

FEB 9 2006
Place On Calendar

HOUSE FILE 2330
BY COMMITTEE ON HUMAN RESOURCES

(SUCCESSOR TO HF 2106)

Passed House, Date 3-8-06 Passed Senate, Date 3-29-06
Vote: Ayes 96 Nays 2 Vote: Ayes 46 Nays 2
Approved April 26, 2006

A BILL FOR

1 An Act relating to the allowed growth factor adjustment funding
2 for county mental health, mental retardation, and
3 developmental disabilities services funds and including
4 effective date and retroactive applicability provisions.

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

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HF-2330

1 Section 1. Section 331.438, subsection 2, Code Supplement
2 2005, is amended by adding the following new paragraph:

3 NEW PARAGRAPH. d. Unless otherwise provided by law, in
4 order to be included in any distribution formula for the
5 allowed growth factor adjustment and to receive an allowed
6 growth factor adjustment payment, a county must levy seventy
7 percent or more of the maximum amount allowed for the county's
8 services fund for taxes due and payable in the fiscal year for
9 which the allowed growth factor adjustment is payable.

10 Sec. 2. 2004 Iowa Acts, chapter 1175, section 173,
11 subsection 4, paragraph c, as enacted by 2005 Iowa Acts,
12 chapter 175, section 52, is amended to read as follows:

13 c. For an ending balance percentage of 10 or more but less
14 than 25 percent, a withholding factor of ~~25~~ 28.043 percent.
15 However, for a county with an ending balance percentage of 10
16 or more but less than 15 percent that meets the eligibility
17 requirements for a distribution from the per capita
18 expenditure target pool under section 426B.5 for the fiscal
19 year beginning July 1, 2005, the withholding factor shall be
20 14.643 percent.

21 Sec. 3. EFFECTIVE DATE -- RETROACTIVE APPLICABILITY. This
22 Act, being deemed of immediate importance, takes effect upon
23 enactment and is retroactively applicable to July 1, 2005, and
24 is applicable on and after that date.

25 EXPLANATION

26 This bill revises the distribution provisions for the
27 allowed growth factor adjustment funding for county mental
28 health, mental retardation, and developmental disabilities
29 (MH/MR/DD) services funds under Code section 331.424A.

30 Code section 331.438, relating to the allowed growth factor
31 adjustment funding, planning, and payment of the funding, is
32 amended. The amendment provides that a county cannot be
33 included in any distribution formula for the allowed growth
34 factor adjustment or receive a payment unless the county
35 levies at least 70 percent of the maximum amount allowed for

1 the county's services fund in the year in which the allowed
2 growth adjustment is payable.

3 The bill amends the session law providing the distribution
4 formula for the FY 2005-2006 allowed growth factor adjustment.
5 Existing law provides that if a county has an ending balance
6 percentage in the county MH/MR/DD services fund at the close
7 of FY 2004-2005 that is more than 10 percent but less than 25
8 percent of the county's gross expenditures from the services
9 fund in that fiscal year, the amount of the allowed growth
10 factor adjustment payment to that county for FY 2005-2006 is
11 reduced by a withholding factor of 25 percent. The bill
12 changes that withholding factor to 28.043 percent. Existing
13 law provides the department of human services with authority
14 to adjust the withholding percentage in order for the overall
15 withholding amount to be achieved. The bill also provides
16 that if a county had an ending balance percentage of more than
17 10 but less than 15 percent and qualified for a distribution
18 from the per capita expenditure target pool for FY 2005-2006,
19 the withholding factor is 14.643 percent.

20 The bill takes effect upon enactment, is retroactively
21 applicable to July 1, 2005, and is applicable on and after
22 that date.

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HOUSE FILE 2330

AN ACT

RELATING TO THE ALLOWED GROWTH FACTOR ADJUSTMENT FUNDING FOR COUNTY MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES SERVICES FUNDS AND INCLUDING EFFECTIVE DATE AND RETROACTIVE APPLICABILITY PROVISIONS.

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

Section 1. Section 331.438, subsection 2, Code Supplement 2005, is amended by adding the following new paragraph:

NEW PARAGRAPH. d. Unless otherwise provided by law, in order to be included in any distribution formula for the allowed growth factor adjustment and to receive an allowed growth factor adjustment payment, a county must levy seventy percent or more of the maximum amount allowed for the county's services fund for taxes due and payable in the fiscal year for which the allowed growth factor adjustment is payable.

Sec. 2. 2004 Iowa Acts, chapter 1175, section 173, subsection 4, paragraph c, as enacted by 2005 Iowa Acts, chapter 175, section 52, is amended to read as follows:

c. For an ending balance percentage of 10 or more but less than 25 percent, a withholding factor of 25 28.043 percent. However, for a county with an ending balance percentage of 10 or more but less than 15 percent that meets the eligibility requirements for a distribution from the per capita expenditure target pool under section 426B.5 for the fiscal year beginning July 1, 2005, the withholding factor shall be 14.643 percent.

Sec. 3. EFFECTIVE DATE -- RETROACTIVE APPLICABILITY. This Act, being deemed of immediate importance, takes effect upon

enactment and is retroactively applicable to July 1, 2005, and is applicable on and after that date.

CHRISTOPHER C. RANTS
Speaker of the House

JEFFREY M. LAMBERTI
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2330, Eighty-first General Assembly.

MARGARET THOMSON
Chief Clerk of the House

Approved _____, 2006

THOMAS J. VILSACK
Governor