



AMENDMENT SUMMARY

Standing and Miscellaneous Provisions SF 510

Status of Bill: House Appropriations Committee
Committee: Appropriations (Senate 26-21)
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Amendment Summary

Proposed Subcommittee Amendment SF510.2065: Strikes everything after the enacting clause and rewrites the bill as follows:

Division I – Standing Appropriations and Related Matters

Budget Process for FY 2017 – (Same as the Senate) Allows the Governor and state agencies to use full base budgeting as was done in prior years, for the preparation of the FY 2017 recommendations. This provision is intended to avoid the development of two budgeting processes, one to reflect the budgeting requirements in the code and one using the budgeting for results process that is utilized by the current administration. The language requires the Director of the Department of Management (DOM) to consult with the Legislative Services Agency prior to submitting the budgeting process to the state agencies. The DOM director will submit blanks to the agencies to provide their estimates of expenditure requirements, including all proposed expenditures for the ensuing fiscal year together with supporting data and explanations. The expenditures proposed by state agencies are to include a prioritization by program or the results to be achieved. The estimates are to include performance measures for evaluating the effectiveness of the programs or results.

Limitations on Standings FY 2016 – (Same as the Senate) There are numerous appropriations established in Iowa statutes that are referred to as standing appropriations. The appropriation will occur unless this General Assembly makes modifications to those appropriations. The bill modifies the following FY 2016 standing appropriations and sets the appropriations as follows:

- **County Endowment Community Cultural Grants** – The bill funds at \$416,702 for FY 2016, which is the same as FY 2015. The standing appropriation is at \$520,000.
- **Nonpublic School Transportation** – The bill sets the funding at \$8.56 million for FY 2016, which is the same as FY 2015. This is the same level as recommended by the Governor. The funding is \$1.4 million below the standing appropriation. If claims exceed the amount appropriated, the Department of Education is directed to prorate the amount of each claim.
- **Tobacco Reporting** – The bill provides \$18,416 to the Department of Revenue for tobacco product enforcement requirements in FY 2016, the same as the previous year. This is the same level recommended by the Governor. This funding level is \$6,584 less than the standing appropriation.

Limitations on Standings FY 2017 – (Same as the Senate) The bill modifies the following FY 2017 standing appropriations and sets the appropriations as follows:

- **County Endowment Community Cultural Grants** – The bill funds at \$208,351 for FY 2017, which is 50% of the FY 2016 amount.

- **Nonpublic School Transportation** – The bill sets the funding at \$8.56 million for FY 2017, the same as FY 2016. The funding is \$1.4 million below the standing appropriation. If claims exceed the amount appropriated, the Department of Education is directed to prorate the amount of each claim.
- **Tobacco Reporting** – The bill provides \$9,208 to the Department of Revenue for tobacco product enforcement requirements in FY 2017, which is 50% of the amount provided in FY 2016. This is \$9,208 below the level recommended by the Governor. This funding level is \$15,792 less than the standing appropriation.

Instructional Support Program – (Same as the Senate) The bill provides no funding for the instructional support program in FY 2016 and FY 2017, which is the same level recommended by the Governor. The instructional support program received \$7.5 million in FY 2011, which is the last time the state provided funding. No funding was provided in FY 2012 and FY 2013. The standing appropriation is \$14.8 million. The instructional support program allows schools to raise additional funds with voter approval and the state provides matching funds. Schools will continue to use the funds they raise locally.

General Assembly – (Different from Senate) The General Assembly’s budget is a standing unlimited appropriation, yet for budgeting purposes the FY 2016 proposed budget is \$38.2 million. The amendment reduces the funding to the General Assembly by \$5.75 million, to \$32.45 million in FY 2016, while the Senate reduced funding by \$4.2 million, to \$34 million for FY 2016. Both the bill and the amendment allow the General Assembly to adjust their FY 2015 appropriation to reflect unexpended budgeted amounts from the previous fiscal year.

The House also prohibits use of these appropriations to be used for annual membership dues for organizations, associations, and conferences as well as out-of-state travel and per diems for out-of-state travel.

Technology Reinvestment Fund – (Not in Senate Bill) The amendment caps the amount of the Technology Reinvestment Fund from the general fund in FY 2016 at \$9 million, which is an \$8.5 million reduction from the standing appropriation. The Senate proposed \$17.7 million of Technology Reinvestment Fund for FY 2016, funded from the Rebuild Iowa Infrastructure Fund instead of the general fund. Senate addressed Technology Reinvestment Fund in the Infrastructure budget bill HF 650.

Anatomical Gift Public Awareness and Transplantation Fund (Section 7) – (Not in Senate Bill) This section deals with the spending of the funding from the Anatomical Gift Public Awareness and Transplantation Fund. Under current law, not more than 50% of the money in the Anatomical Gift Public Awareness and Transplantation Fund can be spent annually. The amendment eliminates the 50% limit and allows any unobligated money in the fund to be spent annually. The funding is spent in the form of grants to transplant recipients, transplant candidates, living organ donors, or to legal representatives on behalf of transplant recipients, transplant candidates, or living organ donors. This is identical to [SF 228](#), which passed the House, but died in House Appropriations Committee, after passing House Human Resources Committee.

Area Education Agencies (AEA's) Funding - (Not in Senate Bill) The amendment continues the reduction of \$15 million to the AEA's which is the same amount of a reduction applied in FY 2015. The Senate did not continue this reduction, so their reduction is \$0.

Division II – Miscellaneous Provisions and Appropriations

Executive Council – Appropriation for Organizational Dues – (Not in Senate Bill) Appropriates \$500,000 from the general fund in FY 2016 to the Executive Council for annual membership dues for organizations, associations, and conferences paid by an Executive Branch department or agency.

Iowa New Jobs Training Agreements – (Same as the Senate) Allows an Iowa community college (Eastern Iowa Community College) that entered into a new jobs training agreement under Chapter 260E, which was effective in April 2012, with an Iowa employer (Alcoa) to enter into a new agreement with such employer pursuant to chapter 260E. The new agreement will be effective September 2015, and may use the base employment determined in April 2012 as the base employment for determining the new jobs eligible under the new agreement if

the base employment determined in April 2012 was 2,125 employees. The new agreement under Chapter 260E is limited to seven years from the effective date of the agreement.

ICN Executive Director Salary – (Same as the Senate) This is a technical fix that allows the Governor to set the salary of the Executive Director of the Iowa Communications Network within the applicable salary range established by the General Assembly. It removes an erroneously established salary range of 9. In 2008 session law, the executive director was at the top of the range which is 7 with a salary range of \$100,840 - \$154,300.

Contact Information of Elected Officials – (Not in Senate Bill) The amendment requires within 30 days after an elected public officer is sworn into office the elected official must provide contact information to the government entity to be published on the internet site maintained by the entity. Contact information is defined as a telephone number and email address. Elective public officer includes the following:

- Members of the General Assembly
- Members of county board of supervisors
- Members of a city council
- Members of a board of directors of a school district

This provision is identical language to HF 550 which passed the House 100-0 on March 25.

Growlers (SF456) – (Same as the Senate) Amends SF 456 that has been approved and signed into law by the Governor on April 24th to clarify that the sealed container has not been tampered with and the contents of the container have not been partially removed. This is corrective language to ensure compliance with federal law.

Division III – Salaries, Compensation, and Related Matters

Salary Model Administrator – (Same as the Senate) Directs the salary model administrator to work in conjunction with the Legislative Service Agency in maintaining the State's salary model.

Division IV – Corrective Provisions (Same as the Senate)

These are truly corrective provisions as identified by the Code Editor and the Legislative Service Agency or clarify legislation approved earlier this session. The following bills corrected include the following:

- HF 536 – Code Editor's Bill
- SF 463 – Redesign Mental Health Disabilities
- SF 227 – School Start Date
- HF 583 – Animal Truck Wash Facilities
- HF 535 – Non-Substantive Code Editor's Bill
- SF 404 – Shorthand Reports
- SF 501 – Interstate Tuition Reciprocity Agreements
- SF 448 – Class A Felonies by Minors
- HF 496 – Military Victim Advocates

Division V - Controlled Substances (Different from Senate)

This division is the same language that the House passed in HF 567, the Synthetic Drugs Bill. The goal of the legislation is to move imitation controlled substances that are regulated under chapter 124A to chapter 124, where two other types of controlled substances (controlled substances and simulated controlled substances) are regulated. The bill would repeal chapter 124A. **(Not in Senate Bill)**

This Division accomplishes the following three goals:

1. Updates the list of controlled substances and precursors listed in chapter 124. **(Same as Senate Bill)**
2. Gives the Legislature more time to codify controlled substances that the Board of Pharmacy identified as controlled substances through Administrative Rules. Changes the number of days that the Legislature has to enact into law any designations of a substance as a controlled substance by the Board of Pharmacy. Under current law, that time limit is within 60 days of the next general assembly. The language

states that the general assembly must enact the changes and make the changes effective within two years from the effective date of the designation by the Board of Pharmacy. If this timeline is not met, the designation by the Board of Pharmacy is repealed. **(Same as Senate Bill)**

3. Brings the laws regarding imitation controlled substances over to the controlled substances chapter and increases penalties to match the controlled substances penalties. **(Not in Senate Bill)**

The House passed HF 567 by a vote of 83-13, and the Senate passed it back over with an amendment that added language that addressed other issues as well.

Division VI – Asset Verification System – Medicaid

Medicaid Program –Asset, Income, and Identity Verification – (Not in Senate Bill) Per the Federal Affordable Care Act, the State of Iowa is required to establish an electronic asset, income, and identity eligibility verification system for the purposes of determining or re-determining the eligibility of an individual who is an applicant for or recipient of Medicaid if they are elderly, blind, or disabled. This amendment requires The Department of Human Services (DHS) to issue a request for proposals (RFP) to contract with a third-party vendor to establish an electronic asset, income, and identity eligibility verification system for the purposes of determining or re-determining the eligibility of an individual who is an applicant for or recipient of Medicaid if they are elderly, blind, or disabled. The third-party vendor selected must be able to demonstrate in writing its current relationships or contracts with financial institutions in Iowa and nationally. Participation by financial institutions in providing account balances for asset verification must remain voluntary. This division takes effect upon enactment.

Earlier this year, the Iowa House passed identical language in [HF 247](#), by vote of 74-25. That bill died in the Senate. In addition, as part of [SF 505](#), the HHS budget bill, the Senate passed similar language for DHS to meet the requirement, but not to require them to use a third-party contractor to do so. The House amendment to [SF 505](#) also had the same language as in this amendment.

Division VII – Department of Management Duties (Same as Senate Bill)

The bill transfers duties of the Department of Management for Targeted Small Businesses and state programs for Equal Opportunity to the Department of Administrative Services.

Division VIII – Animal Truck Wash Facilities (Not in Senate Bill)

The amendment makes changes to HF 583 the Animal Truck Wash Facilities bill that was approved by the Governor on May 1st. The changes clarify that the rules established by the commission apply to a small animal truck wash facility and separation distances set in the bill for construction of animal truck washes apply to small animal truck wash facilities as provided in the subsection.

Division IX – County Courthouses (Same as Senate Bill)

Jury Pools - Repeals 1884 session law, which required two jury pools in Pottawattamie County. Now, the county will be required to have only one jury pool. This provision removes the exception for Pottawattamie County that allows court to be held in Avoca and the county seat (Council Bluffs). The bill maintains that any county having two county seats, court is to be held at each county seat.

Division X – Iowa Education Savings Plan Trust (Same as Senate Bill)

Iowa Education Savings Plan Trust - Allows for a contribution College Savings Plan to be made before the tax filing deadline to be counted towards the previous calendar year's taxes.

Division XI – Technology Reinvestment Fund (Not in Senate Bill)

The amendment caps the amount of the Technology Reinvestment Fund (TRF) from the general fund in FY 2016 at \$9 million, which is an \$8.5 million reduction from the standing appropriation. The Senate proposed \$17.7 million of Technology Reinvestment Fund for FY 2016, funded from the Rebuild Iowa Infrastructure Fund(RIIF) instead of the general fund. Senate addressed Technology Reinvestment Fund in the Infrastructure budget bill HF 650.

The House appropriates money to the following departments:

	FY 15	House FY 16	Senate FY 16	Senate v. House FY 16
Office of the Chief Information Officer				
IT Consolidation Projects	7,728,189	0	2,132,949	2,132,949
Voting Equipment – SOS	0	450,000	450,000	0
Voter Registration Data Processing – SOS	0	234,000	234,000	0
Total	7,728,189	0	2,816,949	2,132,949
	FY 15	House FY 16	Senate FY 16	Senate v. House FY 16
Department of Education				
ICN Part III & Maintenance & Leases	2,727,000	2,727,000	2,727,000	0
Statewide Education Data Warehouse	600,000	600,000	600,000	0
IPTV Equipment Replacement	1,000,000	0	1,256,200	1,256,200
Total	4,327,000	3,327,000	4,583,200	1,256,200
	FY 15	House FY 16	Senate FY 16	Senate v. House FY 16
Iowa Telecommunications and Technology Commission				
ICN Equipment Replacement	2,245,653	2,248,653	2,248,653	0
Total	2,245,653	2,248,653	2,248,653	0
	FY 15	House FY 16	Senate FY 16	Senate v. House FY 16
Department of Human Rights				
Criminal Justice Info System Integrations	1,300,000	0	2,248,653	2,248,653
Justice Data Warehouse	314,474	159,474	159,474	0
Total	1,614,474	159,474	2,408,127	2,248,653
	FY 15	House FY 16	Senate FY 16	Senate v. House FY 16
<u>Department of Management</u>				
Searchable Online Budget and Tax Database	0	45,000	45,000	0
Electronic Grants Management System	0	50,000	50,000	0
Total	0	95,000	95,000	0
	FY 15	House FY 16	Senate FY 16	Senate v. House FY 16
Department of Public Health				
IDPH Database Integration Review	0	400,000	500,000	100,000
M&CH Database Integrations	0	0	500,000	500,000
Polysomnography Software	0	36,000	36,000	0
Congenital and Inherited Disorder Registry	0	0	300,000	300,000
Total	0	436,000	1,336,000	900,000

	FY 15	House FY 16	Senate FY 16	Senate v. House FY 16
Department of Public Safety				
Radio Communications Upgrade	0	1,874,000	2,500,000	626,000
Total*	0	1,874,000	2,500,000	626,000
*Combined with the money from the Mortgage Service Settlement fund of \$626,000 there is a total appropriation of \$2.5 million to match the Senate.				
	FY 15	House FY 16	Senate FY 16	Senate v. House FY 16
Department of Homeland Security and Emergency Management				
Mass Notification and EMS	400,000	400,000	400,000	0
Total	400,000	400,000	400,000	0

Notable Projects in Senate RIF Budget from TRF not in Standings Amendment

- Flood Center Soil Monitoring at the University of Iowa
- Vet Lab cancer equipment at Iowa State
- Nutrient Research Center Technology at Iowa State
- Iowa ABLE Savings plan trust in the Treasurer's Office
- IPTV Equipment replacement

Division XII - Radio Communications Upgrade (Not in Senate Bill)

The amendment transfers \$626,000 from the ending balance of the Mortgage Servicing Settlement Fund in the Attorney General's Office to the Department of Public Safety for the following three items: the provision of a statewide public safety radio network, the purchase of compatible radio communications equipment, and for achieving interoperability. This appropriation would be combined with the \$1.8 million appropriation in the Technology Reversion Fund for a combined total of \$2.5 million, and it is effective upon enactment.