connection
14 with an absentee ballot application.

15 Sec. 81. Section 256F.4, subsections 1 and 3, if enacted
16 by 2002 Iowa Acts, Senate File 348, section 4, are amended to
17 read as follows:

18 1. Within fifteen days after approval of a charter school
19 application submitted in accordance with section 256F.3,
20 subsection 2, a school board shall report to the department
21 the name of the charter school applicant entry, the proposed
22 charter school location, and its projected enrollment.

23 3. A charter school shall not discriminate in its student
24 admissions policies or practices on the basis of intellectual
25 or athletic ability, measures of achievement or aptitude, or
26 status as a person with a disability. However, a charter
27 school may limit admission to students who are within a
28 particular range of age ages or grade level levels or on any
29 other basis that would be legal if initiated by a school
30 district. Enrollment priority shall be given to the siblings
31 of students enrolled in a charter school.

32 Sec. 82. Section 303A.7, subsection 1, as enacted by 2002
33 Iowa Acts, House File 2571, section 8, is amended to read as
34 follows:

35 1. An Iowa cultural trust grant account is created in the

1 office of the treasurer of state under the control of the
2 board to receive interest attributable to the investment of
3 trust fund moneys as required by section 303A.4, subsection 4.
4 The moneys in the grant account are appropriated to the board
5 for purposes of the Iowa cultural trust created in section
6 303A.4. Moneys in the grant account shall not be subject to
7 appropriation for any other purpose by the general assembly,
8 but shall be used only for the purposes of the Iowa cultural
9 trust. The treasurer of state shall act as custodian of the
10 grant account and disburse moneys contained in the grant
11 account as directed by the board. The board shall make
12 expenditures from the grant account consistent with the
13 purposes of the Iowa cultural trust.

14 Sec. 83. Section 356.36A, as enacted by 2002 Iowa Acts,
15 Senate File 2278, section 1, is amended to read as follows:

16 356.36A CONFINEMENT AND DETENTION REPORT -- DESIGN
17 PROPOSALS.

18 The division of criminal and juvenile justice planning of
19 the department of human rights, in consultation with the
20 department of corrections, the Iowa county attorneys
21 association, the Iowa state sheriff's association, the Iowa
22 association of chiefs of police and peace officers, a
23 statewide organization representing rural property taxpayers,
24 the Iowa league of cities, and the Iowa board of supervisors
25 association, shall prepare a report analyzing the confinement
26 and detention needs of jails and facilities established
27 pursuant to ~~chapter~~ chapters 356 and 356A. The report for
28 each type of jail or facility shall include but is not limited
29 to an inventory of prisoner space, daily prisoner counts,
30 options for detention of prisoners with mental illness or
31 substance abuse service needs, and the compliance status under
32 section 356.36 for each jail or facility. The report shall
33 contain an inventory of recent jail or facility construction
34 projects in which voters have approved the issuance of general
35 obligation bonds, essential county purpose bonds, revenue

1 bonds, or bonds issued pursuant to chapter 422B. The report
2 shall be revised periodically as directed by the administrator
3 of the division of criminal and juvenile justice planning.
4 The first submission of the report shall include
5 recommendations on offender data needed to estimate jail space
6 needs in the next two, three, and five years, on a county,
7 geographic region, and statewide basis, which may be based
8 upon information submitted pursuant to section 356.49.

9 Sec. 84. Section 359.49, subsection 7A, unnumbered
10 paragraph 1, as enacted by 2002 Iowa Acts, House File 2448,
11 section 1, is amended to read as follows:

12 A township that has entered into an agreement with a
13 municipality to receive fire protection service or emergency
14 medical service from the municipality may request that a
15 portion of its taxes be paid directly to the municipality
16 providing the fire protection service or emergency medical
17 service. Each year, the township must note its request on the
18 budget and must attach a copy of the emergency services
19 agreement to each copy of the budget transmitted to the county
20 auditor. The auditor shall direct the county treasurer as to
21 what portion of the township taxes to disburse to the
22 municipality providing the fire protection service or
23 emergency medical service.

24 Sec. 85. Section 453A.58, subsection 1, paragraph a, as
25 created in 2002 Iowa Acts, Senate File 2317, section 4, if
26 enacted, is amended to read as follows:

27 a. The tobacco product manufacturer of the brand, or any
28 predecessor tobacco product manufacturer of the brand, is a
29 participating manufacturer in-compliance-with as described in
30 section 453C.2, subsection 1.

31 Sec. 86. Section 453A.58, subsection 2, as created in 2002
32 Iowa Acts, Senate File 2317, section 4, if enacted, is amended
33 to read as follows:

34 2. A distributor shall not affix stamps or cause stamps to
35 be affixed to individual packages of any brand of cigarettes,

1 subsequent to notice to the distributor by the department of
2 revenue and finance that the tobacco product manufacturer is
3 in-violation-of-chapter-453E not in compliance with subsection
4 1 with reference to that brand.

5 Sec. 87. Section 453A.59, subsection 1, paragraph a, as
6 created in 2002 Iowa Acts, Senate File 2317, section 5, if
7 enacted, is amended to read as follows:

8 a. A participating manufacturer pursuant-to described in
9 section 453C.2, subsection 1.

10 Sec. 88. Section 490.732, subsection 4, if enacted by 2002
11 Iowa Acts, House File 2509, section 22, is amended to read as
12 follows:

13 4. An agreement authorized by this section shall cease to
14 be effective when shares of the corporation are listed on a
15 national securities exchange or regularly traced traded in a
16 market maintained by one or more members of a national or
17 affiliated securities association. If the agreement ceases to
18 be effective for any reason, the board of directors may, if
19 the agreement is contained or referred to in the corporation's
20 articles of incorporation or bylaws, adopt an amendment to the
21 articles of incorporation or bylaws, without shareholder
22 action, to delete the agreement and any references to it.

23 Sec. 89. Section 490.853, subsection 3, unnumbered
24 paragraph 1, if enacted by 2002 Iowa Acts, House File 2509,
25 section 47, is amended to read as follows:

26 Authorizations under this section shall be made according
27 to the one of the following:

28 Sec. 90. Section 490.1003, subsection 2, if enacted by
29 2002 Iowa Acts, House File 2509, section 56, is amended to
30 read as follows:

31 2. Except as provided in section sections 490.1005,
32 490.1007, and 490.1008, after adopting the proposed amendment,
33 the board of directors must submit the amendment to the
34 shareholders for their approval. The board of directors must
35 also transmit to the shareholders a recommendation that the

1 shareholders approved the amendment, unless the board of
2 directors makes a determination that because of conflicts of
3 interest or other special circumstances it should not make
4 such a recommendation, in which case the board of directors
5 must transmit to the shareholders the basis for the
6 determination.

7 Sec. 91. Section 490.1303, subsection 2, paragraph b, Code
8 2001, as amended by 2002 Iowa Acts, House File 2509, section
9 80, if enacted, is amended to read as follows:

10 b. Does so with respect to all shares of the class of or
11 series that are beneficially owned by the beneficial
12 shareholder.

13 Sec. 92. Section 524.814, Code 2001, is amended to read as
14 follows:

15 524.814 PLEDGE OF ASSETS.

16 Pursuant to a resolution of its board of directors, a state
17 bank may lend or pledge its assets for the following purposes,
18 and for no other purposes:

19 1. To secure deposits of the state bank or a bank that is
20 an affiliate of the state bank when a customer is required to
21 obtain such security, or a bank is required to provide
22 security, by the laws of the United States, by any agency or
23 instrumentality of the United States, by the laws of the state
24 of Iowa, by the state board of regents, by a resolution or
25 ordinance relating to the issuance of bonds, by the terms of
26 any interstate compact or by order of any court of competent
27 jurisdiction. The lending of securities to a bank that is an
28 affiliate, or the pledging of securities for the account of a
29 bank that is an affiliate, shall be on terms and conditions
30 that are consistent with safe and sound banking practices.

31 2. To secure money borrowed by the state bank, provided
32 that capital notes or debentures issued pursuant to section
33 524.404 shall not in any event be secured by a pledge of
34 assets or otherwise.

35 3. To secure participations sold to the federal

1 agricultural mortgage corporation.

2 Sec. 93. Section 633.4213, subsection 1, Code Supplement
3 2001, as amended by 2002 Iowa Acts, House File 2531, section
4 12, if enacted, is amended to read as follows:

5 1. The trustee shall inform each qualified beneficiary of
6 ~~their~~ the beneficiary's right to receive an annual accounting
7 and a copy of the trust instrument. The trustee shall also
8 inform each qualified beneficiary about the process necessary
9 to obtain an annual accounting or a copy of the trust
10 instrument, if not provided. The trustee shall further inform
11 the beneficiary whether the beneficiary will, or will not,
12 receive an annual accounting if the beneficiary fails to take
13 any action. If a beneficiary has previously been provided the
14 notice required by this section, additional notice shall not
15 be required due to a change of trustees or a change in the
16 composition of the qualified beneficiaries.

17 Sec. 94. Section 724.26, as amended by 2002 Iowa Acts,
18 House File 2363, section 4, is amended to read as follows:

19 724.26 POSSESSION, RECEIPT, TRANSPORTATION, OR DOMINION
20 AND CONTROL OF FIREARMS AND OFFENSIVE WEAPONS BY FELONS.

21 A person who is convicted of a felony in a state or federal
22 court, or who is adjudicated delinquent on the basis of
23 conduct that would constitute a felony if committed by an
24 adult, and who knowingly has under the person's dominion and
25 control or possession, ~~or~~ receives, or transports or causes to
26 be transported a firearm or offensive weapon is guilty of a
27 class "D" felony.

28 Sec. 95. 2001 Iowa Acts, chapter 174, section 1,
29 subsection 1, unnumbered paragraph 3, as enacted by 2002 Iowa
30 Acts, Senate File 2315, section 4, is amended to read as
31 follows:

32 For the fiscal year beginning July 1, 2002, and ending June
33 30, 2003, of the \$75,000,000 to be deposited in the endowment
34 for Iowa's health account of the tobacco settlement trust fund
35 under this subsection, ~~the-first~~ \$20,000,000 is appropriated

1 to the department of management to pay that part of foundation
2 aid which represents the allowable growth amounts for all
3 school districts. An appropriation from the general fund of
4 the state for foundation aid which is supplanted by the
5 appropriation made in this subsection, shall be reduced by the
6 amount of the appropriation which supplants it.

7 Sec. 96. 2002 Iowa Acts, Senate File 348, section 14, if
8 enacted, is amended to read as follows:

9 SEC. 14. EXPEDITED APPLICATION PROCEDURE. The state board
10 of education shall develop an expedited charter school
11 application procedure for the fiscal year beginning July 1,
12 ~~2003~~ 2002, for purposes of receiving federal planning funds
13 issued pursuant to the federal Elementary and Secondary
14 Education Act of 1965, Title X, Part C, as codified in 20
15 U.S.C. § 8061-8067.

16 Sec. 97. 2002 Iowa Acts, Senate File 2326, section 38,
17 subsection 2, if enacted, is amended to read as follows:

18 2. If House File ~~2524~~ 2617 is enacted by the Seventy-ninth
19 General Assembly, 2002 Session, the amount appropriated in
20 subsection 1 shall be increased by \$38,000. The increased
21 amount shall be used to fill a vacant position in the dairy
22 products control bureau.

23 Sec. 98. 2002 Iowa Acts, Senate File 2326, section 175,
24 subsection 2, unnumbered paragraph 2, if enacted, is amended
25 to read as follows:

26 If total approved claims for reimbursement for nonpublic
27 school pupil transportation claims exceed the amount
28 appropriated in this ~~section~~ subsection, the department of
29 education shall prorate the amount of each claim.

30 Sec. 99. 2002 Iowa Acts, House File 2378, section 10,
31 subsection 1, if enacted, is amended to read as follows:

32 1. Section 4 of this Act, amending section 15E.193C,
33 subsections 2, 5, and 10, Code Supplement 2001, being deemed
34 of immediate importance, takes effect April 30, 2002, and, if
35 approved by the governor after April 30, 2002, shall apply

1 retroactively to April 30, 2002.

2 Sec. 100. 2002 Iowa Acts, Senate File 2275, sections 170
3 through 174, if enacted, are repealed.

4 Sec. 101. 2002 Iowa Acts, House File 2453, section 6, if
5 enacted, is repealed.

6 Sec. 102. EFFECTIVE DATE. The sections in this division
7 of this Act amending new Code section 29A.90, subsection 3,
8 and 2002 Iowa Acts, Senate File 348, section 14, being deemed
9 of immediate importance, take effect upon enactment.

10 Sec. 103. CONTINGENT EFFECTIVE DATE. The section in this
11 division of this Act amending section 524.814 is effective
12 contingent upon the enactment of 2002 Iowa Acts, House File
13 681.

14 DIVISION IV

15 MH/MR/DD -- FY 2003-2004 ALLOWED GROWTH

16 Sec. 104. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND
17 DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ADJUSTMENT
18 AND ALLOCATIONS -- FISCAL YEAR 2003-2004. There is
19 appropriated from the general fund of the state to the
20 department of human services for the fiscal year beginning
21 July 1, 2003, and ending June 30, 2004, the following amount,
22 or so much thereof as is necessary, to be used for the purpose
23 designated:

24 For distribution to counties of the county mental health,
25 mental retardation, and developmental disabilities allowed
26 growth factor adjustment, as provided in this section in lieu
27 of the provisions of section 331.438, subsection 2, and
28 section 331.439, subsection 3, and chapter 426B:

29 \$ 19,073,638

30 1. The funding appropriated in this section is the allowed
31 growth factor adjustment for fiscal year 2003-2004, and is
32 allocated as follows:

33 a. For distribution as provided in this section:

34 \$ 17,073,638

35 b. For deposit in the risk pool created in the property

1 tax relief fund and for distribution in accordance with
2 section 426B.5, subsection 2:

3 \$ 2,000,000

4 2. The following formula amounts shall be utilized only to
5 calculate preliminary distribution amounts for fiscal year
6 2003-2004 under this section by applying the indicated formula
7 provisions to the formula amounts and producing a preliminary
8 distribution total for each county:

9 a. For calculation of an allowed growth factor adjustment
10 amount for each county in accordance with the formula in
11 section 331.438, subsection 2, paragraph "b":
12 \$ 12,000,000

13 b. For calculation of a distribution amount for eligible
14 counties from the per capita expenditure target pool created
15 in the property tax relief fund in accordance with the
16 requirements in section 426B.5, subsection 1:
17 \$ 12,492,712

18 c. For calculation of a distribution amount for counties
19 from the mental health and developmental disabilities (MH/DD)
20 community services fund in accordance with the formula
21 provided in 2002 Iowa Acts, Senate File 2326, section 119,
22 subsection 1:
23 \$ 18,127,352

24 3. Notwithstanding any contrary provisions of sections
25 225C.7, 331.438, subsection 2, 331.439, subsection 3, and
26 426B.5, the moneys allocated for distribution in subsection 1,
27 paragraph "b", and in any other Act of the Eightieth General
28 Assembly, 2003 Session, for distribution to counties in the
29 fiscal year beginning July 1, 2003, for purposes of the mental
30 health and developmental disabilities (MH/DD) community
31 services fund under section 225C.7, and for the allowed growth
32 factor adjustment for services paid under a county's section
33 331.424A mental health, mental retardation, and developmental
34 disabilities services fund and as calculated under subsection
35 2 to produce preliminary distribution amounts for counties

1 shall be subject to withholding as provided in this section.

2 4. After applying the applicable statutory distribution
3 formulas to the amounts indicated in subsection 2 for purposes
4 to produce preliminary distribution totals, the department of
5 human services shall apply a withholding factor to adjust an
6 eligible individual county's preliminary distribution total.
7 An ending balance percentage for each county shall be
8 determined by expressing the county's ending balance on a
9 modified accrual basis under generally accepted accounting
10 principles for the fiscal year beginning July 1, 2002, in the
11 county's mental health, mental retardation, and developmental
12 disabilities services fund created under section 331.424A, as
13 a percentage of the county's gross expenditures from that fund
14 for that fiscal year. The withholding factor for a county
15 shall be the following applicable percent:

16 a. For an ending balance percentage of less than 10
17 percent, a withholding factor of 0 percent.

18 b. For an ending balance percentage of 10 through 24
19 percent, a withholding factor of 25 percent.

20 c. For an ending balance percentage of 25 through 34
21 percent, a withholding factor of 60 percent.

22 d. For an ending balance percentage of 35 through 44
23 percent, a withholding factor of 85 percent.

24 e. For an ending balance percentage of 45 percent or more,
25 a withholding factor of 100 percent.

26 5. The total withholding amounts applied pursuant to
27 subsection 4 shall be equal to a withholding target amount of
28 \$7,419,074 and the appropriation enacted by the Eightieth
29 General Assembly, 2003 Session, for the MH/DD community
30 services fund shall be reduced by the amount necessary to
31 attain the withholding target amount. If the department of
32 human services determines that the amount to be withheld in
33 accordance with subsection 4 is not equal to the target
34 withholding amount, the department shall adjust the
35 withholding factors listed in subsection 4 as necessary to

1 achieve the withholding target amount. However, in making
2 such adjustments to the withholding factors, the department
3 shall strive to minimize changes to the withholding factors
4 for those ending balance percentage ranges that are lower than
5 others and shall not adjust the zero withholding factor
6 specified in subsection 4, paragraph "a".

7 6. A county must comply with both the requirements listed
8 in this subsection to be eligible to receive a funding
9 distribution under this section. The amount that would
10 otherwise be available for distribution to a county that fails
11 to so comply shall be proportionately distributed among the
12 eligible counties. Both of the following requirements are
13 applicable:

14 a. A county must comply with the December 1, 2003, filing
15 deadline for the county annual financial report in accordance
16 with section 331.403.

17 b. A county must levy the not less than 70 percent of the
18 maximum amount allowed for the county's mental health, mental
19 retardation, and developmental disabilities services fund
20 under section 331.424A for taxes due and payable in the fiscal
21 year beginning July 1, 2003.

22 7. The department of human services shall authorize the
23 issuance of warrants payable to the county treasurer for the
24 distribution amounts due the counties eligible under this
25 section and notwithstanding prior practice for the MH/DD
26 community services fund, the warrants shall be issued in
27 January 2004.

28 DIVISION V

29 APPROPRIATION ADJUSTMENTS

30 Sec. 105. SECRETARY OF STATE. 2002 Iowa Acts, Senate File
31 2326, section 23, subsection 2, if enacted, is amended to read
32 as follows:

33 2. BUSINESS SERVICES

34 For salaries, support, maintenance, miscellaneous purposes,
35 and for not more than the following full-time equivalent

1	<u>positions</u>	
2	.....	\$ <u>17,433,235</u>
3		<u>1,533,235</u>
4	..... FTEs	<u>32.00</u>

5 Sec. 106. 2002 Iowa Acts, Senate File 2326, section 79,
6 subsections 17 and 18, if enacted, are amended to read as
7 follows:

8 17. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM
9 For purposes, as provided in law, of the student
10 achievement and teacher quality program established pursuant
11 to chapter 284:

12	.....	\$ <u>7,750,000</u>
13		<u>16,100,000</u>

14 Notwithstanding section 8.33, any moneys remaining
15 unencumbered or unobligated from the moneys allocated as
16 provided in this subsection shall not revert but shall remain
17 available in the succeeding fiscal year for expenditure for
18 the purposes designated. The provisions of section 8.39 shall
19 not apply to the funds appropriated pursuant to this
20 subsection.

21 18. COMMUNITY COLLEGES
22 For general state financial aid, including general
23 financial aid to merged areas in lieu of personal property tax
24 replacement payments, to merged areas as defined in section
25 260C.2, for vocational education programs in accordance with
26 chapters 258 and 260C:

27	.....	\$ <u>137,585,600</u>
28		<u>138,585,680</u>

29 The funds appropriated in this subsection shall be
30 allocated as follows:

31	a. Merged Area I	\$ <u>6,602,020</u>
32		<u>6,650,811</u>
33	b. Merged Area II	\$ <u>7,755,900</u>
34		<u>7,812,271</u>
35	c. Merged Area III	\$ <u>7,205,055</u>

1		<u>7,257,423</u>
2	d. Merged Area IV	\$ <u>3,521,678</u>
3		<u>3,547,274</u>
4	e. Merged Area V	\$ <u>7,367,785</u>
5		<u>7,421,336</u>
6	f. Merged Area VI	\$ <u>6,826,113</u>
7		<u>6,875,727</u>
8	g. Merged Area VII	\$ <u>9,849,174</u>
9		<u>9,920,760</u>
10	h. Merged Area IX	\$ <u>12,113,770</u>
11		<u>12,201,815</u>
12	i. Merged Area X	\$ <u>19,011,042</u>
13		<u>19,149,218</u>
14	j. Merged Area XI	\$ <u>20,177,551</u>
15		<u>20,324,204</u>
16	k. Merged Area XII	\$ <u>7,949,367</u>
17		<u>8,007,145</u>
18	l. Merged Area XIII	\$ <u>8,174,348</u>
19		<u>8,233,761</u>
20	m. Merged Area XIV	\$ <u>3,563,670</u>
21		<u>3,589,571</u>
22	n. Merged Area XV	\$ <u>11,213,616</u>
23		<u>11,295,119</u>
24	o. Merged Area XVI	\$ <u>6,253,791</u>
25		<u>6,299,245</u>

26 Sec. 107. REGENTS INSTITUTIONS. The amounts appropriated
 27 from the general fund of the state to the state board of
 28 regents for the state university of Iowa, the Iowa state
 29 university of science and technology, and the university of
 30 northern Iowa, in 2002 Iowa Acts, Senate File 2326, section
 31 81, subsections 2, 3, and 4, if enacted, for the fiscal year
 32 beginning July 1, 2002, and ending June 30, 2003, are reduced
 33 by the following amount:

34 \$ 5,000,000

35 The state board of regents shall apply the reduction made

1 in this section to the appropriations made to the indicated
2 institutions in a manner so that an institution's
3 appropriation is reduced in proportion to the amount the
4 institution's appropriation in 2002 Iowa Acts, Senate File
5 2326, section 81, bears to the total amount appropriated in
6 that section to the three institutions.

7 Sec. 108. MEDICAL ASSISTANCE. 2002 Iowa Acts, Senate File
8 2326, section 104, unnumbered paragraph 2, if enacted, is
9 amended to read as follows:

10 For medical assistance reimbursement and associated costs
11 as specifically provided in the reimbursement methodologies in
12 effect on June 30, 2002, except as otherwise expressly
13 authorized by law, including reimbursement for abortion
14 services, which shall be available under the medical
15 assistance program only for those abortions which are
16 medically necessary:

17 \$416,607,073
18 412,907,073

19 Sec. 109. CHILDREN'S HEALTH INSURANCE PROGRAM. 2002 Iowa
20 Acts, Senate File 2326, section 106, unnumbered paragraph 2,
21 if enacted, is amended to read as follows:

22 For maintenance of the healthy and well kids in Iowa (hawk-
23 i) program pursuant to chapter 514I for receipt of federal
24 financial participation under Title XXI of the federal Social
25 Security Act, which creates the state children's health
26 insurance program:

27 \$ 97,958,412
28 11,458,412

29 Sec. 110. 2002 Iowa Acts, Senate File 2326, section 172,
30 if enacted, is amended to read as follows:

31 SEC. 172. EDUCATIONAL EXCELLENCE. Notwithstanding section
32 294A.25, subsection 1, the amount appropriated from the
33 general fund of the state under section 294A.25, subsection 1,
34 to the department of education for phase III moneys for the
35 fiscal year beginning July 1, 2002, and ending June 30, 2003,

1 is reduced by the following amount:

2 \$ 11,750,000
3 14,000,000

4 Sec. 111. UNDERGROUND STORAGE TANK FUND. Notwithstanding
5 section 455G.3, subsection 1, there is transferred from the
6 Iowa comprehensive petroleum underground storage tank fund
7 created in section 455G.3, subsection 1, to the department of
8 education during the fiscal year beginning July 1, 2002, and
9 ending June 30, 2003, the following amount, to be used for the
10 purposes designated:

11 For purposes, as provided in law, of the student
12 achievement and teacher quality program established pursuant
13 to chapter 284:
14 \$ 8,900,000

15 Moneys transferred in this section are appropriated to the
16 department to be used for the purposes designated.
17 Notwithstanding section 8.33, moneys appropriated in this
18 section that remain unencumbered or unobligated at the close
19 of the fiscal year shall not revert but shall remain available
20 for expenditure for the purposes designated until the close of
21 the succeeding fiscal year. The provisions of section 8.39 do
22 not apply to the moneys appropriated in this section.

23 Sec. 112. PREMIUM TAX REVENUES. Notwithstanding any
24 provision of law to the contrary, if 2002 Iowa Acts, Senate
25 File 2318, is enacted, before any premium tax revenues are
26 credited to the general fund of the state for the fiscal year
27 beginning July 1, 2002, and ending June 30, 2003, the
28 following amount of the revenues first received is
29 appropriated to the department of education for the fiscal
30 year beginning July 1, 2002, and ending June 30, 2003, to be
31 used for the purposes designated:

32 For purposes, as provided in law, of the student
33 achievement and teacher quality program established pursuant
34 to chapter 284:
35 \$ 10,000,000

1 Notwithstanding section 8.33, moneys appropriated in this
2 section that remain unencumbered or unobligated at the close
3 of the fiscal year shall not revert but shall remain available
4 for expenditure for the purposes designated until the close of
5 the succeeding fiscal year. The provisions of section 8.39 do
6 not apply to the moneys appropriated in this section.

7 Sec. 113. REBUILD IOWA INFRASTRUCTURE FUND -- GAMBLING
8 REVENUES. Notwithstanding section 8.57, subsection 5, there
9 is transferred from pari-mutuel wagering and gambling revenues
10 credited to the rebuild Iowa infrastructure fund created in
11 section 8.57, subsection 5, for public vertical infrastructure
12 projects, to the department of education for the fiscal year
13 beginning July 1, 2002, and ending June 30, 2003, the
14 following amount, to be used for the purposes designated:

15 For purposes, as provided in law, of the student
16 achievement and teacher quality program established pursuant
17 to chapter 284:

18 \$ 5,000,000

19 Moneys transferred in this section are appropriated to the
20 department to be used for the purposes designated.

21 Notwithstanding section 8.33, moneys appropriated in this
22 section that remain unencumbered or unobligated at the close
23 of the fiscal year shall not revert but shall remain available
24 for expenditure for the purposes designated until the close of
25 the succeeding fiscal year. The provisions of section 8.39 do
26 not apply to the moneys appropriated in this section.

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HOUSE FILE 2623

S-5510

1 Amend House File 2623, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 27, by inserting after line 35 the
4 following:

5 "Sec. ____ Section 432.1, subsections 1A and 2A,
6 if enacted by 2002 Iowa Acts, Senate File 2318, are
7 amended by striking the subsections and inserting in
8 lieu thereof the following:

9 1A. The "applicable percent" for purposes of
10 subsection 1 of this section and section 432.2 is the
11 following:

12 a. For calendar years beginning before the 2003
13 calendar year, two percent.

14 b. For the 2003 calendar year:

15 (1) One and three-fourths percent if the company
16 or association is described as any of the following:

17 (a) It is taxed under section 432.2.

18 (b) Its policies and contracts provide for third-
19 party payments or prepayments of health or medical
20 expenses which include coverage benefits for treatment
21 for neurobiological disorders and underlying co-
22 morbidity as provided in section 514C.21 and it meets
23 the requirements of subparagraph subdivision (d), (e),
24 or (f).

25 (c) Its commercial domicile is not in Iowa.

26 (d) Its commercial domicile is in Iowa and its
27 total premiums received in the previous calendar year
28 are less than ten million dollars and in the case of a
29 health insurance company or association it meets the
30 requirements of subparagraph subdivision (b).

31 (e) Its commercial domicile is in Iowa, its total
32 premiums received in the previous calendar year are at
33 least ten million dollars but not more than one
34 hundred million dollars, and it has purchased equity
35 interests in the Iowa fund of funds created pursuant
36 to section 15E.225 through the end of the previous
37 calendar year of at least five hundred thousand
38 dollars and in the case of a health insurance company
39 or association it meets the requirements of
40 subparagraph subdivision (b).

41 (f) Its commercial domicile is in Iowa, its total
42 premiums received in the previous calendar year are
43 more than one hundred million dollars, and it has
44 purchased equity interests in the Iowa fund of funds
45 through the end of the previous calendar year of at
46 least one million dollars and in the case of a health
47 insurance company or association it meets the
48 requirements of subparagraph subdivision (b).

49 (2) Two percent if the company or association does
50 not meet any of the descriptions in subparagraph (1).

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1 c. For the 2004 calendar year:
2 (1) One and one-half percent if the company or
3 association is described as any of the following:
4 (a) It is taxed under section 432.2.
5 (b) Its policies and contracts provide for third-
6 party payments or prepayments of health or medical
7 expenses which include coverage benefits for treatment
8 for neurobiological disorders and underlying co-
9 morbidity as provided in section 514C.21 and it meets
10 the requirements of subparagraph subdivision (d), (e),
11 or (f).
12 (c) Its commercial domicile is not in Iowa.
13 (d) Its commercial domicile is in Iowa and its
14 total premiums received in the previous calendar year
15 are less than ten million dollars and in the case of a
16 health insurance company or association it meets the
17 requirements of subparagraph subdivision (b).
18 (e) Its commercial domicile is in Iowa, its total
19 premiums received in the previous calendar year are at
20 least ten million dollars but not more than one
21 hundred million dollars, and it has purchased equity
22 interests in the Iowa fund of funds through the end of
23 the previous calendar year of at least one million
24 dollars and in the case of a health insurance company
25 or association it meets the requirements of
26 subparagraph subdivision (b).
27 (f) Its commercial domicile is in Iowa, its total
28 premiums received in the previous calendar year are
29 more than one hundred million dollars, and it has
30 purchased equity interests in the Iowa fund of funds
31 through the end of the previous calendar year of at
32 least two million dollars and in the case of a health
33 insurance company or association it meets the
34 requirements of subparagraph subdivision (b).
35 (2) Two percent if the company or association does
36 not meet any of the descriptions in subparagraph (1).
37 d. For the 2005 calendar year:
38 (1) One and one-fourth percent if the company or
39 association is described as any of the following:
40 (a) It is taxed under section 432.2.
41 (b) Its policies and contracts provide for third-
42 party payments or prepayments of health or medical
43 expenses which include coverage benefits for treatment
44 for neurobiological disorders and underlying co-
45 morbidity as provided in section 514C.21 and it meets
46 the requirements of subparagraph subdivision (d), (e),
47 or (f).
48 (c) Its commercial domicile is not in Iowa.
49 (d) Its commercial domicile is in Iowa and its
50 total premiums received in the previous calendar year

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1 are less than ten million dollars and in the case of a
2 health insurance company or association it meets the
3 requirements of subparagraph subdivision (b).

4 (e) Its commercial domicile is in Iowa, its total
5 premiums received in the previous calendar year are at
6 least ten million dollars but not more than one
7 hundred million dollars, and it has purchased equity
8 interests in the Iowa fund of funds through the end of
9 the previous calendar year of at least one million
10 five hundred thousand dollars and in the case of a
11 health insurance company or association it meets the
12 requirements of subparagraph subdivision (b).

13 (f) Its commercial domicile is in Iowa, its total
14 premiums received in the previous calendar year are
15 more than one hundred million dollars, and it has
16 purchased equity interests in the Iowa fund of funds
17 through the end of the previous calendar year of at
18 least three million dollars and in the case of a
19 health insurance company or association it meets the
20 requirements of subparagraph subdivision (b).

21 (2) Two percent if the company or association does
22 not meet any of the descriptions in subparagraph (1).

23 e. For the 2006 and subsequent calendar years:

24 (1) One percent if the company or association is
25 described as any of the following:

26 (a) It is taxed under section 432.2.

27 (b) Its policies and contracts provide for third-
28 party payments or prepayments of health or medical
29 expenses which include coverage benefits for treatment
30 for neurobiological disorders and underlying co-
31 morbidity as provided in section 514C.21 and it meets
32 the requirements of subparagraph subdivision (d), (e),
33 or (f).

34 (c) Its commercial domicile is not in Iowa.

35 (d) Its commercial domicile is in Iowa and its
36 total premiums received in the previous calendar year
37 are less than ten million dollars and in the case of a
38 health insurance company or association it meets the
39 requirements of subparagraph subdivision (b).

40 (e) Its commercial domicile is in Iowa, its total
41 premiums received in the previous calendar year are at
42 least ten million dollars but not more than one
43 hundred million dollars, and it has purchased equity
44 interests in the Iowa fund of funds through the end of
45 the previous calendar year of at least two million
46 dollars and in the case of a health insurance company
47 or association it meets the requirements of
48 subparagraph subdivision (b).

49 (f) Its commercial domicile is in Iowa, its total
50 premiums received in the previous calendar year are

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1 more than one hundred million dollars, and it has
2 purchased equity interests in the Iowa fund of funds
3 through the end of the previous calendar year of at
4 least four million dollars and in the case of a health
5 insurance company or association it meets the
6 requirements of subparagraph subdivision (b).

7 (2) Two percent if the company or association does
8 not meet any of the descriptions in subparagraph (1).

9 2A. The "applicable percent" for purposes of
10 subsection 2 is the following:

11 a. For calendar years beginning before the 2004
12 calendar year, two percent.

13 b. For the 2004 calendar year:

14 (1) One and three-fourths percent if the company
15 or association is described as any of the following:

16 (a) Its commercial domicile is not in Iowa.

17 (b) Its commercial domicile is in Iowa and its
18 total premiums received in the previous calendar year
19 are less than ten million dollars.

20 (c) Its commercial domicile is in Iowa, its total
21 premiums received in the previous calendar year are at
22 least ten million dollars but not more than one
23 hundred million dollars, and it has purchased equity
24 interests in the Iowa fund of funds through the end of
25 the previous calendar year of at least five hundred
26 thousand dollars.

27 (d) Its commercial domicile is in Iowa, its total
28 premiums received in the previous calendar year are
29 more than one hundred million dollars, and it has
30 purchased equity interests in the Iowa fund of funds
31 through the end of the previous calendar year of at
32 least one million dollars.

33 (2) Two percent if the company or association does
34 not meet any of the descriptions in subparagraph (1).

35 c. For the 2005 calendar year:

36 (1) One and one-half percent if the company or
37 association is described as any of the following:

38 (a) Its commercial domicile is not in Iowa.

39 (b) Its commercial domicile is in Iowa and its
40 total premiums received in the previous calendar year
41 are less than ten million dollars.

42 (c) Its commercial domicile is in Iowa, its total
43 premiums received in the previous calendar year are at
44 least ten million dollars but not more than one
45 hundred million dollars, and it has purchased equity
46 interests in the Iowa fund of funds through the end of
47 the previous calendar year of at least one million
48 dollars.

49 (d) Its commercial domicile is in Iowa, its total
50 premiums received in the previous calendar year are

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1 more than one hundred million dollars, and it has
2 purchased equity interests in the Iowa fund of funds
3 through the end of the previous calendar year of at
4 least two million dollars.

5 (2) Two percent if the company or association does
6 not meet any of the descriptions in subparagraph (1).

7 d. For the 2006 calendar year:

8 (1) One and one-fourth percent if the company or
9 association is described as any of the following:

10 (a) Its commercial domicile is not in Iowa.

11 (b) Its commercial domicile is in Iowa and its
12 total premiums received in the previous calendar year
13 are less than ten million dollars.

14 (c) Its commercial domicile is in Iowa, its total
15 premiums received in the previous calendar year are at
16 least ten million dollars but not more than one
17 hundred million dollars, and it has purchased equity
18 interests in the Iowa fund of funds through the end of
19 the previous calendar year of at least one million
20 five hundred thousand dollars.

21 (d) Its commercial domicile is in Iowa, its total
22 premiums received in the previous calendar year are
23 more than one hundred million dollars, and it has
24 purchased equity interests in the Iowa fund of funds
25 through the end of the previous calendar year of at
26 least three million dollars.

27 (2) Two percent if the company or association does
28 not meet any of the descriptions in subparagraph (1).

29 e. For the 2007 and subsequent calendar years:

30 (1) One percent if the company or association is
31 described as any of the following:

32 (a) Its commercial domicile is not in Iowa.

33 (b) Its commercial domicile is in Iowa and its
34 total premiums received in the previous calendar year
35 are less than ten million dollars.

36 (c) Its commercial domicile is in Iowa, its total
37 premiums received in the previous calendar year are at
38 least ten million dollars but not more than one
39 hundred million dollars, and it has purchased equity
40 interests in the Iowa fund of funds the end of the
41 previous calendar year of at least two million
42 dollars.

43 (d) Its commercial domicile is in Iowa, its total
44 premiums received in the previous calendar year are
45 more than one hundred million dollars, and it has
46 purchased equity interests in the Iowa fund of funds
47 through the end of the previous calendar year of at
48 least four million dollars.

49 (2) Two percent if the company or association does
50 not meet any of the descriptions in subparagraph (1).

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1 Sec. ____ . NEW SECTION. 514C.21 MANDATED COVERAGE
2 FOR NEUROBIOLOGICAL DISORDERS AND UNDERLYING CO-
3 MORBIDITY.

4 1. For purposes of this section, unless the
5 context otherwise requires:

6 a. "Co-morbidity" means the coexistence of
7 conditions or diagnosable disorders such as
8 neurobiological disorders and substance abuse. For
9 purposes of this section, "substance abuse" means a
10 pattern of pathological use of alcohol or a drug that
11 causes impairment in social or occupational
12 functioning, or that produces physiological dependency
13 evidenced by physical tolerance or by physical
14 symptoms when the alcohol or drug is withdrawn.

15 b. "Neurobiological disorder" means the following:

16 (1) Schizophrenia and other psychotic disorders.

17 (2) Affective disorders.

18 (3) Anxiety disorders.

19 (4) Pervasive developmental disorders.

20 (5) Attention deficit hyperactivity disorder and
21 related disorders.

22 (6) Disorders identified in childhood and
23 adolescence.

24 The commissioner, by rule, shall identify the
25 neurobiological disorders covered by this definition,
26 consistent with the guidelines provided in the most
27 recent edition of the American psychiatric
28 association's diagnostic and statistical manual of
29 mental disorders, as such definitions may be amended
30 from time to time. The commissioner may adopt the
31 definitions provided in the manual by reference.

32 c. "Rates, terms, and conditions" means any
33 lifetime or annual payment limits, deductibles,
34 copayments, coinsurance, and any other cost-sharing
35 requirements, out-of-pocket limits, visit limitations,
36 and any other financial component of benefits coverage
37 that affects the covered individual.

38 2. a. Notwithstanding the uniformity of treatment
39 requirements of section 514C.6, a policy, contract, or
40 plan providing for third-party payment or prepayment
41 of health or medical expenses shall provide coverage
42 benefits for treatment for neurobiological disorders
43 and underlying co-morbidity based on rates, terms, and
44 conditions that are no more restrictive than the
45 rates, terms, and conditions for coverage benefits
46 provided for other health or medical conditions under
47 the policy, contract, or plan.

48 b. Any restrictions or limitations with respect to
49 rates, terms, and conditions involving deductibles,
50 copayments, coinsurance, and any other cost-sharing

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1 requirements shall be cumulative for coverage of
2 treatment for neurobiological disorders and underlying
3 co-morbidity and other health or medical conditions
4 under a policy, contract, or plan. A policy,
5 contract, or plan subject to this section shall not
6 impose an aggregate lifetime or annual limit on
7 treatment for neurobiological disorders and underlying
8 co-morbidity coverage benefits unless the policy,
9 contract, or plan imposes an aggregate lifetime or
10 annual limit on substantially all health or medical
11 coverage benefits. A policy, contract, or plan
12 subject to this section that imposes an aggregate
13 lifetime or annual limit on substantially all medical
14 and surgical coverage benefits shall not impose an
15 aggregate lifetime or annual limit on treatment for
16 neurobiological disorders and underlying co-morbidity
17 coverage benefits that is less than the aggregate
18 lifetime or annual limit imposed on substantially all
19 health or medical coverage benefits.

20 c. Coverage required under this section shall be
21 for the treatment of neurobiological disorders and
22 underlying co-morbidity, for services provided by a
23 health professional licensed under chapter 147A, 148,
24 150A, 152, 154B, 154C, or 154D, for services provided
25 in a hospital, clinic, office, community mental health
26 center, health care facility, outpatient treatment
27 facility, residential treatment facility, halfway
28 house, or similar facility for the provision of health
29 care services, and for services provided pursuant to
30 the comprehensive program for treatment for substance
31 abuse maintained by the department of public health
32 pursuant to section 125.12 in a hospital licensed
33 under chapter 135B or a facility licensed under
34 chapter 125.

35 3. This section applies to the following classes
36 of third-party payment provider policies, contracts,
37 or plans delivered, issued for delivery, continued, or
38 renewed in this state on or after January 1, 2003:

39 a. Individual or group accident and sickness
40 insurance providing coverage on an expense-incurred
41 basis.

42 b. An individual or group hospital or medical
43 service contract issued pursuant to chapter 509, 514,
44 or 514A.

45 c. A plan established pursuant to chapter 509A for
46 public employees.

47 d. An individual or group health maintenance
48 organization contract regulated under chapter 514B.

49 e. An individual or group Medicare supplemental
50 policy, unless coverage pursuant to such policy is

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1 preempted by federal law.
 2 f. Any other entity engaged in the business of
 3 insurance, risk transfer, or risk retention, which is
 4 subject to the jurisdiction of the commissioner.
 5 g. An organized delivery system licensed by the
 6 director of public health.
 7 4. The commissioner shall adopt rules pursuant to
 8 chapter 17A to administer this section."

By THOMAS FIEGEN

S-5510 FILED APRIL 12, 2002
RULED OUT OF ORDER

(P. 1196)

HOUSE FILE 2623

S-5513

1 Amend House File 2623, as amended, passed, and
 2 reprinted by the House, as follows:
 3 1. Page 29, by inserting after line 22, the
 4 following:
 5 "Sec. ____ . 2002 Iowa Acts, Senate File 2326,
 6 section 93, subsection 2, unnumbered paragraph 1, if
 7 enacted, is amended to read as follows:
 8 For salaries, support, maintenance, miscellaneous
 9 purposes, and for not more than the following full-
 10 time equivalent positions:

11	\$	14,445,694
12		<u>14,937,583</u>
13	FTEs	843.00"

By JOE BOLKCOM
JOHN P. KIBBIE

S-5513 FILED APRIL 12, 2002
LOST

(P. 1197)

HOUSE FILE 2623

S-5514

1 Amend House File 2623, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 12, by inserting after line 21 the
4 following:

5 "Sec. ____ . Section 15A.1, Code Supplement 2001, is
6 amended by adding the following new subsection:

7 NEW SUBSECTION. 6. In addition to the
8 requirements of subsections 2 and 3, a state agency
9 shall not provide a grant, loan, or other financial
10 assistance to a private person or on behalf of a
11 private person unless the business for whose benefit
12 the financial assistance is to be provided pays at
13 minimum a living wage to its employees. For purposes
14 of this subsection, "living wage" means an hourly wage
15 of no less than the annualized federal poverty level
16 for a family of four, as defined by the most recently
17 revised poverty income guidelines as published by the
18 United States department of health and human services,
19 divided by two thousand eighty. If any provision of
20 this subsection that relates to a living wage paid by
21 a business applying for or receiving state financial
22 assistance is inconsistent or conflicts with other
23 provisions of chapter 15 or this chapter, the
24 provision that specifies the higher wage rate
25 prevails."

26 2. Page 13, by inserting after line 17 the
27 following:

28 "Sec. ____ . Section 91D.1, subsection 1, paragraphs
29 a and d, Code 2001, are amended to read as follows:

30 a. The hourly wage stated in the federal minimum
31 wage law, pursuant to 29 U.S.C. § 206, shall be
32 increased to ~~-\$3.85~~ \$5.65 on January 1, ~~of 1990, 2003,~~
33 ~~-\$4.25 on January 1 of 1991,~~ and ~~-\$4.65 to~~ \$6.15 on
34 January 1, ~~of 1992~~ 2004.

35 d. An employer is not required to pay an employee
36 the applicable minimum wage provided in paragraph "a"
37 until the employee has completed ninety calendar days
38 of employment with the employer. An employee who has
39 completed ninety calendar days of employment with the
40 employer prior to January 1, ~~of 1990 2003, 1991,~~ or
41 ~~1992~~ January 1, 2004, shall earn the applicable hourly
42 minimum wage. An employer shall pay an employee who
43 has not completed ninety calendar days of employment
44 with the employer an hourly wage of at least ~~-\$3.35~~
45 \$5.15 as of January 1, ~~of 1990 2003, -\$3.85 as of~~
46 ~~January 1 of 1991,~~ and ~~-\$4.25~~ \$5.65 as of January 1, ~~of~~
47 ~~1992~~ 2004."

By BILL FINK
MATT McCOY

S-5514 FILED APRIL 12, 2002
RULED OUT OF ORDER

(P.1196)

HOUSE FILE 2623

S-5517

1 Amend House File 2623, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 57, by inserting after line 26 the
4 following:

5 "Sec. ____ . COMMUNITY COLLEGES. There is
6 appropriated from the general fund of the state to the
7 department of education for the fiscal year beginning
8 July 1, 2002, and ending June 30, 2003, the following
9 amount, or so much thereof as is necessary, for the
10 purposes designated:

11 For general state financial aid, including general
12 financial aid to merged areas in lieu of personal
13 property tax replacement payments, to merged areas as
14 defined in section 260C.2, for vocational education
15 programs in accordance with chapters 258 and 260C:

16 \$ 4,000,000

17 The amount appropriated in this section is a
18 supplemental appropriation to that appropriated in
19 2002 Iowa Acts, Senate File 2326, section 79,
20 subsection 18, if enacted, as amended by section 106
21 of this division of this Act, if enacted. The
22 appropriation shall be distributed to each community
23 college on a pro rata basis based upon the amount
24 appropriated to each community college in section 106
25 of this division of this Act, if enacted."

By JOHN P. KIBBIE

S-5517 FILED APRIL 12, 2002

LOST

(P 1198)



OFFICE OF THE GOVERNOR

THOMAS J. VILSACK
GOVERNOR

SALLY J. PEDERSON
LT. GOVERNOR

May 10, 2002

RECEIVED

corrected

MAY 15 2002

LEGISLATIVE SERVICE
BUREAU

VERSION

The Honorable Chester Culver
Secretary of State
State Capitol
LOCAL

Dear Secretary Culver:

I hereby transmit House File 2623, an Act relating to public funding provisions involving the compensation and benefits for public officials and employees, county mental health allowed growth, regulatory and other properly related matters of the state, making and reducing appropriations, and providing effective dates.

This Administration has made clear from day one that our top priority for Iowa is education. Over the past four years, our investment in education has paid tremendous dividends in more quality teachers, smaller classes, and better results. We have seen record interest in higher education, record enrollment in our colleges, and record employment in our workforce. House File 2623 makes an important investment in Iowa's K-12 schools by funding the student achievement and teacher quality program. This is a vital investment not only in our young people, but also in the future of our state.

House File 2623 is, therefore, signed on this date with the following exceptions, which I hereby disapprove.

I am unable to approve Section 17. This section would eliminate the requirement that innovation projects produce savings and eliminates the standing appropriation to repay the Innovations Fund for savings that do not accrue directly to a department. This would reduce the flexibility of the program.

I am unable to approve Sections 18, 19, 20, 21, 33, 34 and 35. This administration has continually supported improvement of customer service to Iowa citizens through the use of information technology and advanced telecommunications services. The use of credit card transactions as a way to pay for certain government services is one example of this commitment to improved customer service. We will continue to support efforts to improve customer service, however, the above referenced sections of this bill relating to the use of credit card transactions, while well intended, would adversely impact these efforts as well as the citizens of Iowa. There is no funding provided to departments to make system changes required to allow the intake of credit card payments. In addition, the language does not allow for the capture of transaction



fees associated with credit card processing. A credit card payment system without the proper technology and funding to support it will result in poor system performance and customer dissatisfaction.

I am unable to approve Section 42, which amends Chapter 556.12, Subsection 1, relating to notice and publication requirements of unclaimed property, commonly referred to as The Great Iowa Treasure Hunt. This language is contrary to Section Nine of the Uniform Unclaimed Property Act of 1995, which Chapter 556.12 subsection 1 is based on; and the proposed language would unduly restrict the flexibility of the State Treasurer in scheduling the workload of personnel available to return property to Iowans.

I am unable to approve Section 49. This section requires the departments of personnel, information technology and general services to identify duplicative job responsibilities throughout state government and report these positions to the Oversight Committee by Sept. 1, 2002. These determinations on an enterprise-wide basis are already being done.

I am unable to approve Section 52. This section requires the departments of agriculture and natural resources to file a written report on a quarterly basis with the appropriations subcommittee regarding all expenditures of moneys during the quarter and the number of FTEs allocated during the quarter. This information is obtainable by the Legislative Fiscal Bureau from the state's accounting and personnel systems, and no mandate is needed to enable legislators to access it.

I am unable to approve Sections 57 and 59. These sections would eliminate the Scope of Practice Review Committee (SPRC) related to the Department of Public Health. This is the only science-based forum available to work out scope of practice issues between health care professions. Most health care organizations do not support eliminating the SPRC: three-fourths of the Iowa health care providers in a recent survey favored keeping the SPRC process as it is or keeping it with some modifications.

I am unable to approve Section 58. This section would make the appropriation to the division on the Status of African-Americans contingent on the appointment of all nine members to the Commission on the Status of African-Americans. This language raises the prospect that the entire budget for the division would be in jeopardy anytime there is a vacancy on the commission. It is not appropriate to unfairly single out one commission for a different standard, and this is not a precedent we want to set for any commission.

I am unable to approve Section 65. This section limits the costs for riverboat enforcement that can be billed to riverboats, which is an amount less than 100% of costs for riverboat enforcement in fiscal year 2003. If retained, this would act as a cap in future years, which would generate a lower percentage of actual costs in each future fiscal year. The limitation on track gaming creates a situation where there are not sufficient expenditures in track gaming and pari-mutuel to even approach an additional \$420,000. This provision would lead to a reduction in revenue that is not reflected in the Legislature's budget assumptions.

I am unable to approve Sections 66 and 67. Section 66 amends the 2002 Iowa Acts, Senate File 2326, section 175, subsection 14 pertaining to Public Transit Assistance, by striking the subsection. I have approved the funding of Public Transit Assistance as provided in Senate File 2326, section 175, subsection 14. Section 67 proposes to reduce the amount appropriated from the General Fund of the state to the Department of Transportation for Public Transit Assistance for fiscal year 2002, by \$1,107,938. These dollars have already been allocated and likely spent by local public transit systems. To seek their repayment would have serious impacts on public transit services.

For the above reasons, I respectfully disapprove these items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in House File 2623 are hereby approved as of this date.

Sincerely,



Thomas J. Vilsack
Governor

TJV:jmc

cc: Secretary of the Senate
Chief Clerk of the House

Item veto

HOUSE FILE 2623

AN ACT

RELATING TO PUBLIC FUNDING PROVISIONS INVOLVING THE COMPENSATION AND BENEFITS FOR PUBLIC OFFICIALS AND EMPLOYEES, COUNTY MENTAL HEALTH ALLOWED GROWTH, REGULATORY AND OTHER PROPERLY RELATED MATTERS OF THE STATE, MAKING AND REDUCING APPROPRIATIONS, AND PROVIDING EFFECTIVE DATES.

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

DIVISION I
COMPENSATION AND BENEFITS

Section 1.

1. STATE BOARD OF REGENTS DEMUTUALIZATION PROCEEDS AND UNDERGROUND STORAGE TANK FUND TRANSFERS.

a. The state board of regents shall transfer by June 1, 2002, to the treasurer of state for deposit in the salary adjustment fund the sum of \$30,000,000 from the proceeds received by the state board of regents as a result of the demutualization of the principal mutual holding company. The amount transferred represents the portion of the funds utilized by the state board of regents institutions for employer contributions toward the premiums on insurance policies which were paid from state general fund appropriations for previous fiscal years.

b. Notwithstanding section 455G.3, subsection 1, on July 1, 2002, \$11,100,000 is transferred from the Iowa comprehensive petroleum underground storage tank fund created in section 455G.3, subsection 1, to the salary adjustment fund.

2. COLLECTIVE BARGAINING AGREEMENTS FUNDED -- REGENTS DEMUTUALIZATION PROCEEDS -- UNDERGROUND STORAGE TANK FUND

TRANSFER. The state board of regents demutualization proceeds and underground storage tank fund moneys transferred pursuant to subsection 1 to the salary adjustment fund are appropriated and shall be distributed by the department of management to the various state departments, boards, commissions, councils, and agencies, including the state board of regents, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, in the amount of \$41,100,000, or so much thereof as may be necessary, to fully fund the following annual pay adjustments, expense reimbursements, and related benefits:

- a. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the blue collar bargaining unit.
- b. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the public safety bargaining unit.
- c. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the security bargaining unit.
- d. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the technical bargaining unit.
- e. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the professional fiscal and staff bargaining unit.
- f. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the university of northern Iowa faculty bargaining unit.
- g. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the clerical bargaining unit.
- h. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the professional social services bargaining unit.
- i. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the community-based corrections bargaining unit.
- j. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the judicial branch of government bargaining unit.

k. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the patient care bargaining unit.

l. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the science bargaining unit.

m. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the state university of Iowa graduate student bargaining unit.

n. The collective bargaining agreement negotiated pursuant to chapter 20 for employees in the state university of Iowa hospital and clinics tertiary health care bargaining unit.

o. The annual pay adjustments, related benefits, and expense reimbursements referred to in sections 2 and 3 of this division of this Act for employees not covered by a collective bargaining agreement.

3. In distributing moneys from the salary adjustment fund, the department of management shall take into consideration the special circumstances of those state institutions operating under the net general fund appropriation budgeting system so that such institutions are not adversely affected because of the use of that budgeting system.

Sec. 2. NONCONTRACT STATE EMPLOYEES -- GENERAL.

1. a. For the fiscal year beginning July 1, 2002, the maximum salary levels of all pay plans provided for in section 19A.9, subsection 2, as they exist for the fiscal year ending June 30, 2002, shall be increased by 3 percent for the pay period beginning October 25, 2002, and any additional changes in the pay plans shall be approved by the governor.

b. For the fiscal year beginning July 1, 2002, employees may receive a step increase or the equivalent of a step increase.

2. The pay plans for state employees who are exempt from chapter 19A and who are included in the department of revenue and finance's centralized payroll system shall be increased in the same manner as provided in subsection 1, and any additional changes in any executive branch pay plans shall be approved by the governor.

3. This section does not apply to members of the general assembly, board members, commission members, salaries of persons set by the general assembly pursuant to this division of this Act or salaries of appointed state officers set by the governor, other persons designated, employees designated under section 19A.3, subsection 5, and employees covered by 581 IAC 4.6(3).

4. The pay plans for the bargaining eligible employees of the state shall be increased in the same manner as provided in subsection 1, and any additional changes in such executive branch pay plans shall be approved by the governor. As used in this section, "bargaining eligible employee" means an employee who is eligible to organize under chapter 20, but has not done so.

5. The policies for implementation of this section shall be approved by the governor.

Sec. 3. STATE EMPLOYEES -- STATE BOARD OF REGENTS. Funds from the appropriation in section 1, subsection 2 of this division of this Act, not to exceed \$25,000,000, shall be allocated to the state board of regents for the purposes of providing increases for state board of regents employees covered by section 1 of this division of this Act and for state board of regents employees not covered by a collective bargaining agreement as follows:

1. For regents merit system employees and merit supervisory employees to fund for the fiscal year, increases comparable to those provided for similar contract-covered employees in this division of this Act.

2. For faculty members and professional and scientific employees to fund for the fiscal year, percentage increases comparable to those provided for contract-covered employees in section 1, subsection 2, paragraph "f", of this division of this Act.

Sec. 4. STATE COURTS -- JUSTICES, JUDGES, AND MAGISTRATES.

1. Funds from the appropriation in section 1, subsection 2 of this division of this Act, not to exceed \$4,000,000, shall be allocated to the judicial branch for the purpose of

providing increases in salaries for state judges, justices, and magistrates and for increases for other judicial branch employees. The salary rates specified in subsection 2 are for the fiscal year beginning July 1, 2002, effective for the pay period beginning December 20, 2002, and for subsequent fiscal years until otherwise provided by the general assembly.

2. The following annual salary rates shall be paid to the persons holding the judicial positions indicated during the fiscal year beginning July 1, 2002, effective with the pay period beginning December 20, 2002, and for subsequent pay periods.

- a. Chief justice of the supreme court: \$ 124,550
- b. Each justice of the supreme court: \$ 120,100
- c. Chief judge of the court of appeals: \$ 119,980
- d. Each associate judge of the court of appeals: \$ 115,540
- e. Each chief judge of a judicial district: \$ 114,470
- f. Each district judge except the chief judge of a judicial district: \$ 109,810
- g. Each district associate judge: \$ 95,700
- h. Each associate juvenile judge: \$ 95,700
- i. Each associate probate judge: \$ 95,700
- j. Each judicial magistrate: \$ 28,530
- k. Each senior judge: \$ 6,370

3. Persons receiving the salary rates established under subsection 2 shall not receive any additional salary adjustments provided by this division of this Act.

Sec. 5. APPROPRIATIONS FROM ROAD FUNDS.

1. There is appropriated from the road use tax fund to the salary adjustment fund for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as may be necessary, to be used for the purpose designated:

To supplement other funds appropriated by the general assembly: \$ 1,588,368

2. There is appropriated from the primary road fund to the salary adjustment fund, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, or so much thereof as may be necessary, to be used for the purpose designated:

To supplement other funds appropriated by the general assembly: \$ 8,627,499

3. Except as otherwise provided in this division of this Act, the amounts appropriated in subsections 1 and 2 shall be used to fund the annual pay adjustments, expense reimbursements, and related benefits for public employees as provided in this division of this Act.

Sec. 6. SPECIAL FUNDS -- AUTHORIZATION. For departmental revolving, trust, or special funds, except for the primary road fund or the road use tax fund, for which the general assembly has established an operating budget, a supplemental expenditure authorization is provided, unless otherwise provided, in an amount necessary to fund salary adjustments, as provided in this division of this Act.

Sec. 7. GENERAL FUND SALARY MONEYS. Funds appropriated for distribution from the salary adjustment fund in section 1, subsection 2 of this division of this Act relate only to salaries supported from general fund appropriations of the state except for employees of the state board of regents. The funds allocated in this division of this Act for employees of the state board of regents shall exclude general university indirect costs and general university federal funds.

Sec. 8. FEDERAL FUNDS APPROPRIATED. For the fiscal year beginning July 1, 2002, and ending June 30, 2003, all federal grants to and the federal receipts of the agencies affected by this division of this Act which are received and may be expended for purposes of this division of this Act are appropriated for those purposes and as set forth in the federal grants or receipts.

Sec. 9. STATE TROOPER MEAL ALLOWANCE. For the fiscal year beginning July 1, 2002, and ending June 30, 2003, the sworn peace officers in the department of public safety who are not covered by a collective bargaining agreement negotiated pursuant to chapter 20 shall receive the same per diem meal allowance as the sworn peace officers in the department of public safety who are covered by a collective bargaining agreement negotiated pursuant to chapter 20.

Sec. 10. SALARY MODEL COORDINATOR. Of the funds appropriated in section 1, subsection 2, of this division of this Act, \$126,767 for the fiscal year beginning July 1, 2002, is allocated to the department of management for salary and support of the salary model coordinator who shall work in conjunction with the legislative fiscal bureau to maintain the state's salary model used for analyzing, comparing, and projecting state employee salary and benefit information, including information relating to employees of the state board of regents. The department of revenue and finance, the department of personnel, the five institutions under the jurisdiction of the state board of regents, the judicial district departments of correctional services, and the state department of transportation shall provide salary data to the department of management and the legislative fiscal bureau to operate the state's salary model. The format and frequency of provision of the salary data shall be determined by the department of management and the legislative fiscal bureau. The information shall be used in collective bargaining processes under chapter 20 and in calculating the funding needs contained within the annual salary adjustment legislation. A state employee organization as defined in

section 20.3, subsection 4, may request information produced by the model, but the information provided shall not contain information attributable to individual employees.

Sec. 11. HEALTH INSURANCE INCENTIVE PROGRAMS. For the fiscal year beginning July 1, 2002, and ending June 30, 2003, the department of revenue and finance shall administer the health insurance incentive programs as contained in the collective bargaining agreements. The incentive payment shall be distributed in the paycheck of an eligible state employee if the employee is employed by a central state agency. Each judicial district department of correctional services and the state board of regents shall provide monthly to the department of revenue and finance a list of their employee counts by benefit plan that qualify for the incentive and the amount of the incentive due. The judicial district department of correctional services and the state board of regents shall include the amount of the incentive payment in their eligible employees' paychecks as soon as the payment is administratively practical.

Sec. 12. TERMINAL LIABILITY HEALTH INSURANCE SURCHARGE. For the period beginning July 1, 2002, and ending January 3, 2003, the department of personnel shall include in the rates for the Wellmark Blue Cross/Blue Shield Program 3 Plus, Wellmark Blue Cross/Blue Shield Program 3 plus with a comprehensive major medical overlay, and Iowa Select Preferred Provider Organization health insurance plans a surcharge, as determined by the department of management, on only the employer's share of the health insurance premium cost to fund the state's share of the terminal liability of the existing Wellmark health insurance contract. The department of revenue and finance shall collect the surcharge from state agencies, the state fair board, state board of regents, and the judicial district departments of correctional services. The proceeds of the surcharge shall be credited to the terminal liability health insurance fund created in section 421.46. The health insurance plans provided to state employees covered by the state police officers council collective bargaining agreement are exempt from the surcharge provided in this section.

Sec. 13. 2002 Iowa Acts, Senate File 2304, section 21, subsection 3, is amended to read as follows:

3. As part of implementing the reduction made in subsection 1, notwithstanding the annual salary rates authorized for justices, judges, and magistrates in 2001 Iowa Acts, chapter 190, section 1, for the fiscal year beginning July 1, 2001, those salary rates shall be reduced by applying a 5 percent reduction to the portion of annual salary attributable to the period beginning on the effective date of this Act through June 30 20, 2002. Subsection 2 does not apply to justices, judges, and magistrates subject to this subsection.

Sec. 14. 2002 Iowa Acts, Senate File 2304, section 25, subsections 3 and 4, are amended to read as follows:

3. As part of implementing the reduction made in this section, notwithstanding the annual salary rates authorized for elective executive branch officials in 2000 Iowa Acts, chapter 1219, section 3, for the fiscal year beginning July 1, 2001, the salary rates for such officials shall be reduced by applying a 5 percent reduction to the portion of annual salary attributable to the period beginning on the effective date of this Act through June 30 20, 2002. Subsection 2 does not apply to elective executive branch officials subject to this subsection.

4. As part of implementing the reduction made in this section, notwithstanding the annual salaries established under 2001 Iowa Acts, chapter 190, section 3, for the fiscal year beginning July 1, 2001, each of those salaries shall be reduced by applying a 5 percent reduction to the portion of the salary attributable to the period beginning on the effective date of this Act through June 30 20, 2002. Subsection 2 does not apply to appointed executive branch officers subject to this subsection.

Sec. 15. Section 421.46, subsection 2, Code Supplement 2001, is amended by striking the subsection.

Sec. 16. EFFECTIVE DATE. Section 1, subsection 1 of this Act relating to the state board of regents demutualization

proceeds transfer, being deemed of immediate importance, takes effect upon enactment.

DIVISION II
STATUTORY AND SESSION LAW CHANGES

Sec. 17. Section 8.63, subsection 4, Code 2001, is amended to read as follows:

4. ~~at~~ In order for the innovations fund to be self-supporting, the innovations fund committee shall establish repayment schedules for each innovation fund loan awarded. Agencies shall repay the funds over a period not to exceed five years with interest, at a rate to be determined by the innovations fund committee.

~~b.---if the department of management and the department of revenue and finance certify that the savings from a proposed innovations fund project will result in a net increase in the balance of the general fund of the state without a corresponding cost savings to the requesting agency, and if the requesting agency meets all other eligibility requirements, the innovations fund committee may approve the loan for the project and not require repayment by the requesting agency.---There is appropriated from the general fund of the state to the department of revenue and finance an amount sufficient to repay the loan amount.~~

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Sec. 18. Section 12.21, Code 2001, is amended to read as follows:

12.21 ACCEPTING CREDIT CARD PAYMENTS.

1. The treasurer of state may enter into an agreement with a financial institution or other credit card processor to provide credit card receipt processing for state departments which are authorized by the treasurer of state to accept payment by credit card.

2. A department which accepts authorized by the treasurer of state to accept payment by credit card payments may adjust its fees to reflect the cost of credit card receipt processing as determined by the treasurer of state. ~~A fee may be charged by a department for using the credit card payment method notwithstanding any other provision of the Code setting~~

~~specific-fees: The fees charged to a payer shall be the same regardless of payment method unless otherwise permitted in the agreement with the financial institution or credit card processor.~~

~~3. The credit card charges applied by a financial institution or credit card processor for credit card receipts accepted in accordance with subsection 1 shall be considered to be part of the payment due and accepted. A state department authorized by the treasurer of state to accept payment by credit card shall pay the credit card receipt processing charges from aggregate fees collected.~~

~~4. The treasurer of state shall adopt rules to implement this section.~~

~~Sec. 19. Section 14B.203, subsection 3, Code Supplement 2001, is amended to read as follows:~~

~~3. In addition to other forms of payment, credit cards shall be accepted in payment for moneys owed to a governmental entity as provided in this section, according to rules which shall be adopted by the treasurer of state under section 12.21. The fees to be charged shall not exceed those permitted by statute. A governmental entity may adjust its fees to reflect the cost of processing as determined by the treasurer of state. The discount charged by the credit card issuer may be included in determining the fees to be paid for completing a financial transaction under this section by using a credit card.~~

~~Sec. 20. Section 14B.205, Code 2001, is amended to read as follows:~~

~~14B.205 CREDIT CARDS ACCEPTED.~~

~~In addition to other forms of payment, credit cards may shall be accepted in accordance with section 12.21 in payment for any fees, including but not limited to interest, penalties, subscriptions, registrations, purchases, applications, licenses, permits, or other filings transmitted or transactions conducted electronically. The fees to be charged shall not exceed those permitted by statute, except that the discount charged by the credit card issuer may be~~

~~included in determining the fee to be charged for records transmitted or transactions conducted electronically.~~

~~Sec. 21. Section 15.108, subsection 9, paragraph e, Code Supplement 2001, is amended to read as follows:~~

~~e. At the director's discretion, accept Accept payment by credit card in accordance with section 12.21 of any fees, interest, penalties, subscriptions, registrations, purchases, or other payments, or any portion of such payments, which are due or collected by the department. The department may adjust the amount of the payment to reflect the costs of processing the payment as determined by the treasurer of state and the payment by credit card shall include, in addition to all other charges, any discount charged by the credit card issuer.~~

~~Sec. 22. Section 15E.112, subsection 1, Code 2001, is amended to read as follows:~~

~~1. A value-added agricultural products and processes financial assistance fund is created within the state treasury under the control of the department. The fund shall consist of moneys allocated from the Iowa strategic investment fund created in section 15.313, those appropriated moneys, and any other moneys available to and obtained or accepted by the department from the federal government or private sources for placement in the fund. The assets of the fund shall be used by the department only for administration and carrying out the purposes of section 15E.111.~~

~~Sec. 23. Section 18.75, subsection 6, Code 2001, is amended to read as follows:~~

~~6. Have legal custody of all Codes, session laws, books of annotations, tables of corresponding sections, publications, except premium lists published by the Iowa state fair board, containing reprints of statutes or administrative rules, or both, reports of state departments, and reports of the supreme court, and sell, account for, and distribute the same as provided by law. However, the legislative service bureau shall solicit and process orders for the distribution of all printed Codes, session laws, administrative codes and bulletins, court rules, and the state roster.~~

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Sec. 24. Section 18.97A, Code 2001, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The office of the governor, the supreme court, and the legislative council shall control the number of copies of the printed publications enumerated in section 18.97 distributed to recipients in their respective branches.

Sec. 25. Section 124.401A, Code 2001, is amended to read as follows:

124.401A ENHANCED PENALTY FOR MANUFACTURE OR DISTRIBUTION TO PERSONS ON CERTAIN REAL PROPERTY.

In addition to any other penalties provided in this chapter, a person who is eighteen years of age or older who unlawfully manufactures with intent to distribute, distributes, or possesses with intent to distribute a substance or counterfeit substance listed in schedule I, II, or III, or a simulated controlled substance represented to be a controlled substance classified in schedule I, II, or III, to another person who is eighteen years of age or older in or on, or within one thousand feet of the real property comprising a public or private elementary or secondary school, public park, public swimming pool, public recreation center, or on a marked school bus, may be sentenced up to an additional term of confinement of five years.

Sec. 26. Section 124.409, subsection 1, Code 2001, is amended by striking the subsection.

Sec. 27. NEW SECTION. 239B.2B ELIGIBILITY OF NONCITIZENS.

A person who meets the conditions of eligibility under section 239B.2 and who meets either of the following requirements shall be eligible for participation in the family investment program:

1. The person is a conditional resident alien who was battered or subjected to extreme cruelty, or whose child was battered or subjected to extreme cruelty, perpetrated by the person's spouse who is a United States citizen or lawful permanent resident as described in 8 C.F.R. § 216.5(a)(3).

2. The person was battered or subjected to extreme cruelty, or the person's child was battered or subjected to extreme cruelty, perpetrated by the person's spouse who is a United States citizen or lawful permanent resident and the person's petition has been approved or a petition is pending that sets forth a prima facie case that the person has noncitizen status under any of the following categories:

a. Status as a spouse or child of a United States citizen or lawful permanent resident under the federal Immigration and Nationality Act, § 204(a)(1), as codified in 8 U.S.C. § 1154(a)(1)(A).

b. Status as a spouse or child who was battered or subjected to extreme cruelty by a United States citizen or lawful permanent resident, under the federal Immigration and Nationality Act, § 204(a)(iii), as codified in 8 U.S.C. § 1154(a)(1)(A)(iii).

c. Classification as a person lawfully admitted for permanent residence under the federal Immigration and Nationality Act.

d. Suspension of deportation and adjustment of status under the federal Immigration and Nationality Act, § 244(a), as in effect before the date of enactment of the federal Illegal Immigration Reform and Immigrant Responsibility Act of 1996.

e. Cancellation of removal or adjustment of status under the federal Immigration and Nationality Act, § 240A, as codified in 8 U.S.C. § 1229b.

f. Status as an asylee, if asylum is pending, under the federal Immigration and Nationality Act, § 208, as codified in 8 U.S.C. § 1158.

Sec. 28. Section 249A.3, subsection 2, paragraph a, Code Supplement 2001, is amended to read as follows:

a. As provided either pursuant to subparagraph (1) or pursuant to subparagraphs (2) and (3):

(1) As allowed under 42 U.S.C. § 1396a(a)(10)(A)(ii)(XIII), individuals with disabilities, who are less than sixty-five years of age, who are members of

families whose income is less than two hundred fifty percent of the most recently revised official poverty line guidelines published by the federal-office-of-management-and-budget United States department of health and human services for the family, who have earned income and who are eligible for supplemental security income or supplemental security income-related medical assistance or additional-medical-assistance under this section if earnings are disregarded. As allowed by 42 U.S.C. § 1396a(r)(2), unearned income shall also be disregarded in determining whether an individual is eligible for assistance under this paragraph subparagraph. For the purposes of determining the amount of an individual's resources under this paragraph subparagraph and as allowed by 42 U.S.C. § 1396a(r)(2), a maximum of ten thousand dollars of available resources shall be disregarded and any additional resources held in a retirement account, in a medical savings account, or in any other account approved under rules adopted by the department shall also be disregarded. Individuals eligible for assistance under this paragraph subparagraph, whose individual income exceeds one hundred fifty percent of the official poverty line guidelines published by the federal office-of-management-and-budget United States department of health and human services for an individual, shall pay a premium. The amount of the premium shall be based on a sliding fee schedule adopted by rule of the department and shall be based on a percentage of the individual's income. The maximum premium payable by an individual whose income exceeds one hundred fifty percent of the official poverty line guidelines shall be commensurate with premiums-charged-for private the cost of state employees' group health insurance in this state. ~~This-paragraph-shall-be-implemented-no-later-than March-17-2000.~~

(2) As allowed under 42 U.S.C. § 1396a(a)(10)(A)(ii)(XV), individuals who are at least sixteen years of age but less than sixty-five years of age who, but for earnings in excess of the limit established under 42 U.S.C. § 1396d(q)(2)(B), would be considered to be receiving federal supplemental

security income, and who are members of families whose income is less than two hundred fifty percent of the most recently revised official poverty guidelines published by the United States department of health and human services for the family, subject to a resource limit of twelve thousand dollars for an individual and thirteen thousand dollars for a couple. For the purposes of determining the amount of an individual's or couple's resources under this subparagraph, any resources held in a retirement account, in a medical savings account, or in any other account approved under rules adopted by the department shall be disregarded. Individuals eligible for assistance under this subparagraph whose individual income exceeds one hundred fifty percent of the official poverty guidelines for an individual shall pay a premium. The amount of the premium shall be based on a sliding fee schedule adopted by rule of the department and shall be based on a percentage of the individual's income. The maximum premium payable by an individual whose income exceeds one hundred fifty percent of the official poverty guidelines shall be commensurate with the cost of state employees' group health insurance in this state, but shall not exceed seven and one-half percent of income, unless the individual's income exceeds four hundred fifty percent of the official poverty guidelines.

(3) As allowed under 42 U.S.C. § 1396a(a)(10)(A)(ii)(XVI), employed individuals with a medically improved disability, as defined in 42 U.S.C. § 1396d(v)(1), who are members of families whose income is less than two hundred fifty percent of the most recently revised official poverty guidelines published by the United States department of health and human services for the family, subject to a resource limit of twelve thousand dollars for an individual and thirteen thousand dollars for a couple. For the purposes of determining the amount of an individual's or couple's resources under this subparagraph, any resources held in a retirement account, in a medical savings account, or in any other account approved under rules adopted by the department shall be disregarded. Individuals eligible for assistance under this subparagraph

whose individual income exceeds one hundred fifty percent of the official poverty guidelines for an individual shall pay a premium. The amount of the premium shall be based on a sliding fee schedule adopted by rule of the department and shall be based on a percentage of the individual's income. The maximum premium payable by an individual whose income exceeds one hundred fifty percent of the official poverty guidelines shall be commensurate with the cost of state employees' group health insurance in this state, but shall not exceed seven and one-half percent of income, unless the individual's income exceeds four hundred fifty percent of the official poverty guidelines.

Sec. 29. Section 256.67, subsection 1, Code Supplement 2001, is amended to read as follows:

1. Act as administrator and executive secretary of the region library service area in accordance with the objectives and policies adopted by the area board of trustees and with the intent of this chapter.

Sec. 30. Section 260G.4B, subsection 1, Code Supplement 2001, is amended to read as follows:

1. The total amount of program job credits from all employers which shall be allocated for all accelerated career education programs in the state in any one fiscal year shall not exceed the sum of three million dollars in the fiscal year beginning July 1, 2000, three million dollars in the fiscal year beginning July 1, 2001, three million dollars in the fiscal year beginning July 1, 2002, and six million dollars in the fiscal year beginning July 1, ~~2002~~ 2003, and every fiscal year thereafter. Any increase in program job credits above the six-million-dollar limitation per fiscal year shall be developed, based on recommendations in a study which shall be conducted by the department of economic development of the needs and performance of approved programs in the fiscal years beginning July 1, 2000, and July 1, 2001. The study's findings and recommendations shall be submitted to the general assembly by the department by December 31, 2002. The study shall include but not be limited to an examination of the

quality of the programs, the number of program participant placements, the wages and benefits in program jobs, the level of employer contributions, the size of participating employers, and employer locations. A community college shall file a copy of each agreement with the department of economic development. The department shall maintain an annual record of the proposed program job credits under each agreement for each fiscal year. Upon receiving a copy of an agreement, the department shall allocate any available amount of program job credits to the community college according to the agreement sufficient for the fiscal year and for the term of the agreement. When the total available program job credits are allocated for a fiscal year, the department shall notify all community colleges that the maximum amount has been allocated and that further program job credits will not be available for the remainder of the fiscal year. Once program job credits have been allocated to a community college, the full allocation shall be received by the community college throughout the fiscal year and for the term of the agreement even if the statewide program job credit maximum amount is subsequently allocated and used.

Sec. 31. Section 368.4, Code 2001, as amended by 2002 Iowa Acts, House File 582, if enacted, is amended to read as follows:

368.4 ANNEXING MORATORIUM.

A city, following notice and hearing, may by resolution agree with another city or cities to refrain from annexing specifically described territory for a period not to exceed ten years and, following notice and hearing, may by resolution extend the agreement for subsequent periods not to exceed ten years each. Notice of a hearing shall be served by regular mail at least thirty days before the hearing on the city development board, on the board of supervisors of the county in which the territory is located, and on all persons owning land within the area subject to the agreement. The notice shall include the time and place of the hearing, describe the territory subject to the proposed agreement, and the general

terms of the agreement. After passage of a resolution by the cities approving the agreements, a copy of the agreement and a copy of any resolution extending an agreement shall be filed with the city development board within ten days of enactment. If such an agreement is in force, the board shall dismiss a petition or plan which violates the terms of the agreement.

Sec. 32. Section 368.26, if enacted by 2002 Iowa Acts, House File 582, is amended to read as follows:

368.26 FAILURE TO PROVIDE MUNICIPAL SERVICES.

If a city fails to provide municipal services to territory involuntarily annexed, according to the plan filed pursuant to section 368.11, within three years after city taxes are imposed in the annexed territory, the city development board shall initiate proceedings to sever the annexed territory from the city. However, a city may appeal to the board for an additional three years to provide municipal services if good cause is shown. A petition for severance filed pursuant to this section shall be filed and acted upon in the same manner as a petition under section 368.11. For purposes of this section ~~and section 368.11, subsection 14,~~ "municipal services" means services selected by a landowner to be provided by the city, including, but not limited to, water supply, sewage disposal, street and road maintenance, and police and fire protection, if the provision of such services is within the legal authority of the annexing city.

Sec. 33. Section 421.17, subsection 31, Code Supplement 2001, is amended to read as follows:

31. ~~At the director's discretion, accept~~ Accept payment of taxes, penalties, interest, and fees, or any portion thereof of the payment, by credit card in accordance with section 12.21. The director may adjust the payable amount to reflect the costs of processing the payment as determined by the treasurer of state and the payment by credit card shall include, in addition to all other charges, any discount charged by the credit card issuer.

Sec. 34. Section 421.17, subsection 34, paragraph f, Code Supplement 2001, is amended to read as follows:

~~f. At the director's discretion, the~~ The department may shall accept payment of debts, interest, and fees, or any portion of the payment by credit card in accordance with section 12.21. The director may adjust the payable amount to reflect the costs of processing the payment as determined by the treasurer of state and the payment by credit card shall include, in addition to all other charges, any discount charge by the credit card issuer.

Sec. 35. Section 455A.4, subsection 5, Code 2001, is amended to read as follows:

5. The department may accept payment of any fees, interest, penalties, subscriptions, or other payments due or collected by the department, or any portion of such payments, by credit card in accordance with section 12.21. The department may adjust the amount of the payment to reflect the costs of processing the payment as determined by the treasurer of state and the payment by credit card shall include, in addition to all other charges, any discount charged by the credit card issuer.

Sec. 36. Section 476.97, subsection 11, paragraph 9, subparagraph (4), Code 2001, as amended by 2002 Iowa Acts, Senate File 429, section 2, is amended by striking the subparagraph and inserting in lieu thereof the following:

(4) Rates may be adjusted by the board to reflect any changes in revenues, expenses, and investment due to exogenous factors beyond the control of the local exchange carrier, including, but not limited to, the effects of local competition. The board shall have one hundred eighty days to consider rate changes proposed under this subparagraph, but for good cause may grant one extension of sixty days, not to exceed a total of two hundred forty days.

Sec. 37. Section 514I.5, subsection 3, Code 2001, is amended to read as follows:

3. Members appointed by the governor shall serve two-year staggered terms as designated by the governor, and legislative members of the board shall serve two-year terms. The filling of positions reserved for the public representatives,

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vacancies, membership terms, payment of compensation and expenses, and removal of the members are governed by chapter 69. Members of the board are entitled to receive reimbursement of actual expenses incurred in the discharge of their duties. Public members of the board are also eligible to receive compensation as provided in section 7E.6. The members shall select a chairperson on an annual basis from among the membership of the board.

Sec. 38. Section 541A.1, subsection 7, Code 2001, is amended to read as follows:

7. "Individual development account" means a either of the following:

a. A financial instrument which that is certified to have the characteristics described in section 541A.2 by the operating organization.

b. A financial instrument that is certified by the operating organization to have the characteristics described in and funded by a federal individual development account program under which federal and state funding contributed to match account holder deposits is deposited by an operating organization in accordance with federal law and regulations, and which includes but is not limited to any of the programs implemented under the following federal laws:

(1) The federal Personal Responsibility and Work Opportunity Act of 1996, 42 U.S.C. § 604(h).

(2) The federal Assets for Independence Act, Pub. L. No. 105-285, Title IV.

Sec. 39. Section 541A.3, subsection 1, unnumbered paragraph 1, Code 2001, is amended to read as follows:

Payment by the state of a savings refund on amounts of up to two thousand dollars per calendar year that an account holder deposits in the account holder's account. Moneys transferred to an individual development account from another individual development account shall not be considered an account holder deposit for purposes of determining a savings refund. Payment of a savings refund either shall be made directly to the account holder's account or to an operating

organization's central reserve account for later distribution to the account holder's account in the most appropriate manner as determined by the administrator. The state savings refund shall be the indicated percentage of the amount deposited:

Sec. 40. Section 541A.3, subsection 5, Code 2001, is amended to read as follows:

5. The administrator shall coordinate the filing of claims for savings refunds authorized under subsection 1, between account holders, operating organizations, and the department of revenue and finance. Claims approved by the administrator may be paid by the department of revenue and finance to each account, or for an aggregate amount for distribution to the accounts in a particular financial institution, or to an operating organization's central reserve account for later distribution to the account holders' accounts depending on the efficiency for issuing the refunds. Claims shall be initially filed with the administrator on or before a date established by the administrator. Claims approved by the administrator shall be paid from the general fund of the state in the manner specified in section 422.74.

Sec. 41. Section 546.10, subsection 3, unnumbered paragraph 2, if enacted by Senate File 2326, section 32, is amended to read as follows:

Notwithstanding subsection 5, eighty-five percent of the funds received annually resulting from an increase in licensing fees ~~approved~~ and implemented on or after ~~July~~ April 1, 2002, by a licensing board or commission listed in subsection 1, is appropriated to the professional licensing and regulation division to be allocated to the board or commission for the fiscal year beginning July 1, 2002, and succeeding fiscal years, for purposes related to the duties of the board or commission, including but not limited to additional full-time equivalent positions. The director of revenue and finance shall draw warrants upon the treasurer of state from the funds appropriated as provided in this section and shall make the funds available to the professional licensing division on a monthly basis during each fiscal year.

Sec. 42. Section 556.12, subsection 1, Code 2001, is amended to read as follows:

1. If a report has been filed with the treasurer of state, or property has been paid or delivered to the treasurer of state, for the fiscal year ending on June 30 as required by section 556.11, the treasurer of state shall provide for the publication annually of at least one notice ~~not later than~~ which notice shall not be published between the following September 10 and the following November 30 10. Each notice shall be published at least once each week for two successive weeks in an English language newspaper of general circulation in the county in this state in which is located the last known address of any person to be named in the notice. If an address is not listed or if the address is outside this state, the notice shall be published in the county in which the holder of the abandoned property has its principal place of business within this state.

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Sec. 43. Section 602.1302, subsection 3, Code 2001, is amended to read as follows:

3. A revolving fund is created in the state treasury for the payment of jury and witness fees, and mileage, and costs related to summoning jurors by the judicial branch. The judicial branch shall deposit any reimbursements to the state for the payment of jury and witness fees and mileage in the revolving fund. Notwithstanding section 8.33, unencumbered and unobligated receipts in the revolving fund at the end of a fiscal year do not revert to the general fund of the state. The judicial branch shall on or before February 1 file a financial accounting of the moneys in the revolving fund with the legislative fiscal bureau. The accounting shall include an estimate of disbursements from the revolving fund for the remainder of the fiscal year and for the next fiscal year.

Sec. 44. Section 602.8108, subsection 5, Code Supplement 2001, is amended to read as follows:

5. A court technology and modernization fund is established as a separate fund in the state treasury. The state court administrator shall allocate one million dollars

of the moneys received under subsection 2 to be deposited in the fund, which shall be administered by the supreme court and shall be used ~~as follows:~~

~~a--Eighty-percent-shall-be-used to enhance the ability of the judicial branch to process cases more quickly and efficiently, to electronically transmit information to state government, local governments, law enforcement agencies, and the public, and to improve public access to the court system. Moneys in this paragraph shall not be used for the Iowa court information system.~~

~~b--Twenty-percent-shall-be-used in equal amounts to facilitate alternative dispute resolution and methods to resolve domestic abuse cases, which may include personnel for hearings under section 236.4.~~

Sec. 45. 2001 Iowa Acts, chapter 182, section 7, subsection 2, is amended by adding the following new paragraph:

NEW PARAGRAPH. g. Notwithstanding section 8.33, any moneys which exceed the amount budgeted in the fiscal year beginning July 1, 2001, and ending June 30, 2002, that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure by the veterans home until the close of the succeeding fiscal year. For the purposes of this paragraph, "moneys" means cash receipts, accruals attributable to the fiscal year beginning July 1, 2001, and ending June 30, 2002, and the amount of the estimated reversions to the general fund, as last agreed to by the state revenue estimating conference during fiscal year beginning July 1, 2001.

Sec. 46. 2001 Iowa Acts, chapter 191, section 14, subsection 2, is amended by adding the following new paragraph:

NEW PARAGRAPH. f. Notwithstanding section 232.143, subsection 1, a region may exceed its budget target for group foster care by up to twenty percent in the fiscal year beginning July 1, 2001, and ending June 30, 2002, provided the overall funding allocated by the department for all child

welfare services in the region is not exceeded. It is the intent of the general assembly that for the fiscal year beginning July 1, 2002, the budget targets for group foster care will be determined at levels so that special statutory authority for exceeding the budget targets beyond the amount authorized in section 232.143, subsection 1, will not be necessary.

Sec. 47. Section 904.108, subsection 1, paragraph o, Code Supplement 2001, is amended to read as follows:

o. Establish and maintain a correctional training center at the ~~Mount-Pleasant-correctional-facility~~ program.

Sec. 48. IOWA CONGRESSIONAL MEDAL OF HONOR RECIPIENTS. The department of cultural affairs shall conduct a study to identify an appropriate location in the state capitol for a plaque and display honoring the Iowa recipients of the congressional medal of honor. The department shall report the findings and recommendations of the study to the governor and general assembly on or before December 31, 2002.

Sec. 49. DUPLICATION AND REORGANIZATION REVIEWS. In implementing the requirements of 2002 Iowa Acts, Senate File 2326, division I, if enacted, involving the department of general services, department of management, department of personnel, and information technology department identifying duplicative positions or studying the reorganization of state government, those departments shall consult with the departments that may be affected, consider previously conducted studies or reviews, and identify the projected impacts of recommended changes upon the general fund of the state, road use tax fund, and any other affected funding source.

Sec. 50. CHEROKEE MENTAL HEALTH INSTITUTE -- RELOCATION OF SEXUALLY VIOLENT PREDATORS UNIT. In implementing the relocation of the unit for commitment of sexually violent predators from Oakdale to the state mental health institute at Cherokee in the fiscal year beginning July 1, 2002, in accordance with the requirement in the appropriation for the unit in 2002 Iowa Acts, Senate File 2326, if enacted, it is

the intent of the general assembly that the department of human services complete the renovation of space at the institute and the relocation of the unit as expeditiously as possible. If requested by the department of human services as necessary to complete the renovation of space and relocation as expeditiously as possible, notwithstanding any provision of law or rule to the contrary, the department of general services shall grant a waiver for purposes of the renovation project from those requirements in administrative rule and policy that would otherwise govern the length of time the renovation project components are noticed.

Sec. 51. MEDICAL ASSISTANCE -- DENTAL SERVICES FOR ADULTS. In addition to other dental services provided to adults under the medical assistance program in accordance with 2002 Iowa Acts, House File 2245, section 7, subsection 2, the following services shall be provided:

1. Root canal treatments on permanent anterior teeth.
2. General anesthesia and intravenous sedation if necessitated by the physical or mental disability of the patient.

The department may adopt emergency rules to implement this section in accordance with the provisions of 2002 Iowa Acts, Senate File 2326, division VI, section 135, if enacted.

Sec. 52. EXPENDITURE REPORTS. For the fiscal year beginning July 1, 2002, the department of agriculture and land stewardship and the department of natural resources shall each file a written report on a quarterly basis with the chairpersons and ranking members of the joint appropriations subcommittee on agriculture and natural resources and the legislative fiscal bureau regarding all expenditures of moneys appropriated from the general fund of the state or from other funds available to either department during the quarter and the number of full-time equivalent positions allocated during the quarter.

Sec. 53. IPERS POSITIONS. The number of full-time equivalent positions authorized the Iowa public employees' retirement system division in 2002 Iowa Acts, Senate File

2326, section 15, subsection 1, if enacted, is increased by 2.00 full-time equivalent positions.

Sec. 54. 2002 Iowa Acts, Senate File 2326, section 25, unnumbered paragraph 4, if enacted, is amended to read as follows:

If 2002 Iowa Acts, House File 681, is enacted and provides for the pledging of collateral in relation to the deposit of uninsured public funds, then the treasurer of state is authorized not more than the following additional full-time equivalent positions for the purposes provided for in that Act:

.....	PTEs	2.00
	FTE	1.00

Sec. 55. 2002 Iowa Acts, Senate File 2326, section 39, if enacted, is amended by adding the following new subsection:

NEW SUBSECTION. 5. Of the amount appropriated in this section, \$1,250,000 shall be used for salaries, support, maintenance, and miscellaneous purposes for activities regarding animal agriculture.

Sec. 56. SCHOOL FOR THE DEAF POSITIONS. 2002 Iowa Acts, Senate File 2326, section 81, subsection 5, if enacted, is amended to read as follows:

5. STATE SCHOOL FOR THE DEAF

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	7,891,351
.....	FTEs	117.29
		129.60

Sec. 57. SCOPE OF PRACTICE REVIEW COMMITTEE. 2002 Iowa Acts, Senate File 2326, section 91, subsection 10, paragraph a, if enacted, is amended to read as follows:

a. The department may expend funds received from licensing fees in addition to amounts appropriated in this subsection, if those additional expenditures are directly the result of a ~~scope-of-practice-review-committee-or~~ unanticipated litigation costs arising from the discharge of an examining board's

Veto

regulatory duties. Before the department expends or encumbers funds for ~~a-scope-of-practice-review-committee-or~~ an amount in excess of the funds budgeted for an examining board, the director of the department of management shall approve the expenditure or encumbrance. The amounts necessary to fund any unanticipated litigation ~~or-scope-of-practice-review-committee~~ expense in the fiscal year beginning July 1, 2002, shall not exceed 5 percent of the average annual fees generated by the boards for the previous two fiscal years.

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Sec. 58. 2002 Iowa Acts, Senate File 2326, section 92, subsection 6, if enacted, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. The appropriation in this subsection is contingent upon the appointment of an administrator of the division on the status of African-Americans and the appointment of all nine members to the commission on the status of African-Americans.

Sec. 59. SCOPE OF PRACTICE REVIEW COMMITTEE. 2002 Iowa Acts, Senate File 2326, section 98, if enacted, is repealed.

Sec. 60. 2002 Iowa Acts, Senate File 2326, section 99, subsection 1, if enacted, is amended to read as follows:

1. To be credited to the family investment program account and used for assistance under the family investment program under chapter 239B:

.....	\$	45,761,874.47
		46,508,982

Sec. 61. 2002 Iowa Acts, Senate File 2326, section 99, subsection 11, unnumbered paragraph 2, if enacted, is amended to read as follows:

Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2002, if the programs are comprehensive in scope and have demonstrated positive outcomes. Grants shall be awarded to pregnancy prevention programs which are developed after July 1, 2002, if the programs are comprehensive in scope and are based on existing models that have demonstrated positive outcomes. Grants shall comply with the requirements provided in 1997 Iowa Acts,

chapter 208, section 14, subsections 1 and 2, including the requirement that grant programs must emphasize sexual abstinence. Priority in the awarding of grants shall be given to programs that serve areas of the state which demonstrate the highest percentage of unplanned pregnancies of females age or older but younger than age 18 within the geographic area to be served by the grant.

In addition to the full-time equivalent positions funded in this division of this Act, the department may use a portion of the funds appropriated in this subsection to employ an employee in up to 1.00 full-time equivalent position for the administration of programs specified in this subsection.

Sec. 62. 2002 Iowa Acts, Senate File 2326, section 127, subsection 1, paragraph a, if enacted, is amended to read as follows:

a. ~~Notwithstanding 2001 Iowa Acts, chapter 192, section 4, subsection 2, paragraph "b", the modified-price-based-case-mix reimbursement rate upon which the reimbursement rate for nursing facilities is determined shall only include an additional inflation factor to the extent of the funding budgeted and appropriated specifically for nursing facility reimbursement based on a case-mix reimbursement methodology in this division of this Act or in other appropriations. For the fiscal year beginning July 1, 2002, and ending June 30, 2003, nursing facilities shall be reimbursed as provided in 2002 Iowa Acts, House File 2613, if enacted.~~ Nursing facilities reimbursed under the medical assistance program shall submit annual cost reports and additional documentation as required by rules adopted by the department.

Sec. 63. 2002 Iowa Acts, Senate File 2326, section 134, if enacted, is amended to read as follows:

SEC. 134. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES (MH/MR/DD) ALLOWED GROWTH FACTOR ADJUSTMENT AND ALLOCATIONS -- DISTRIBUTION FOR FY 2002-2003.

1. For the fiscal year beginning July 1, 2002, the moneys appropriated in 2001 Acts, chapter 176, section 1, as amended by this division of this Act, for distribution to counties of

the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment, shall be distributed as provided in this section in lieu of the provisions of section 331.438, subsection 2, and section 331.439, subsection 3, and chapter 426B, as follows:

a. The first ~~\$2,000,000~~ 500,000 shall be credited to the risk pool created in the property tax relief fund and shall be distributed pursuant to section 426B.5, subsection 2.

b. The remaining ~~\$12,500,000~~ 14,000,000 shall be distributed as provided in this section.

2. The following formula amounts shall be utilized only to calculate preliminary distribution amounts for fiscal year 2002-2003 under this section by applying the indicated formula provisions to the formula amounts and producing a preliminary distribution total for each county:

a. For calculation of an allowed growth factor adjustment amount for each county in accordance with the formula in section 331.438, subsection 2, paragraph "b":

..... \$ 12,000,000

b. For calculation of a distribution amount for eligible counties from the per capita expenditure target pool created in the property tax relief fund in accordance with the requirements in section 426B.5, subsection 1:

..... \$ ~~12,492,712~~
14,492,712

c. For calculation of a distribution amount for counties from the mental health and developmental disabilities (MH/DD) community services fund in accordance with the formula provided in this division of this Act:

..... \$ 18,127,352

3. Notwithstanding any contrary provisions of sections 225C.7, 331.438, subsection 2, 331.439, subsection 3, and 426B.5, the moneys allocated for distribution in subsection 1, paragraph "b", and in any other Act of the Seventy-ninth General Assembly, 2002 Session, for distribution to counties in the fiscal year beginning July 1, 2002, for purposes of the mental health and developmental disabilities (MH/DD) community

services fund under section 225C.7, and for the allowed growth factor adjustment for services paid under a county's section 331.424A mental health, mental retardation, and developmental disabilities services fund and as calculated under subsection 2 to produce preliminary distribution amounts for counties shall be subject to withholding as provided in this section.

4. After applying the applicable statutory distribution formulas to the amounts indicated in subsection 2 for purposes of formula calculations to produce preliminary distribution totals, the department of human services shall apply a withholding factor to adjust an eligible individual county's preliminary distribution total. An ending balance percentage for each county shall be determined by expressing the county's ending balance on a modified accrual basis under generally accepted accounting principles for the fiscal year beginning July 1, 2001, in the county's mental health, mental retardation, and developmental disabilities services fund created under section 331.424A, as a percentage of the county's gross expenditures from that fund for that fiscal year. The withholding factor for a county shall be the following applicable percent:

- a. For an ending balance percentage of less than 10 percent, a withholding factor of 0 percent.
- b. For an ending balance percentage of 10 through 24 percent, a withholding factor of 25 41.47 percent.
- c. For an ending balance percentage of 25 through 34 percent, a withholding factor of 60 percent.
- d. For an ending balance percentage of 35 through 44 percent, a withholding factor of 85 percent.
- e. For an ending balance percentage of 45 percent or more, a withholding factor of 100 percent.

5. The total withholding amounts applied pursuant to subsection 4 shall be equal to a withholding target amount of ~~\$17,992,712~~ 12,492,712 and the appropriation made in this division of this Act for the MH/DD community services fund and the appropriation made in 2001 Iowa Acts, chapter 176, section 1, as amended by this division of this Act shall be reduced by

the amount necessary to attain the withholding target amount. If the department of human services determines that the amount to be withheld in accordance with subsection 4 is not equal to the target withholding amount, the department shall adjust the withholding factors listed in subsection 4 as necessary to achieve the withholding target amount. However, in making such adjustments to the withholding factors, the department shall strive to minimize changes to the withholding factors for those ending balance percentage ranges that are lower than others and shall not adjust the zero withholding factor specified in subsection 4, paragraph "a".

6. A In order to be eligible for a funding distribution under this section, a county must levy at least 70 percent of the maximum allowed for the county's services fund under section 331.424A for taxes due and payable in the fiscal year beginning July 1, 2002, and comply with the December 1, 2002, filing deadline for the county annual financial report in accordance with section 331.403. The amount that would otherwise be available for distribution to a county that fails to so comply shall be proportionately distributed among the eligible counties.

7. The department of human services shall authorize the issuance of warrants payable to the county treasurer for the distribution amounts due the counties eligible under this section and notwithstanding prior practice for the MH/DD community services fund, the warrants shall be issued in January 2003.

Sec. 64. 2002 Iowa Acts, Senate File 2326, section 104, subsection 12, if enacted, is amended to read as follows:

~~12. If federal funding is received or if moneys are appropriated, the department may participate~~ Of the moneys appropriated in this section, \$150,000 shall be used as state matching funds, in combination with federal and private funds, for participation in a federal home telecare pilot program intended to manage health care needs of subpopulations of Iowans and specifically including subpopulations of Iowans who require high utilization of health care services and represent

a disproportionate share of consumption of health care services. The program shall be administered by the Iowa telecare consortium, which is a collaboration of public, private, academic, and governmental participants coordinated by Des Moines university -- osteopathic medical center. The program may direct telecare services to persons with diagnoses of specific nonacute chronic illnesses, which may include, but are not limited to, chronic obstructive pulmonary disease, congestive heart disease, diabetes, and asthma. Des Moines university -- osteopathic medical center shall submit a report to the general assembly by January 15, 2003, regarding the status of the pilot program. The program guidelines shall be consistent with those specified under 2001 Iowa Acts, chapter 191, section 7, subsection 15.

Sec. 65. 2002 Iowa Acts, Senate File 2326, section 154, subsection 2, unnumbered paragraph 2, if enacted, is amended to read as follows:

Riverboat enforcement costs shall be billed in accordance with section 99F.10, subsection 4, and section 99F.10A. The costs shall be not more than the department's estimated expenditures, including salary adjustment, for riverboat enforcement for the fiscal year. The costs billed to the riverboats shall not be more than \$1,280,000 in excess of the amount billed to the riverboats in the fiscal year beginning July 1, 2001. Racetrack enforcement costs shall be billed in accordance with section 99D.14, subsection 7, and section 99D.14A. The costs shall be not more than the department's estimated expenditures, including salary adjustment, for racetrack enforcement for the fiscal year. The costs billed to the racetracks shall not be more than \$420,000 in excess of the amount billed to the racetracks in the fiscal year beginning July 1, 2001.

Sec. 66. PUBLIC TRANSIT ASSISTANCE APPROPRIATION. 2002 Iowa Acts, Senate File 2326, section 175, subsection 14, if enacted, is amended by striking the subsection.

Sec. 67. PUBLIC TRANSIT ASSISTANCE APPROPRIATION. Notwithstanding section 312.2, subsection 14, the amount

appropriated from the general fund of the state under section 312.2, subsection 14, to the state department of transportation for public transit assistance under chapter 324A for the fiscal year beginning July 1, 2001, and ending June 30, 2002, is reduced by the following amount:

..... \$ 1,107,938
 Sec. 68. Chapter 2A, Code 2001, is repealed.

Sec. 69. EFFECTIVE DATE -- CONTINGENCY -- REPORT TO CODE EDITOR. The section of this division of this Act amending section 249A.3, relating to the optional category of individuals covered under the medical assistance program relating to persons with disabilities who have earned income, takes effect only if the department does not win the appeal against the centers for Medicare and Medicaid of the United States department of health and human services relating to the state plan amendment. The department shall notify the Code editor when the department is notified of a decision on the appeal in order to identify an effective date.

Sec. 70. EFFECTIVE DATE. The section in this Act relating to dental services for adults under the medical assistance program, being deemed of immediate importance, takes effect upon enactment.

Sec. 71. EFFECTIVE DATE. The section of this division of this Act that amends 2001 Iowa Acts, chapter 182, section 7, being deemed of immediate importance, takes effect upon enactment.

Sec. 72. EFFECTIVE DATE. The provision of this division of this Act amending 2001 Iowa Acts, chapter 191, section 14, relating to the department of human services exceeding its budget target for group foster care by up to twenty percent in fiscal year 2001-2002.

DIVISION III
 CORRECTIVE AMENDMENTS

Sec. 73. Section 8.55, subsection 2, paragraph d, if enacted by 2002 Iowa Acts, House File 2075, section 1, is amended to read as follows:

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Veto

d. Notwithstanding paragraph "a", any moneys in excess of the maximum balance in the economic emergency fund after the distribution of the surplus in the general fund of the state at the conclusion of each fiscal year and after the appropriate amount amounts have been transferred pursuant to paragraphs "b" and "c" shall not be transferred to the general fund of the state but shall be transferred to the endowment for Iowa's health account of the tobacco settlement trust fund. The total amount transferred, in the aggregate, under this paragraph for all fiscal years shall not exceed the difference between fifty-one million five hundred thousand dollars and the amounts transferred to the endowment for Iowa's health account to repay the amounts transferred or appropriated from the endowment for Iowa's health account in 2002 Iowa Acts, House File 2245, 2002 Iowa Acts, Senate File 2304, and 2002 Iowa Acts, Senate File 2315.

Sec. 74. Section 10D.1, unnumbered paragraph 1, as enacted by 2002 Iowa Acts, Senate File 2210, section 3, is amended to read as follows:

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

Sec. 75. Section 15E.42, subsection 3, as enacted by 2002 Iowa Acts, House File 2271, section 2, is amended to read as follows:

3. "Investor" means an individual making a cash investment in a qualifying business or a person making a cash investment in a community-based seed capital fund. "Investor" does not include a person which is a current or previous owner, member, or shareholder in a qualified qualifying business.

Sec. 76. Section 15E.43, subsection 1, paragraph a, as enacted by 2002 Iowa Acts, House File 2271, section 3, is amended to read as follows:

a. For tax years beginning on or after January 1, 2002, a tax credit shall be allowed against the taxes imposed in chapter 422, division II, for a portion of an individual taxpayer's equity investment, as provided in subsection 2, in a qualified qualifying business. An individual shall not

claim a tax credit under this paragraph of a partnership, limited liability company, S corporation, estate, or trust electing to have income taxed directly to the individual.

Sec. 77. Section 15E.224, subsection 1, as enacted by 2002 Iowa Acts, House File 2078, section 4, is amended to read as follows:

1. An Iowa capital investment corporation may be organized as a private, not-for-profit corporation under chapter 504A. The Iowa capital investment corporation is not a public corporation or instrumentality of the state and shall not enjoy any of the privileges and shall not be required to comply with the requirements of a state agency. Except as otherwise provided in this division, this division does not exempt the corporation from the requirements under state law which apply to other corporations organized under chapter 504A. The purposes of an Iowa capital investment corporation shall be to organize the Iowa fund of funds, to select a venture capital investment fund allocation manager to select venture capital fund investments by the Iowa fund of funds, to negotiate the terms of a contract with the venture capital investment fund allocation manager, to execute the contract with the selected venture capital investment fund allocation manager on behalf of the Iowa fund of funds, to receive investment returns from the Iowa fund of funds, and to reinvest the investment returns in additional venture capital investments designed to result in a significant potential to create jobs and to diversify and stabilize the economy of the state. The corporation shall not exercise governmental functions and shall not have members. The obligations of the corporation are not obligations of this state or any political subdivision of this state within the meaning of any constitutional or statutory debt limitations, but are obligations of the corporation payable solely and only from the corporation's funds. The corporation shall not and cannot pledge the credit or taxing power of this state or any political subdivision of this state or make its debts payable out of any moneys except those of the corporation.

Sec. 78. Section 29A.90, subsection 3, if enacted by 2002 Iowa Acts, Senate File 2124, section 24, is amended to read as follows:

3. "Military service" means full-time active state service or state active duty, as defined in section 29A.1, for a period of at least ninety consecutive days, commencing on or after the effective date of this division of this Act.

Sec. 79. Section 41.1, subsection 28, Code 2001, as amended by 2001 Iowa Acts, First Extraordinary Session, chapter 1, section 2, is amended to read as follows:

28. The twenty-eighth representative district in Dubuque county shall consist of those portions of Dubuque and Table Mound townships and the city of Dubuque bounded by a line commencing at the point Asbury road intersects the east corporate limit of the city of Asbury, then proceeding first south, and then in a clockwise manner along the corporate limits of the city of Asbury until it intersects the west east boundary of Dubuque Center township, then proceeding first south, and then in a clockwise manner along the west boundary of Dubuque Center township until it intersects the east boundary of Vernon township and the corporate limits of the city of Dubuque, then proceeding first west south, and then in a counterclockwise manner along the corporate limits of the city of Dubuque until it intersects the south boundary of Dubuque township, then proceeding east along the south boundary of Dubuque township until it intersects the corporate limits of the city of Dubuque, then proceeding first east, and then in a counterclockwise manner along the corporate limits of the city of Dubuque until it intersects the east boundary of Table Mound township, then proceeding north along the boundary of Table Mound township until it intersects the corporate limits of the city of Dubuque, then proceeding first east, and then in a counterclockwise manner along the corporate limits of the city of Dubuque until it intersects the Peosta channel of the Mississippi river, then proceeding southwesterly along the Peosta channel until it intersects East Sixteenth street, then proceeding southwesterly along

East Sixteenth street until it intersects Kerper boulevard, then proceeding northerly along Kerper boulevard until it intersects Fengler street, then proceeding northwest along Fengler street until it intersects the I & M Rail Link tracks, then proceeding southwest along the I & M Rail Link tracks until it intersects the extension of Stafford street, then proceeding westerly along the extension of Stafford street until it intersects Garfield avenue, then proceeding southwest along Garfield avenue until it intersects East Twentieth street, then proceeding southwesterly along East Twentieth street until it intersects Central avenue, then proceeding northwest along Central avenue until it intersects West Twenty-third street, then proceeding southwesterly along West Twenty-third street until it intersects Valeria street, then proceeding northwesterly along Valeria street until it intersects Kaufmann avenue, then proceeding southeast along Kaufmann avenue until it intersects Hempstead street, then proceeding southwest along Hempstead street until it intersects Montcrest street, then proceeding westerly along Montcrest street until it intersects Portland street, then proceeding southwest along Portland street until it intersects Abbott street, then proceeding south along Abbott street until it intersects Lowell street, then proceeding east along Lowell street until it intersects Harold street, then proceeding south along Harold street until it intersects Clarke drive, then proceeding easterly along Clarke drive until it intersects Foye street, then proceeding southerly along Foye street until it intersects West Locust street, then proceeding west along West Locust street until it intersects Kirkwood street, then proceeding southwest along Kirkwood street until it intersects Cox street, then proceeding southeast along Cox street until it intersects Loras boulevard, then proceeding southwest along Loras boulevard until it intersects Wood street, then proceeding southeast along Wood street until it intersects University avenue, then proceeding east along University avenue until it intersects Delhi street, then proceeding southwest along Delhi street until it intersects

West Fifth street, then proceeding southeast along West Fifth street until it intersects College street, then proceeding southerly along College street until it intersects West Third street, then proceeding southwest along West Third street until it intersects North Grandview avenue, then proceeding south along North Grandview avenue until it intersects Hale street, then proceeding west along Hale street until it intersects North Algona street, then proceeding north along North Algona street until it intersects Bennett street, then proceeding west along Bennett street until it intersects McCormick street, then proceeding northerly along McCormick street until it intersects Mineral street, then proceeding west along Mineral street until it intersects O'Hagen street, then proceeding north along O'Hagen street until it intersects Pearl street, then proceeding west along Pearl street until it intersects Finley street, then proceeding northwest along Finley street until it intersects University avenue, then proceeding northeast along University avenue until it intersects Asbury road, then proceeding northwesterly along Asbury road until it intersects Wilbricht lane, then proceeding west along Wilbricht lane until it intersects Flora Park road, then proceeding southwesterly along Flora Park road until it intersects Pennsylvania avenue, then proceeding west along Pennsylvania avenue until it intersects Churchill drive, then proceeding north along Churchill drive until it intersects St. Anne drive, then proceeding west along St. Anne drive until it intersects Carter road, then proceeding north along Carter road until it intersects Hillcrest road, then proceeding west along Hillcrest road until it intersects John F. Kennedy road, then proceeding north along John F. Kennedy road until it intersects Hillcrest road, then proceeding west along Hillcrest road until it intersects Key Largo drive, then proceeding south along Key Largo drive until it intersects Keymeer drive, then proceeding east along Keymeer drive until it intersects Key Way drive, then proceeding south along Key Way drive until it intersects the north fork of Catfish creek, then proceeding west along the

north fork of Catfish creek until it intersects the extension of Winne court, then proceeding north along Winne court and its extension until it intersects Hillcrest road, then proceeding east along Hillcrest road until it intersects the north branch of the north fork of Catfish creek, then proceeding northwesterly along the north branch of the north fork of Catfish creek until it intersects the northwest branch of the north fork of Catfish creek, then proceeding northwest along the northwest branch of the north fork of Catfish creek until it intersects Asbury road, then proceeding west along Asbury road to the point of origin.

Sec. 80. Section 53.7, subsection 2, Code 2001, as amended by 2002 Iowa Acts, House File 2409, section 11, is amended to read as follows:

2. It is unlawful for any public officer or employee, or any person acting under color of a public officer or employee, to knowingly require a public employee to solicit an application or request for an application for an absentee ballot, or to knowingly ~~requires-that~~ require an employee to take an affidavit or request for an affidavit in connection with an absentee ballot application.

Sec. 81. Section 256F.4, subsections 1 and 3, if enacted by 2002 Iowa Acts, Senate File 348, section 4, are amended to read as follows:

1. Within fifteen days after approval of a charter school application submitted in accordance with section 256F.3, subsection 2, a school board shall report to the department the name of the charter school applicant entry, the proposed charter school location, and its projected enrollment.

3. A charter school shall not discriminate in its student admissions policies or practices on the basis of intellectual or athletic ability, measures of achievement or aptitude, or status as a person with a disability. However, a charter school may limit admission to students who are within a particular range of age ages or grade level levels or on any other basis that would be legal if initiated by a school district. Enrollment priority shall be given to the siblings of students enrolled in a charter school.

Sec. 82. Section 303A.7, subsection 1, as enacted by 2002 Iowa Acts, House File 2571, section 8, is amended to read as follows:

1. An Iowa cultural trust grant account is created in the office of the treasurer of state under the control of the board to receive interest attributable to the investment of trust fund moneys as required by section 303A.4, subsection 4. The moneys in the grant account are appropriated to the board for purposes of the Iowa cultural trust created in section 303A.4. Moneys in the grant account shall not be subject to appropriation for any other purpose by the general assembly, but shall be used only for the purposes of the Iowa cultural trust. The treasurer of state shall act as custodian of the grant account and disburse moneys contained in the grant account as directed by the board. The board shall make expenditures from the grant account consistent with the purposes of the Iowa cultural trust.

Sec. 83. Section 356.36A, as enacted by 2002 Iowa Acts, Senate File 2278, section 1, is amended to read as follows:

356.36A CONFINEMENT AND DETENTION REPORT -- DESIGN PROPOSALS.

The division of criminal and juvenile justice planning of the department of human rights, in consultation with the department of corrections, the Iowa county attorneys association, the Iowa state sheriff's association, the Iowa association of chiefs of police and peace officers, a statewide organization representing rural property taxpayers, the Iowa league of cities, and the Iowa board of supervisors association, shall prepare a report analyzing the confinement and detention needs of jails and facilities established pursuant to ~~chapter~~ chapters 356 and 356A. The report for each type of jail or facility shall include but is not limited to an inventory of prisoner space, daily prisoner counts, options for detention of prisoners with mental illness or substance abuse service needs, and the compliance status under section 356.36 for each jail or facility. The report shall contain an inventory of recent jail or facility construction

projects in which voters have approved the issuance of general obligation bonds, essential county purpose bonds, revenue bonds, or bonds issued pursuant to chapter 422B. The report shall be revised periodically as directed by the administrator of the division of criminal and juvenile justice planning. The first submission of the report shall include recommendations on offender data needed to estimate jail space needs in the next two, three, and five years, on a county, geographic region, and statewide basis, which may be based upon information submitted pursuant to section 356.49.

Sec. 84. Section 359.49, subsection 7A, unnumbered paragraph 1, as enacted by 2002 Iowa Acts, House File 2448, section 1, is amended to read as follows:

A township that has entered into an agreement with a municipality to receive fire protection service or emergency medical service from the municipality may request that a portion of its taxes be paid directly to the municipality providing the fire protection service or emergency medical service. Each year, the township must note its request on the budget and must attach a copy of the emergency services agreement to each copy of the budget transmitted to the county auditor. The auditor shall direct the county treasurer as to what portion of the township taxes to disburse to the municipality providing the fire protection service or emergency medical service.

Sec. 85. Section 453A.58, subsection 1, paragraph a, as created in 2002 Iowa Acts, Senate File 2317, section 4, if enacted, is amended to read as follows:

a. The tobacco product manufacturer of the brand, or any predecessor tobacco product manufacturer of the brand, is a participating manufacturer ~~in-compliance-with~~ as described in section 453C.2, subsection 1.

Sec. 86. Section 453A.58, subsection 2, as created in 2002 Iowa Acts, Senate File 2317, section 4, if enacted, is amended to read as follows:

2. A distributor shall not affix stamps or cause stamps to be affixed to individual packages of any brand of cigarettes,

subsequent to notice to the distributor by the department of revenue and finance that the tobacco product manufacturer is in-violation-of-chapter-453E not in compliance with subsection 1 with reference to that brand.

Sec. 87. Section 453A.59, subsection 1, paragraph a, as created in 2002 Iowa Acts, Senate File 2317, section 5, if enacted, is amended to read as follows:

a. A participating manufacturer pursuant-to described in section 453C.2, subsection 1.

Sec. 88. Section 490.732, subsection 4, if enacted by 2002 Iowa Acts, House File 2509, section 22, is amended to read as follows:

4. An agreement authorized by this section shall cease to be effective when shares of the corporation are listed on a national securities exchange or regularly traced traded in a market maintained by one or more members of a national or affiliated securities association. If the agreement ceases to be effective for any reason, the board of directors may, if the agreement is contained or referred to in the corporation's articles of incorporation or bylaws, adopt an amendment to the articles of incorporation or bylaws, without shareholder action, to delete the agreement and any references to it.

Sec. 89. Section 490.853, subsection 3, unnumbered paragraph 1, if enacted by 2002 Iowa Acts, House File 2509, section 47, is amended to read as follows:

Authorizations under this section shall be made according to the one of the following:

Sec. 90. Section 490.1003, subsection 2, if enacted by 2002 Iowa Acts, House File 2509, section 56, is amended to read as follows:

2. Except as provided in section sections 490.1005, 490.1007, and 490.1008, after adopting the proposed amendment, the board of directors must submit the amendment to the shareholders for their approval. The board of directors must also transmit to the shareholders a recommendation that the shareholders approved the amendment, unless the board of directors makes a determination that because of conflicts of

interest or other special circumstances it should not make such a recommendation, in which case the board of directors must transmit to the shareholders the basis for the determination.

Sec. 91. Section 490.1303, subsection 2, paragraph b, Code 2001, as amended by 2002 Iowa Acts, House File 2509, section 80, if enacted, is amended to read as follows:

b. Does so with respect to all shares of the class of or series that are beneficially owned by the beneficial shareholder.

Sec. 92. Section 524.814, Code 2001, is amended to read as follows:

524.814 PLEDGE OF ASSETS.

Pursuant to a resolution of its board of directors, a state bank may lend or pledge its assets for the following purposes, and for no other purposes:

1. To secure deposits of the state bank or a bank that is an affiliate of the state bank when a customer is required to obtain such security, or a bank is required to provide security, by the laws of the United States, by any agency or instrumentality of the United States, by the laws of the state of Iowa, by the state board of regents, by a resolution or ordinance relating to the issuance of bonds, by the terms of any interstate compact or by order of any court of competent jurisdiction. The lending of securities to a bank that is an affiliate, or the pledging of securities for the account of a bank that is an affiliate, shall be on terms and conditions that are consistent with safe and sound banking practices.

2. To secure money borrowed by the state bank, provided that capital notes or debentures issued pursuant to section 524.404 shall not in any event be secured by a pledge of assets or otherwise.

3. To secure participations sold to the federal agricultural mortgage corporation.

Sec. 93. Section 633.4213, subsection 1, Code Supplement 2001, as amended by 2002 Iowa Acts, House File 2531, section 12, if enacted, is amended to read as follows:

1. The trustee shall inform each qualified beneficiary of their the beneficiary's right to receive an annual accounting and a copy of the trust instrument. The trustee shall also inform each qualified beneficiary about the process necessary to obtain an annual accounting or a copy of the trust instrument, if not provided. The trustee shall further inform the beneficiary whether the beneficiary will, or will not, receive an annual accounting if the beneficiary fails to take any action. If a beneficiary has previously been provided the notice required by this section, additional notice shall not be required due to a change of trustees or a change in the composition of the qualified beneficiaries.

Sec. 94. Section 724.26, as amended by 2002 Iowa Acts, House File 2363, section 4, is amended to read as follows:

724.26 POSSESSION, RECEIPT, TRANSPORTATION, OR DOMINION AND CONTROL OF FIREARMS AND OFFENSIVE WEAPONS BY FELONS.

A person who is convicted of a felony in a state or federal court, or who is adjudicated delinquent on the basis of conduct that would constitute a felony if committed by an adult, and who knowingly has under the person's dominion and control or possession, or receives, or transports or causes to be transported a firearm or offensive weapon is guilty of a class "D" felony.

Sec. 95. 2001 Iowa Acts, chapter 174, section 1, subsection 1, unnumbered paragraph 3, as enacted by 2002 Iowa Acts, Senate File 2315, section 4, is amended to read as follows:

For the fiscal year beginning July 1, 2002, and ending June 30, 2003, of the \$75,000,000 to be deposited in the endowment for Iowa's health account of the tobacco settlement trust fund under this subsection, ~~the first~~ \$20,000,000 is appropriated to the department of management to pay that part of foundation aid which represents the allowable growth amounts for all school districts. An appropriation from the general fund of the state for foundation aid which is supplanted by the appropriation made in this subsection, shall be reduced by the amount of the appropriation which supplants it.

Sec. 96. 2002 Iowa Acts, Senate File 348, section 14, if enacted, is amended to read as follows:

SEC. 14. EXPEDITED APPLICATION PROCEDURE. The state board of education shall develop an expedited charter school application procedure for the fiscal year beginning July 1, ~~2003~~ 2002, for purposes of receiving federal planning funds issued pursuant to the federal Elementary and Secondary Education Act of 1965, Title X, Part C, as codified in 20 U.S.C. § 8061-8067.

Sec. 97. 2002 Iowa Acts, Senate File 2326, section 38, subsection 2, if enacted, is amended to read as follows:

2. If House File ~~2524~~ 2617 is enacted by the Seventy-ninth General Assembly, 2002 Session, the amount appropriated in subsection 1 shall be increased by \$38,000. The increased amount shall be used to fill a vacant position in the dairy products control bureau.

Sec. 98. 2002 Iowa Acts, Senate File 2326, section 175, subsection 2, unnumbered paragraph 2, if enacted, is amended to read as follows:

If total approved claims for reimbursement for nonpublic school pupil transportation claims exceed the amount appropriated in this section subsection, the department of education shall prorate the amount of each claim.

Sec. 99. 2002 Iowa Acts, House File 2378, section 10, subsection 1, if enacted, is amended to read as follows:

1. Section 4 of this Act, amending section 15E.193C, subsections 2, 5, and 10, Code Supplement 2001, being deemed of immediate importance, takes effect April 30, 2002, and, if approved by the governor after April 30, 2002, shall apply retroactively to April 30, 2002.

Sec. 100. 2002 Iowa Acts, Senate File 2275, sections 170 through 174, if enacted, are repealed.

Sec. 101. 2002 Iowa Acts, House File 2453, section 6, if enacted, is repealed.

Sec. 102. EFFECTIVE DATE. The sections in this division of this Act amending new Code section 29A.90, subsection 3, and 2002 Iowa Acts, Senate File 348, section 14, being deemed of immediate importance, take effect upon enactment.

Sec. 103. CONTINGENT EFFECTIVE DATE. The section in this division of this Act amending section 524.814 is effective contingent upon the enactment of 2002 Iowa Acts, House File 681.

DIVISION IV

MH/MR/DD -- FY 2003-2004 ALLOWED GROWTH

Sec. 104. COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES ALLOWED GROWTH FACTOR ADJUSTMENT AND ALLOCATIONS -- FISCAL YEAR 2003-2004. There is appropriated from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2003, and ending June 30, 2004, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For distribution to counties of the county mental health, mental retardation, and developmental disabilities allowed growth factor adjustment, as provided in this section in lieu of the provisions of section 331.438, subsection 2, and section 331.439, subsection 3, and chapter 426B:

..... \$ 19,073,638

1. The funding appropriated in this section is the allowed growth factor adjustment for fiscal year 2003-2004, and is allocated as follows:

a. For distribution as provided in this section:

..... \$ 17,073,638

b. For deposit in the risk pool created in the property tax relief fund and for distribution in accordance with section 426B.5, subsection 2:

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

2. The following formula amounts shall be utilized only to calculate preliminary distribution amounts for fiscal year 2003-2004 under this section by applying the indicated formula provisions to the formula amounts and producing a preliminary distribution total for each county:

a. For calculation of an allowed growth factor adjustment amount for each county in accordance with the formula in section 331.438, subsection 2, paragraph "b":

..... \$ 12,000,000

b. For calculation of a distribution amount for eligible counties from the per capita expenditure target pool created in the property tax relief fund in accordance with the requirements in section 426B.5, subsection 1:

..... \$ 12,492,712

c. For calculation of a distribution amount for counties from the mental health and developmental disabilities (MH/DD) community services fund in accordance with the formula provided in 2002 Iowa Acts, Senate File 2326, section 119, subsection 1:

..... \$ 18,127,352

3. Notwithstanding any contrary provisions of sections 225C.7, 331.438, subsection 2, 331.439, subsection 3, and 426B.5, the moneys allocated for distribution in subsection 1, paragraph "b", and in any other Act of the Eightieth General Assembly, 2003 Session, for distribution to counties in the fiscal year beginning July 1, 2003, for purposes of the mental health and developmental disabilities (MH/DD) community services fund under section 225C.7, and for the allowed growth factor adjustment for services paid under a county's section 331.424A mental health, mental retardation, and developmental disabilities services fund and as calculated under subsection 2 to produce preliminary distribution amounts for counties shall be subject to withholding as provided in this section.

4. After applying the applicable statutory distribution formulas to the amounts indicated in subsection 2 for purposes to produce preliminary distribution totals, the department of human services shall apply a withholding factor to adjust an eligible individual county's preliminary distribution total. An ending balance percentage for each county shall be determined by expressing the county's ending balance on a modified accrual basis under generally accepted accounting principles for the fiscal year beginning July 1, 2002, in the county's mental health, mental retardation, and developmental disabilities services fund created under section 331.424A, as a percentage of the county's gross expenditures from that fund

for that fiscal year. The withholding factor for a county shall be the following applicable percent:

- a. For an ending balance percentage of less than 10 percent, a withholding factor of 0 percent.
- b. For an ending balance percentage of 10 through 24 percent, a withholding factor of 25 percent.
- c. For an ending balance percentage of 25 through 34 percent, a withholding factor of 60 percent.
- d. For an ending balance percentage of 35 through 44 percent, a withholding factor of 85 percent.
- e. For an ending balance percentage of 45 percent or more, a withholding factor of 100 percent.

5. The total withholding amounts applied pursuant to subsection 4 shall be equal to a withholding target amount of \$7,419,074 and the appropriation enacted by the Eightieth General Assembly, 2003 Session, for the MH/DD community services fund shall be reduced by the amount necessary to attain the withholding target amount. If the department of human services determines that the amount to be withheld in accordance with subsection 4 is not equal to the target withholding amount, the department shall adjust the withholding factors listed in subsection 4 as necessary to achieve the withholding target amount. However, in making such adjustments to the withholding factors, the department shall strive to minimize changes to the withholding factors for those ending balance percentage ranges that are lower than others and shall not adjust the zero withholding factor specified in subsection 4, paragraph "a".

6. A county must comply with both the requirements listed in this subsection to be eligible to receive a funding distribution under this section. The amount that would otherwise be available for distribution to a county that fails to so comply shall be proportionately distributed among the eligible counties. Both of the following requirements are applicable:

- a. A county must comply with the December 1, 2003, filing deadline for the county annual financial report in accordance with section 331.403.

b. A county must levy the not less than 70 percent of the maximum amount allowed for the county's mental health, mental retardation, and developmental disabilities services fund under section 331.424A for taxes due and payable in the fiscal year beginning July 1, 2003.

7. The department of human services shall authorize the issuance of warrants payable to the county treasurer for the distribution amounts due the counties eligible under this section and notwithstanding prior practice for the MH/DD community services fund, the warrants shall be issued in January 2004.

DIVISION V
APPROPRIATION ADJUSTMENTS

Sec. 105. SECRETARY OF STATE. 2002 Iowa Acts, Senate File 2326, section 23, subsection 2, if enacted, is amended to read as follows:

2. BUSINESS SERVICES

For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$ 17,433,295
	<u>1,533,235</u>
.....	FTEs 32.00

Sec. 106. 2002 Iowa Acts, Senate File 2326, section 79, subsections 17 and 18, if enacted, are amended to read as follows:

17. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:

.....	\$ 7,750,000
	<u>16,100,000</u>

Notwithstanding section 8.33, any moneys remaining unencumbered or unobligated from the moneys allocated as provided in this subsection shall not revert but shall remain available in the succeeding fiscal year for expenditure for the purposes designated. The provisions of section 8.39 shall

not apply to the funds appropriated pursuant to this subsection.

18. COMMUNITY COLLEGES

For general state financial aid, including general financial aid to merged areas in lieu of personal property tax replacement payments, to merged areas as defined in section 260C.2, for vocational education programs in accordance with chapters 258 and 260C:

..... \$137,585,680
138,585,680

The funds appropriated in this subsection shall be allocated as follows:

- a. Merged Area I \$ 6,602,828
6,650,811
- b. Merged Area II \$ 7,755,900
7,812,271
- c. Merged Area III \$ 7,205,055
7,257,423
- d. Merged Area IV \$ 3,522,678
3,547,274
- e. Merged Area V \$ 7,367,785
7,421,336
- f. Merged Area VI \$ 6,826,113
6,875,727
- g. Merged Area VII \$ 9,849,174
9,920,760
- h. Merged Area IX \$ 12,113,770
12,201,815
- i. Merged Area X \$ 19,011,042
19,149,218
- j. Merged Area XI \$ 20,177,551
20,324,204
- k. Merged Area XII \$ 7,949,367
8,007,145
- l. Merged Area XIII \$ 8,174,348
8,233,761
- m. Merged Area XIV \$ 3,563,678

- n. Merged Area XV \$ 11,213,616
11,295,119
- o. Merged Area XVI \$ 6,253,791
6,299,245

Sec. 107. REGENTS INSTITUTIONS. The amounts appropriated from the general fund of the state to the state board of regents for the state university of Iowa, the Iowa state university of science and technology, and the university of northern Iowa, in 2002 Iowa Acts, Senate File 2326, section 81, subsections 2, 3, and 4, if enacted, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, are reduced by the following amount:

..... \$ 5,000,000

The state board of regents shall apply the reduction made in this section to the appropriations made to the indicated institutions in a manner so that an institution's appropriation is reduced in proportion to the amount the institution's appropriation in 2002 Iowa Acts, Senate File 2326, section 81, bears to the total amount appropriated in that section to the three institutions.

Sec. 108. MEDICAL ASSISTANCE. 2002 Iowa Acts, Senate File 2326, section 104, unnumbered paragraph 2, if enacted, is amended to read as follows:

For medical assistance reimbursement and associated costs as specifically provided in the reimbursement methodologies in effect on June 30, 2002, except as otherwise expressly authorized by law, including reimbursement for abortion services, which shall be available under the medical assistance program only for those abortions which are medically necessary:

..... \$416,607,073
412,907,073

Sec. 109. CHILDREN'S HEALTH INSURANCE PROGRAM. 2002 Iowa Acts, Senate File 2326, section 106, unnumbered paragraph 2, if enacted, is amended to read as follows:

For maintenance of the healthy and well kids in Iowa (hawk-i) program pursuant to chapter 514I for receipt of federal financial participation under Title XXI of the federal Social Security Act, which creates the state children's health insurance program:

..... \$ 9,958,412
11,458,412

Sec. 110. 2002 Iowa Acts, Senate File 2326, section 172, if enacted, is amended to read as follows:

SEC. 172. EDUCATIONAL EXCELLENCE. Notwithstanding section 294A.25, subsection 1, the amount appropriated from the general fund of the state under section 294A.25, subsection 1, to the department of education for phase III moneys for the fiscal year beginning July 1, 2002, and ending June 30, 2003, is reduced by the following amount:

..... \$ ~~11,750,000~~
14,000,000

Sec. 111. UNDERGROUND STORAGE TANK FUND. Notwithstanding section 455G.3, subsection 1, there is transferred from the Iowa comprehensive petroleum underground storage tank fund created in section 455G.3, subsection 1, to the department of education during the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, to be used for the purposes designated:

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:
..... \$ 8,900,000

Moneys transferred in this section are appropriated to the department to be used for the purposes designated. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year. The provisions of section 8.39 do not apply to the moneys appropriated in this section.

Sec. 112. PREMIUM TAX REVENUES. Notwithstanding any provision of law to the contrary, if 2002 Iowa Acts, Senate File 2318, is enacted, before any premium tax revenues are credited to the general fund of the state for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount of the revenues first received is appropriated to the department of education for the fiscal year beginning July 1, 2002, and ending June 30, 2003, to be used for the purposes designated:

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:
..... \$ 10,000,000

Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year. The provisions of section 8.39 do not apply to the moneys appropriated in this section.

Sec. 113. REBUILD IOWA INFRASTRUCTURE FUND -- GAMBLING REVENUES. Notwithstanding section 8.57, subsection 5, there is transferred from pari-mutuel wagering and gambling revenues credited to the rebuild Iowa infrastructure fund created in section 8.57, subsection 5, for public vertical infrastructure projects, to the department of education for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following amount, to be used for the purposes designated:

For purposes, as provided in law, of the student achievement and teacher quality program established pursuant to chapter 284:
..... \$ 5,000,000

Moneys transferred in this section are appropriated to the department to be used for the purposes designated. Notwithstanding section 8.33, moneys appropriated in this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of

the succeeding fiscal year. The provisions of section 8.39 do not apply to the moneys appropriated in this section.

BRENT SIEGRIST
Speaker of the House

MARY E. KRAMER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2623, Seventy-ninth General Assembly.

Item Veto

Approved

May 10, 2002

MARGARET THOMSON
Chief Clerk of the House

THOMAS J. VILSACK
Governor