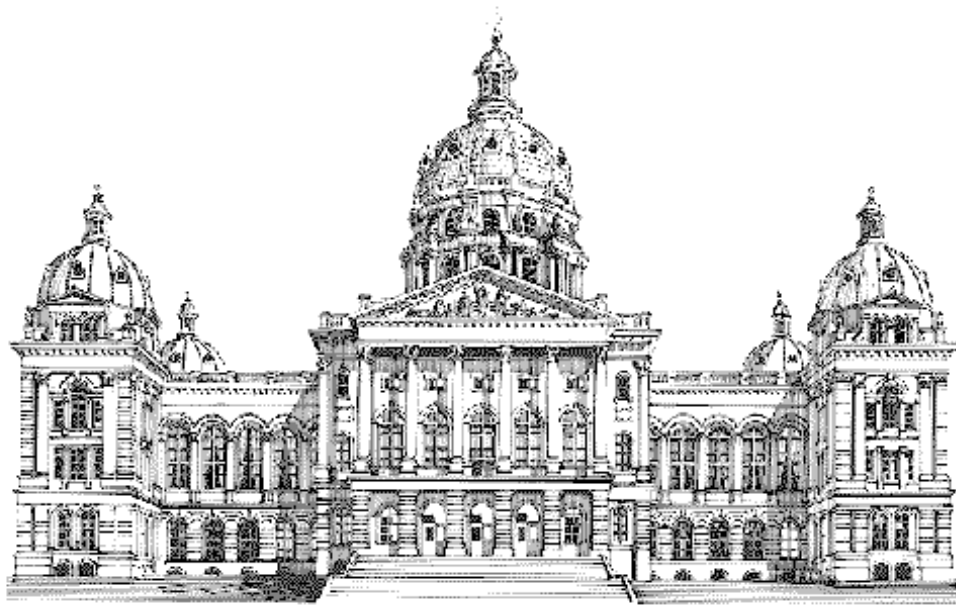


**SUMMARY OF FY 2009 BUDGET
AND
GOVERNOR'S RECOMMENDATIONS**



**FISCAL SERVICES DIVISION
LEGISLATIVE SERVICES AGENCY
JANUARY 2008**

FOREWORD

The purpose of this document is to provide the General Assembly with information concerning FY 2009 General Fund estimated receipts, Department requests, and the Governor's recommendations. The information provides an overall summary of the State budget and is intended to help the General Assembly take a proactive approach toward the budgetary process.

This document is intended to provide the General Assembly with an overview of the General Fund, including revenues and expenditures. Information regarding other State appropriated funds is also included.

If you need additional information regarding Department requests, Governor's recommendations, or other fiscal information, refer to the Fiscal Services Division staff listing. The staff listing will indicate the appropriate analyst to contact for detailed information by subcommittee and subject area.

Questions concerning this document should be directed to:

Holly M. Lyons, Fiscal Services Division Director

holly.lyons@legis.state.ia.us

Phone 515-281-5279

or

Mary Shipman, Publication Coordinator

mary.shipman@legis.state.ia.us

Phone 515-281-4617

TABLE OF CONTENTS

	Page
Document Notes	1
2008 Iowa Legislative Session Timetable.....	3
Fiscal Services Division Staff Listing.....	5
Budget Overview	
Budget Overview and Potential Funding Shortfalls	9
Overview of the Governor’s Budget.....	15
Comparison of All Appropriated Funds	23
General Fund Expenditure Limitation Flowchart	25
General Fund Revenue.....	27
Overall Budget Issues	
Beverage Container Law Expansion.....	31
Charter Agencies.....	33
Economic Conditions and General Fund Revenue.....	35
Iowa School Foundation Aid.....	41
Medical Assistance Program (Medicaid)	45
Public Retirement Systems	51
FY 2009 Department Requests by Subcommittee	
Administration and Regulation	55
Agriculture and Natural Resources.....	69
Economic Development	81
Education	91
Health and Human Services.....	107
Justice System	127
Transportation, Infrastructure, and Capitals.....	145
Unassigned Standing Appropriations.....	159
Appendices	
A – Appropriations Tracking by Subcommittee	165
General Fund	167
Other Fund.....	195
B – Projected FY 2009 Built-in and Anticipated General Fund Expenditures.....	225
C – Interim Committee Summary.....	243
D – Salaries and Collective Bargaining	247
E – Federal Funds.....	249
F – Other Fund Balance Sheets	251
Index of FY 2009 Budget Requests by Department.....	279

DOCUMENT NOTES

When Reviewing This Document, Please Note The Following:

The Fiscal Services Division obtained data from the I/3 Budget System and the Department of Management (DOM) to compile the information provided in this document. Additional details were provided through review of a draft of the Governor's budget document received on January 10, 2008.

Other items worth noting when reviewing this document include:

- Revenues and expenditures are estimated for FY 2008 and FY 2009. The statutory expenditure limitation for appropriations was calculated by utilizing the FY 2009 receipts estimated at the Revenue Estimating Conference meeting on December 11, 2007.
- **Appendix A** is an appropriations tracking document showing General Fund and Other Fund appropriations and the Governor's recommendations by Subcommittee. The document shows actual FY 2007, estimated FY 2008, the Department requests for FY 2009, the Governor's recommendations for FY 2009, and a comparison column.
- **Appendix B** is a listing of the projected FY 2009 built-in increases and decreases.
- **Appendix C** provides a brief summary of the charges of the 2007 Interim Committees.
- **Appendix D** provides a summary of salary and collective bargaining information.
- **Appendix E** provides a summary of federal funds.
- **Appendix F** provides balance sheets for a variety of other funds.

2008 SESSION TIMETABLE

JANUARY 14	First day of session. (Iowa Code Sec.2.1)
JANUARY 25 <i>(Friday of second week)</i>	Final day for individual legislator requests for bill drafts to the Legislative Services Agency. (Senate Rule 27 and House Rule 29)
MARCH 7** <i>(Friday of 8th week)</i>	Final date for Senate bills to be reported out of Senate committees and House bills out of House committees. (Joint Rule 20)
MARCH 10 - 14 <i>(9th week)</i>	Senate considers only Senate bills and unfinished business and House considers only House bills and unfinished business. (Joint Rule 20)
MARCH 17 - March 28 <i>(10th and 11th weeks)</i>	Debate not limited by rule.
March 28** <i>(Friday of 11th week)</i>	Final date for House bills to be reported out of Senate committees and Senate bills out of House Committees. (Joint Rule 20)
March 31 - April 4 <i>(12th week)</i>	Senate considers only House bills and unfinished business and House considers only Senate bills and unfinished business. (Joint Rule 20)
APRIL 7 <i>(Beginning of the 13th week)</i>	Amendments need not be filed on the day preceding floor debate. (House Rule 31.8)
APRIL 7 <i>(Beginning of the 13th week)</i>	Only the following bills are eligible for consideration by Joint Rule 20 unless otherwise indicated: <ul style="list-style-type: none"> • Appropriations Bills • Ways and Means Bills • Government Oversight Bills • Legalizing Acts • Bills co-sponsored by Majority and Minority Leaders of one House • Companion bills sponsored by Senate and House Majority Leaders • Conference Committee Reports • Concurrent or Simple Resolutions • Bills passed by both Houses in different forms • Bills on the Veto Calendar (Joint Rule 23) • Administrative Rules Review Committee Bills • Committee Bills related to delayed Administrative Rules • Joint Resolutions nullifying Administrative Rules • Unfinished Business
APRIL 22	100th calendar day of the session (Per diem expenses end)
<p><i>**The March 7 and March 28 committee deadlines do not apply to Appropriations Bills, Ways and Means Bills, Government Oversight Bills, bills co-sponsored by Majority and Minority Leaders of one House, Companion Bills sponsored by the Majority Leaders of both Houses after consultation with the respective Minority Leaders, Conference Committee Reports, Concurrent or Simple Resolutions, Joint Resolutions nullifying Administrative Rules, Legalizing Acts, Administrative Rules Review Committee Bills, and Committee Bills related to delayed Administrative Rules.</i></p> <p><i>This calendar is subject to change.</i></p>	

STAFF LISTING

FISCAL SERVICES DIVISION LEGISLATIVE SERVICES AGENCY

Holly M. Lyons, Director
 holly.lyons@legis.state.ia.us
 State Capitol, Room G01
 Telephone: 281-5279
 Fax: 281-8027
 Web site: <http://staffweb.legis.state.ia.us/lfb>

STAFF ASSIGNMENTS	STAFF PERSON	PHONE	EMAIL ADDRESS
DIVISION ADMINISTRATOR	Douglas Wulf	281-3250	douglas.wulf@legis.state.ia.us
PUBLICATION COORDINATOR/EDITOR	Mary Shipman	281-4617	mary.shipman@legis.state.ia.us
APPROPRIATIONS SUBCOMMITTEES			
ADMINISTRATION & REGULATION			
Administrative Services	Deborah Helsen	281-6764	deborah.helsen@legis.state.ia.us
Commerce			
Ethics & Campaign Finance Disclosure Board			
Governor's Office of Drug Control Policy			
Human Rights			
Inspections & Appeals			
Iowa Public Employees Retirement System			
Lottery			
Management			
Racing & Gaming			
Revenue			
Auditor	David Reynolds	281-6934	dave.reynolds@legis.state.ia.us
Governor			
Secretary of State			
Treasurer			
AGRICULTURE & NATURAL RESOURCES			
Agriculture	Debra Kozel	281-6767	deb.kozel@legis.state.ia.us
Environment First Fund			
Natural Resources			

Staff Listing

STAFF ASSIGNMENTS	STAFF PERSON	PHONE	EMAIL ADDRESS
ECONOMIC DEVELOPMENT			
Cultural Affairs	Ron Robinson	281-6256	ron.robinson@legis.state.ia.us
Economic Development			
Iowa Finance Authority			
Iowa Power Fund			
Public Employment Relations Board			
Workforce Development			
EDUCATION			
Board of Regents	Dwayne Ferguson	281-6561	dwayne.ferguson@legis.state.ia.us
College Aid Commission			
Blind	Robin Madison	281-5270	robin.madison@legis.state.ia.us
Community Colleges			
Education			
Iowa Public Television			
HUMAN SERVICES			
Child Support Recovery	Jess Benson	281-4611	jess.benson@legis.state.ia.us
Children's Health Insurance Program			
County Based Services			
Family Investment Program (FIP), Promise Jobs, Food Stamps			
Institutions			
Medical Services/Medicaid			
Mental Health/Mental Retardation/Developmental Disabilities (MH/MR/DD) Enhanced Services			
Social Services Block Grant			
Temporary Assistance for Needy Families (TANF) Block Grant			
Child Care			
Child Welfare			
Field Operations			
Foster Care			
General Administration			
Juvenile Justice			
Public Health			
Veterans Affairs			
Veterans Home			
Elder Affairs	Mary Shipman	281-4617	mary.shipman@legis.state.ia.us
Senior Living Trust Fund			

STAFF ASSIGNMENTS	STAFF PERSON	PHONE	EMAIL ADDRESS
JUSTICE SYSTEM			
Iowa Communications Network	Jennifer Acton	281-7846	jennifer.acton@legis.state.ia.us
Iowa Law Enforcement Academy			
Judicial Branch			
Public Defense			
Public Safety			
Civil Rights	Beth Lenstra	281-6301	beth.lenstra@legis.state.ia.us
Corrections			
Indigent Defense/Public Defender			
Justice Department			
Parole Board			
TRANSPORTATION, INFRASTRUCTURE, and CAPITALS			
Transportation	Mary Beth Mellick	281-8223	marybeth.mellick@legis.state.ia.us
Capitals	Marcia Tannian	281-7942	marcia.tannian@legis.state.ia.us
Infrastructure			
APPROPRIATIONS STANDING COMMITTEES			
	Sue Lerdal	281-7794	sue.lerdal@legis.state.ia.us
	David Reynolds	281-6934	dave.reynolds@legis.state.ia.us
EDUCATION STANDING COMMITTEES (School Finance)			
	Shawn Snyder	281-7799	shawn.snyder@legis.state.ia.us
	Dwayne Ferguson	281-6561	dwayne.ferguson@legis.state.ia.us
FISCAL COMMITTEE			
	Sue Lerdal	281-7794	sue.lerdal@legis.state.ia.us
	David Reynolds	281-6934	dave.reynolds@legis.state.ia.us
GOVERNMENT OVERSIGHT			
	Douglas Wulf	281-3250	douglas.wulf@legis.state.ia.us
	Marcia Tannian	281-7942	marcia.tannian@legis.state.ia.us
WAYS AND MEANS STANDING COMMITTEES			
	Jeff Robinson	281-4614	jeff.robinson@legis.state.ia.us
	Shawn Snyder	281-7799	shawn.snyder@legis.state.ia.us
	Dwayne Ferguson	281-6561	dwayne.ferguson@legis.state.ia.us
SUBCOMMITTEE STAFFING/TRAINING COORDINATOR			
	Sue Lerdal	281-7794	sue.lerdal@legis.state.ia.us
TRACKING/FINANCIAL DOCUMENT COORDINATOR			
	David Reynolds	281-6934	dave.reynolds@legis.state.ia.us

BUDGET OVERVIEW AND POTENTIAL FUNDING SHORTFALLS

The following information provides an overall summary of Iowa's General Fund budget:

- The Fiscal Year just ended – FY 2007
- The current Fiscal Year – FY 2008
- A discussion of the built-in increases in and anticipated expenditures for FY 2009
- Calculation of the “spending gap” prior to the Governor’s Budget Recommendation

FY 2007

Iowa's General Fund revenue collections totaled \$5.646 billion for FY 2007, representing an increase of \$263.9 million (4.9%) compared to FY 2006. The revenue growth rate was 6.4%. Net General Fund appropriations (after reversions) totaled \$5.385 billion for FY 2007, an increase of \$364.2 million (7.3%) compared to FY 2006. This resulted in an FY 2007 surplus of \$261.6 million that was distributed as follows:

- \$131.9 million to the Property Tax Credit Fund
- \$53.5 million to the Senior Living Trust Fund
- \$76.2 million to the Cash Reserve Fund

The combined balances in the Cash Reserve and Economic Emergency Funds reached the statutory maximum at \$535.1 million. This was an increase of \$143.3 million compared to the combined balances in FY 2006.

FY 2008

The General Fund is currently projected to have a surplus of \$136.5 million for FY 2008. The revenue growth rate, as projected by December 2007 Revenue Estimating Conference (REC) is 6.9% or an estimate of \$5.983 billion. This represents a \$337.1 million (6.0%) increase over FY 2007. The appropriations (after reversions) are estimated at \$5.847 billion, an increase of \$462.2 million (8.6%) over FY 2007. Under current law, \$59.2 million would be deposited in the Senior Living Trust Fund (SLTF) and the remaining \$77.3 million in the Cash Reserve Fund. The Governor’s recommendation however, distributes the projected ending balance as follows:

- \$81.7 million to the Property Tax Credit Fund
- \$54.8 million to the Cash Reserve Funds
- \$0.0 to the Senior Living Trust Fund

The combined balances in the Cash Reserve and Economic Emergency Funds will again reach the statutory maximum at \$592.4 million in FY 2008. This is an increase of \$57.3 million (10.7%) compared to the combined balances in FY 2007.

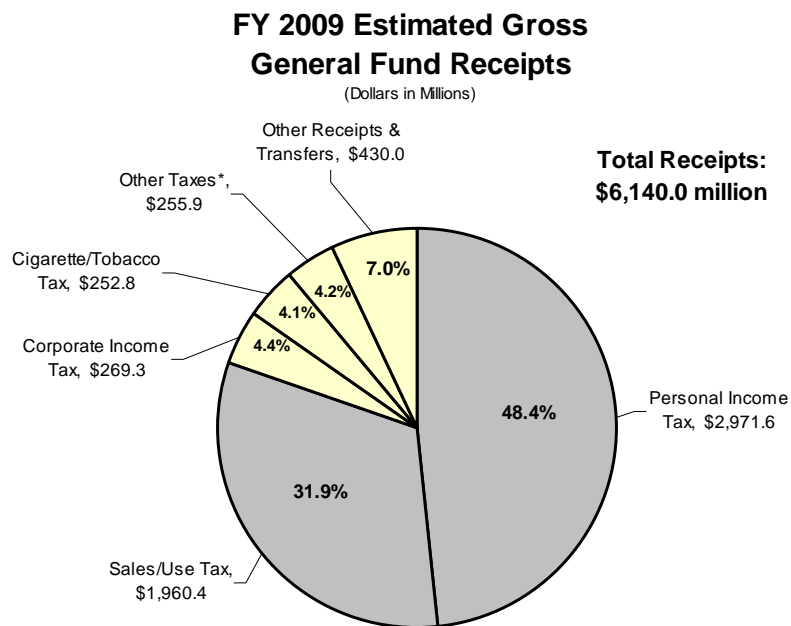
Cumulative repayments to the SLTF through the end of FY 2008 are estimated to total \$183.1 million. Statute requires the payments to continue until a total of \$300.0 million has been repaid to the SLTF.

The Governor did not make a supplemental appropriation recommendation for FY 2008.

FY 2009 – Prior to the Governor’s Recommendation

FY 2009 Budget Outlook – LSA Estimates

Lawmakers are facing a “budget gap” of \$343.0 million in FY 2009, as projected revenue increases are not enough to offset the projected growth in appropriations. The Revenue Estimating Conference (REC) met in December and established a revenue estimate for FY 2009 of \$6.140 billion. This represents an increase of \$156.6 million (2.6%) compared to the estimate for FY 2008. The following chart shows the FY 2009 revenue estimate by category. Personal income tax and sales/use tax comprise approximately 80.0% of the total estimated receipts.



* Other taxes include: Inheritance, Insurance, Beer, and Franchise Tax.

Iowa law imposes an expenditure limitation of 99.0% on the adjusted revenue estimate. This results in an expenditure limit of \$6.079 billion for FY 2009. The Governor and General Assembly are statutorily required to submit a budget that does not exceed the expenditure limitation. The Governor and General Assembly can change the expenditure limit by proposing changes to taxes and other revenues deposited in the General Fund.

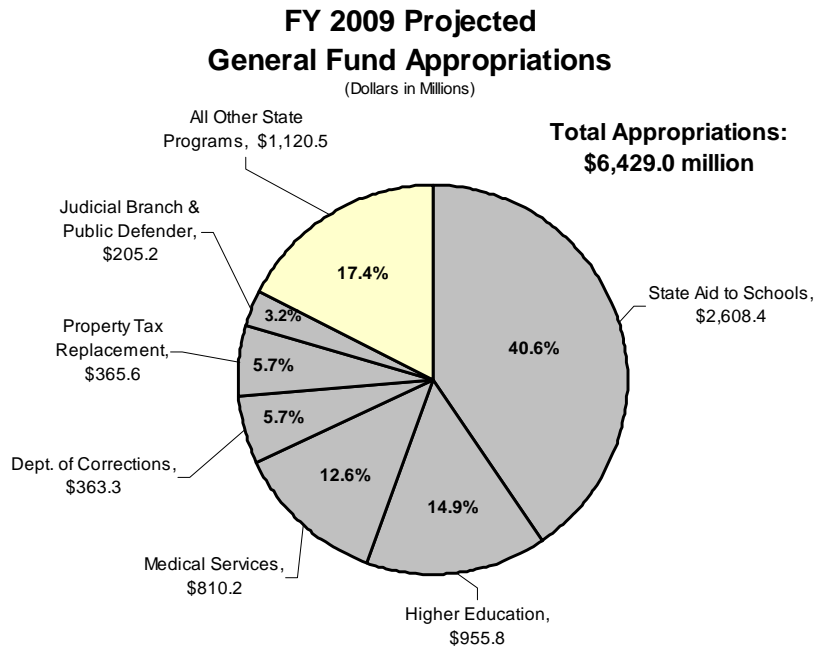
Calculation of the “Spending Gap”

For budget planning purposes, the Fiscal Services Division (FSD) uses the FY 2008 appropriation level of \$5.859 billion as the baseline number for FY 2009. The FSD then estimates the incremental increases over the FY 2008 level to account for the automatic increases established in the Code of Iowa and the anticipated expenditure increases due to enacted policy changes. These incremental changes are referred to as built-in and anticipated expenditures. Some of the changes are based on statute or formula, others are merely estimates and may be adjusted several times throughout the fiscal year as new information, such as enrollment data (school, Medicaid, etc.) becomes available. A detailed listing of the latest built-in and anticipated appropriation changes can be found in **Appendix B**. The current estimate for the FY 2009 built-in and anticipated expenditures is \$569.6 million. When added to the baseline

appropriation of \$5.859 billion (before reversions), the estimated appropriations for FY 2009 total \$6.429 billion. This is \$350.4 million more than the expenditure limitation (also referred to as the “spending gap”).

The spending gap is not intended to be a prediction of an FY 2009 deficit; instead, it is intended to assist lawmakers in measuring the effects of proposed changes to spending and revenue.

Based on the above estimates, the General Assembly will need to adjust spending and/or revenues in order to eliminate the \$350.4 million estimated spending gap for FY 2009. The following chart shows the projected General Fund appropriations by category. Approximately 68.0% of the budget funds K-12 schools, higher education, and medical services (Medicaid and hawk-i). Another 14.6% is used to fund the Department of Corrections, the Judicial Branch and Public Defender, and property tax replacement. All other State agencies and programs make up the remaining 17.4% of the budget.



Note: The FY 2009 appropriations are estimated by the LSA using the FY 2008 appropriations as the baseline and adding the incremental built-in and anticipated increases to the baseline.

Significant issues surrounding the FY 2009 appropriations process include:

- K-12 Education Spending – Education spending increases totaling \$166.0 million were enacted during the 2007 Legislative Session for FY 2009.
 - Allowable growth is set at 4.0% and is estimated to cost an additional \$71.1 million compared to FY 2008.
 - Senate File 277 (Student Achievement and Teacher Quality Act) provides an additional \$75.0 million for teacher salary-related funding.

Budget Overview and Potential Funding Shortfalls

- House File 877 (Statewide Voluntary Preschool Program) increases funding for school districts through the State foundation aid formula for preschool programs by an estimated \$17.1 million for FY 2009.
- House File 447 (School District Reorganization and Shared Incentives Act) increases funding in FY 2009 by an estimated \$2.8 million for operational sharing for school districts and area education agencies that participate in sharing of operational functions and provided an extension for whole grade sharing supplementary weighting.
- Property Tax Credits – A total of \$159.9 million was appropriated from the Property Tax Credit Fund (PTCF) in FY 2008 to fund property tax credits. This included \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008. This represents approximately 82.0% of the cost to fully fund the tax credits in FY 2008. Current estimates indicate a lack of sufficient funds from the FY 2008 surplus to fund the PTCF in FY 2009 at the FY 2008 level. To fund the credits at the FY 2008 level of \$159.9 million, the General Assembly will need to find \$131.9 million in the FY 2009 budget. *The Governor is recommending using \$81.7 million of the FY 2008 surplus and an FY 2009 General Fund appropriation of \$78.2 million to fund the credits at the FY 2008 level of \$159.9 million.*
- Collective Bargaining – Funding the second year of the collective bargaining agreement will cost an estimated \$95.8 million in FY 2009.
- Medicaid – Estimated to increase \$39.0 million in FY 2009, a 7.3% increase over the FY 2008 General Fund appropriation.
- IowaCare Funding – Beginning in FY 2009, Iowa will be facing a reduction of \$22.1 million in federal funding that is used to support the IowaCare Program. These funds are used to fund health care – related programs at University of Iowa Hospitals and Clinics and Broadlawns Medical Center in Des Moines.
- Healthy Iowans Tobacco Trust Programs – The Healthy Iowans Tobacco Trust (HITT) Fund receives the bulk of its funding from the Endowment for Iowa’s Health Account. Due to declining revenues in the Endowment for FY 2009, the HITT fund will be approximately \$16.5 million short of being able to fund the various HITT programs at the FY 2008 level.

General Fund Balance Sheet FY 2007 – FY 2009

The following table shows the General Fund balance sheet with the FY 2009 LSA appropriation estimates, prior to the Governor’s recommendation, and the calculation of the “spending gap”.

Estimated Condition of the General Fund
(Dollars in Millions)

	Actual FY 2007	Estimated FY 2008	Estimated FY 2009
<i>Funds Available:</i>			
Receipts and Transfers (Dec. 2007 REC)	\$ 6,206.8	\$ 6,633.0	\$ 6,802.6
Tax Refunds	- 597.9	- 632.8	- 673.4
Accruals	37.4	- 16.8	10.8
Total Funds Available	<u>5,646.3</u>	<u>5,983.4</u>	<u>6,140.0</u>
Expenditure Limitation			6,078.6
<i>Estimated Appropriations and Expenditures:</i>			
Appropriations	5,392.9	5,859.4	5,859.4
Estimated Built-in Increases			569.6
Total Appropriations	<u>5,392.9</u>	<u>5,859.4</u>	<u>6,429.0</u>
Adjustment to meet Expenditure Limitation (<i>Spending Gap</i>)			- 350.4
Total Appropriations	<u>5,392.9</u>	<u>5,859.4</u>	<u>6,078.6</u>
Reversions	- 8.2	- 12.5	- 12.5
Net Appropriations	<u>5,384.7</u>	<u>5,846.9</u>	<u>6,066.1</u>
Ending Balance - Surplus	<u>\$ 261.6</u>	<u>\$ 136.5</u>	<u>\$ 73.9</u>
<i>Appropriations/Transfers to Other Funds</i>			
Property Tax Credit Fund	\$ 131.9	\$ 0.0	\$ 0.0
Senior Living Trust Fund	53.5	59.2	36.9
Cash Reserve Fund	76.2	77.3	36.9
Total	<u>\$ 261.6</u>	<u>\$ 136.5</u>	<u>\$ 73.9</u>

Totals may not add due to rounding.

OVERVIEW OF THE GOVERNOR'S FY 2009 BUDGET

Summary of the Governor's FY 2009 Budget

The Governor is recommending General Fund appropriations totaling \$6.400 billion, which is an increase of \$540.2 million (9.2%) compared to estimated FY 2008. The following table provides a summary of the Governor's recommendations for FY 2009 by appropriation subcommittee.

Subcommittee	Est. FY 2008	Gov Rec FY 2009	Gov Rec vs. Est. FY 2008	Percent Change
Administration & Regulation	\$ 96.3	\$ 97.3	\$ 1.0	1.0%
Agriculture & Natural Resources	43.6	75.8	32.2	73.9%
Economic Development	42.6	84.0	41.4	97.2%
Education	1,182.8	1,280.9	98.1	8.3%
Health & Human Services	1,169.2	1,302.8	133.6	11.4%
Justice System	670.7	694.1	23.4	3.5%
Transportation & Infrastructure	0.0	2.0	2.0	
Unassigned Standings	2,654.2	2,862.7	208.5	7.9%
TOTAL	\$ 5,859.4	\$ 6,399.6	\$ 540.2	9.2%

Of the Governor's total appropriation recommendation increase of \$540.2 million, \$177.7 million was appropriated from non-General Fund sources in FY 2008. The Governor's new appropriations result in a core growth rate of 6.2% (\$362.5 million).

Governor's Recommended Non-General Fund Appropriations Shifted to the General Fund

(Dollars in Millions)

	FY 2009
Healthy Iowan's Tobacco Trust	\$ 69.7
Property Tax Credit Fund	50.2
RIF Projects	30.7
Environment First Fund - REAP	15.5
Endowment for Iowa's Health Account	5.0
Workforce Development Fund	4.0
Childcare Tax Credit	2.6
Total	\$ 177.7

The Governor is also recommending a combination of revenue increases and transfers of \$332.6 million. This results in total FY 2009 revenues of \$6.473 billion, which is an increase of \$489.2 million (8.2%) compared to the current REC estimate for FY 2008. The Governor's expenditure limitation amounts to \$6.400 billion, which is based on the recommended revenue changes. The Governor's budget projects an FY 2009 General Fund surplus of \$85.5 million. Of this amount, approximately \$42.8 million would be transferred to the SLTF and \$42.8 million to the Cash Reserve Fund. The following table shows the Governor's General Fund balance sheet.

Governor's Recommendation Estimated Condition of the General Fund

(Dollars in Millions)

	<u>Actual FY 2007</u>	<u>Estimated FY 2008</u>	<u>Governor's Recomm. FY 2009</u>
<i>Estimated Funds Available:</i>			
Estimated Receipts	\$ 6,206.8	\$ 6,633.0	\$ 6,802.6
Tax Refunds	- 597.9	- 632.8	- 673.4
Accruals	37.4	- 16.8	10.8
Revenue Adjustments			332.6
<i>Total Funds Available</i>	<u>5,646.3</u>	<u>5,983.4</u>	<u>6,472.6</u>
<i>Expenditure Limitation</i>			<u>6,399.9</u>
<i>Estimated Appropriations and Expenditures:</i>			
Appropriations	5,392.9	5,859.4	6,399.6
Reversions	- 8.2	- 12.5	- 12.5
<i>Net Appropriations</i>	<u>5,384.7</u>	<u>5,846.9</u>	<u>6,387.1</u>
<i>Ending Balance - Surplus</i>	<u>\$ 261.6</u>	<u>\$ 136.5</u>	<u>\$ 85.5</u>
<i>Appropriations/Transfers to Other Funds</i>			
Property Tax Credit Fund	\$ 131.9	\$ 81.7 *	\$ 0.0
Senior Living Trust Fund	53.5	0.0	42.8
Cash Reserve Fund	76.2	54.8	42.8
<i>Total</i>	<u>\$ 261.6</u>	<u>\$ 136.5</u>	<u>\$ 85.5</u>

Totals may not add due to rounding.

* The Governor is recommending the transfer of \$81.7 million to the Property Tax Credit Fund. Under current law, \$59.2 million would be transferred to the Senior Living Trust Fund and \$77.3 million to the Cash Reserve Fund.

Significant Revenue and Expenditure Changes of the Governor's FY 2009 Budget

The Governor is recommending revenue changes totaling \$332.6 million. These are discussed in more detail in the Revenue section of this document. The major revenue changes include:

Recommended Revenue Adjustments

(Dollars in Millions)

	FY 2009
Reallocate Wagering Tax Receipts (RIIF)	\$ 90.0
Combined Corporate Reporting	75.0
Taxable Bond Proceeds from Tobacco Securitization	67.0
Consolidate Endowment/HITT Funds	36.3
Bottle Deposit Expansion	21.5
Improved Court Fine Collections	18.0
Uncollected Bottle Deposit	13.2
Treasurer's Unclaimed Gift Certificates	5.0
Workforce Development Withholding	4.0
Child Care Credit Fund	2.6
Total Revenue Adjustments	\$ 332.6

Of the total \$540.2 million increase in appropriations, nearly 67.0% are for School Aid, Medicaid, the Student Achievement/Teacher Quality Program, State Employee Salaries, and the Property Tax Credit Fund. The following is a list of the Governor's significant appropriation recommendations \$5.0 million or more:

Significant Appropriation Increases

(Dollars in Millions)

	FY 2009
School Aid	\$ 80.9
DHS - Medicaid	79.1
Student Achievement/Teacher Quality	75.0
State Employee Salaries Increases	74.8
Property Tax Credit Fund	50.2
Iowa Power Fund	25.0
Public Health - Addictive Disorders	20.8
Resource Enhancement and Protection Fund	20.0
Department of Corrections/CBC's	14.2
DHS - Other Program Changes	12.9
Regents Institutions	10.4
DHS - Field Operations/Child Support Recovery	9.8
Judicial Branch	9.5
DNR - Lake Restoration	8.6
DHS - Mental Health Growth Factor	8.3
Community Colleges	5.5
Watershed Protection Program	5.0
Net Increase of Other Changes	30.2
Total	\$ 540.2

How the Governor Addresses the "Spending Gap"

(Dollars in Millions)

	FY 2009
<i>Funds Available:</i>	
Receipts and Transfers (Dec. 2007 REC)	\$ 6,802.6
Tax Refunds	- 673.4
Accruals	10.8
Gov. Proposed Revenue Adjustments	332.6
<i>Total Funds Available</i>	6,472.6
<i>Expenditure Limitation</i>	6,399.9
<i>Estimated Appropriations and Expenditures:</i>	
FY 2008 Approp. Level	5,859.4
Gov. Proposed Spending Increases	540.2
Total Appropriations	6,399.6
Below (Above) Expenditure Limitation	0.3
Reversions	- 12.5
<i>Net Appropriations</i>	6,387.1
<i>Ending Balance - Surplus</i>	\$ 85.5
<i>Appropriations/Transfers to Other Funds</i>	
Property Tax Credit Fund	\$ 0.0
Senior Living Trust Fund	42.8
Cash Reserve Fund	42.8
<i>Total</i>	\$ 85.5

Totals may not add due to rounding.

Governor's Recommended Revenue and Appropriation Shifts

Included in the Governor's budget recommendations are several shifts of non-General Fund revenues to the General Fund as well as numerous appropriations previously funded from non-General Fund sources.

State Wagering Taxes – The Governor is recommending reallocating \$90.0 million of State Wagering Tax receipts to the General Fund. These proceeds are currently deposited into the Rebuild Iowa Infrastructure Fund (RIIF).

Endowment for Iowa Health Account/Healthy Iowans Tobacco Trust – These funds were projected to have revenue shortfalls in FY 2009 of approximately \$16.5 million. As a result, the Governor is recommending eliminating these two funds and transferring \$36.3 million of the funds' revenues to the General Fund in FY 2009. In addition, the Governor is recommending the programs funded from the Endowment and Healthy Iowans Tobacco Trust will be funded from the General Fund in FY 2009. Approximately \$75.0 million in appropriations were transferred to the General Fund.

Childcare Credit Fund – The Governor recommends depositing \$2.6 million from the Childcare Tax Credit into the General Fund rather than the Childcare Tax Credit Fund. The proceeds are used to subsidize childcare providers for care of children of eligible families. The Governor recommends appropriating the \$2.6 million from the General Fund for the original intended purpose.

Workforce Development Fund – The Governor transfers \$4.0 million of revenue currently deposited into the Workforce Development Fund Account to the General Fund. The Workforce Development Fund was established to receive job training payroll withholdings to provide funding to community colleges for job training. The Governor is recommending a \$4.0 million appropriation for this program for FY 2009.

RIIF Project Transfers – The Governor recommends appropriations totaling \$30.7 million for projects that were previously funded from the RIIF in FY 2008 and are not considered to be infrastructure in nature.

REAP Appropriation – The Governor is recommending a \$20.0 million appropriation for the Resource Enhancement and Protection (REAP) Program from the General Fund in FY 2009. This Program was previously funded from the Environment First Fund at \$15.5 million. The Governor associates the General Fund REAP appropriation with the recommended increase in the bottle deposit, which is estimated to generate \$21.5 million.

Property Tax Credits – The Governor's recommends depositing a total of \$159.9 million into the Property Tax Credit Fund for the purpose of funding the FY 2009 property tax credits at FY 2008 level (\$159.9 million). This includes transferring \$81.7 million from the FY 2008 General Fund surplus and making a FY 2009 appropriation of \$78.2 million from the General Fund into the Property Tax Credit Fund.

Governor's Recommendations – Reserve Funds and Senior Living Trust Fund Repayment

The following table shows the estimates based on the Governor's budget for the State's reserve funds as well as the repayment amounts to the Senior Living Trust Fund (SLTF). Under the Governor's budget, the reserve funds are projected to reach their statutory maximum balance of \$647.2 million for FY 2009. This includes \$485.4 million in the Cash Reserve Fund and \$161.8 million in the Economic Emergency Fund.

The Governor recommends using \$81.7 million of the FY 2008 General Fund surplus to fund a portion of the FY 2009 property tax credits. As a result, the Governor's budget does not transfer any funds from the surplus to the SLTF. The total amount that will have been repaid to the SLTF at the end of FY 2009 is estimated at \$183.1 million. The payments will continue until a total of \$300.0 million in repayments has been reached.

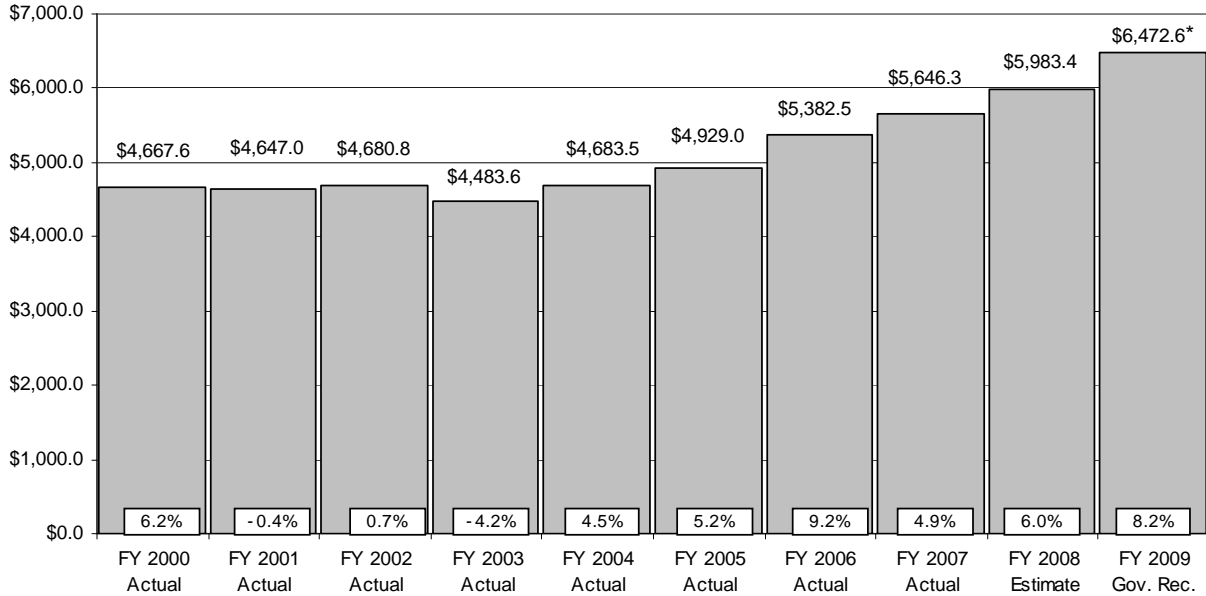
State of Iowa Reserve Funds

(Dollars in Millions)

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Senior Living Trust Fund Requirement			
Balance Brought Forward	\$ 17.8	\$ 110.7	\$ 183.1
Revenues:			
Gen. Fund Appropriation from Surplus	49.9	53.5	0.0
Medicaid Surplus Transfer	12.0	0.0	0.0
Endowment for Iowa's Health Appropriation	25.0	0.0	0.0
Economic Emergency Fund Excess	6.0	18.9	0.0
Cumulative Repayment Balance	\$ 110.7	\$ 183.1	\$ 183.1
<i>Maximum \$300.0 million</i>			
	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Cash Reserve Fund (CRF)			
Balance Brought Forward	\$ 374.3	\$ 401.3	\$ 444.3
Revenues:			
Gen. Fund Appropriation from Surplus	149.3	76.2	54.8
Total Funds Available	523.6	477.5	499.1
Excess Transferred to EEF	- 122.3	- 33.2	- 13.7
Balance Carried Forward	\$ 401.3	\$ 444.3	\$ 485.4
<i>Maximum 7.5%</i>			
	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Economic Emergency Fund (EEF)			
Balance Brought Forward	\$ 17.5	\$ 133.8	\$ 148.1
Estimated Revenues:			
Excess from Cash Reserve	122.3	33.2	13.7
Total Funds Available	139.8	167.0	161.8
Excess Transferred to SLTF	-6.0	-18.9	0.0
Balance Carried Forward	\$ 133.8	\$ 148.1	\$ 161.8
<i>Maximum 2.5%</i>			

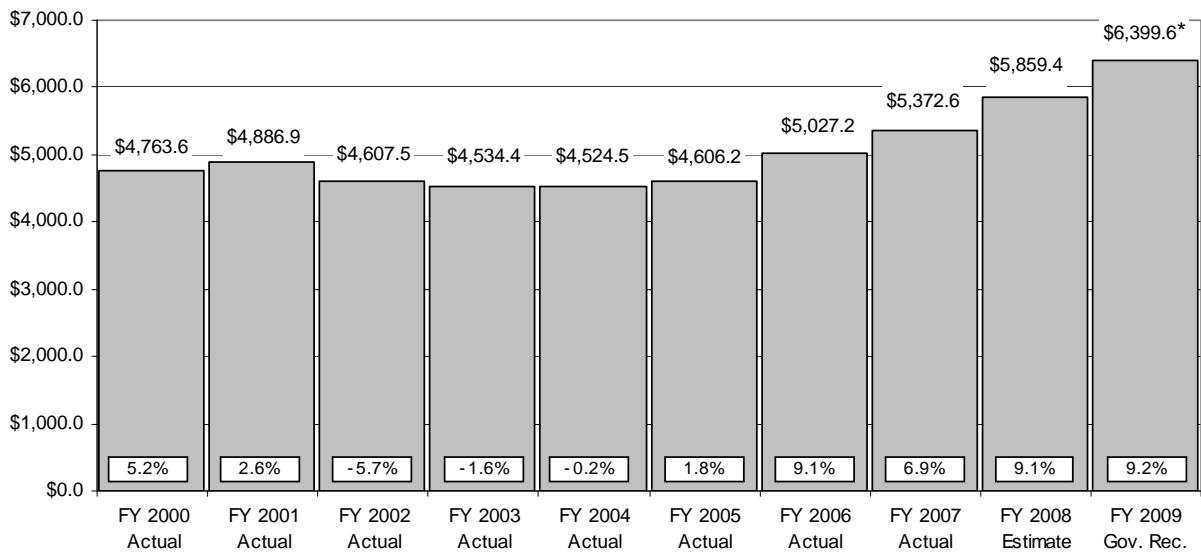
Historical Trends – General Fund Revenues and Appropriations

State General Fund Receipts (in millions)



*FY 2009 receipts include a transfer of \$132.9 million of revenue previously deposited into non-General Fund Sources.

State General Fund Appropriations (in millions)



*FY 2009 appropriations include projects and programs totaling approximately \$182.5 million that were previously funded from non-General Fund Sources.

COMPARISON OF ALL APPROPRIATED FUNDS

Comparison of All Appropriated Funds (Dollars in Millions)

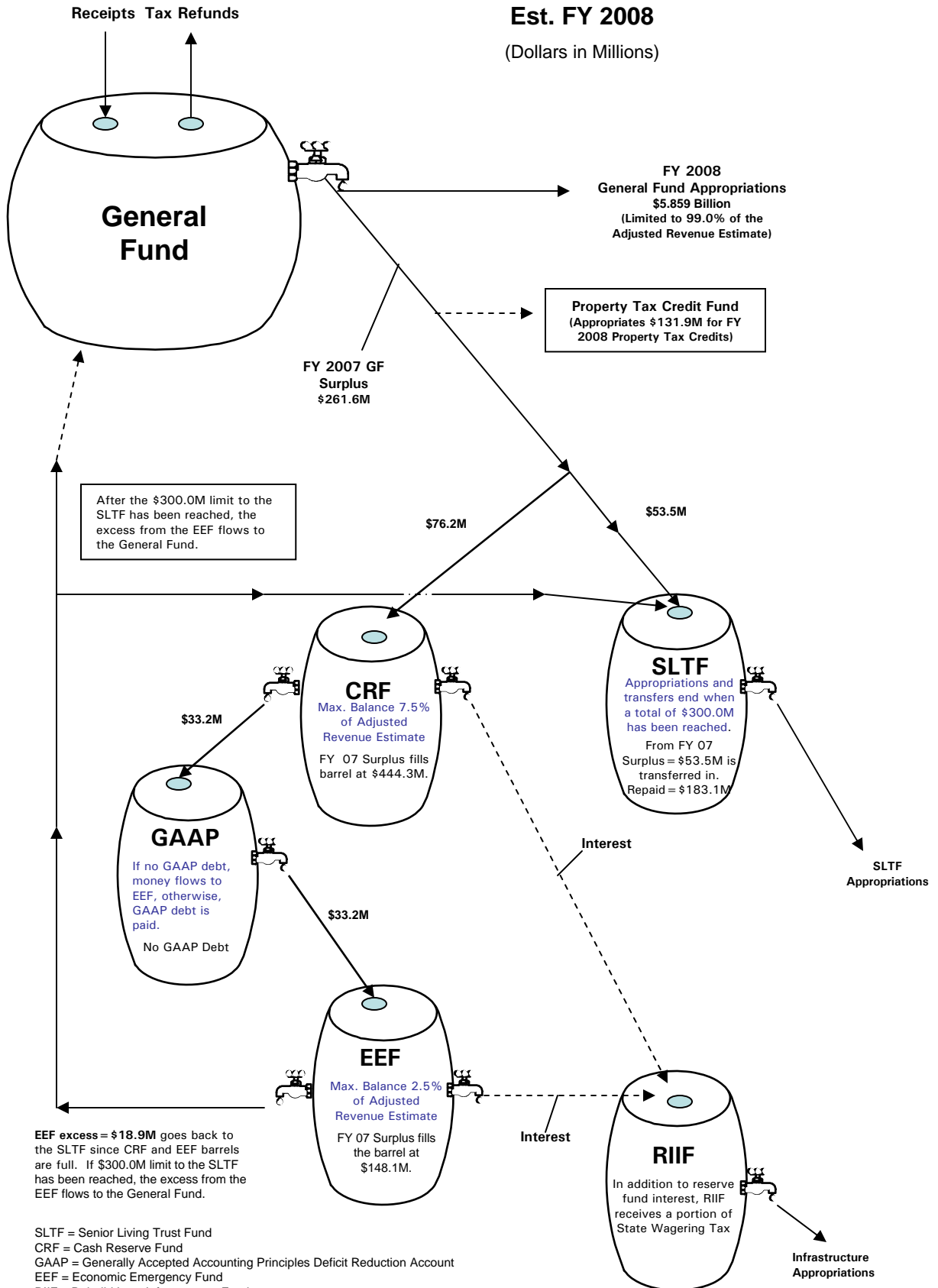
Fund	Actual FY 2007	Est. FY 2008	FY 2009 Governor's Recomm.	Gov. Rec. vs. Est. FY 08	Percent Increase
General Fund	\$ 5,392.9	\$ 5,859.4	\$ 6,399.6	\$ 540.2	9.2%
Non-General Fund					
Primary Road Fund	269.1	281.9	281.2	-0.7	
Rebuild Iowa Infrastructure Fund	139.3	261.5	187.3	-74.2	
FY 2009 Restricted Capital Fund (RC3)	0.0	0.0	164.5	164.5	
Property Tax Credit Fund	159.9	159.9	159.9	0.0	
Prison Bond Fund	0.0	0.0	130.7	130.7	
Health Care Trust Fund	0.0	127.6	128.1	0.5	
Iowa Care Account	103.2	94.7	109.3	14.6	
Senior Living Trust Fund	74.8	75.3	75.3	0.0	
Road Use Tax Fund	48.2	48.7	48.7	0.0	
Fish and Game Fund	35.4	37.6	37.6	0.0	
IPERS	16.9	17.3	17.3	0.0	
Gamblers Treatment Fund	7.5	7.5	6.5	-1.0	
Endowment for Iowa's Health Account	38.6	5.0	5.0	0.0	
Health Care Transformation Account	6.4	4.0	4.9	0.9	
Groundwater Protection Fund	3.4	3.4	3.4	0.0	
Healthy Iowans Tobacco Trust	70.6	70.1	0.0	-70.1	
Restricted Capitals Fund (RC2)	103.8	1.4	0.0	-1.4	
Federal Economic Stimulus & Jobs Holding Fund	4.3	0.0	0.0	0.0	
Workforce Development Withholding Fund	4.0	4.0	0.0	-4.0	
Other	12.9	18.8	14.7	-4.1	
Total Non-General Fund	<u>1,098.3</u>	<u>1,218.7</u>	<u>1,374.4</u>	<u>155.7</u>	12.8%
Total	<u>\$ 6,491.2</u>	<u>\$ 7,078.1</u>	<u>\$ 7,774.0</u>	<u>\$ 695.9</u>	9.8%

Note: Fiscal Year 2009 appropriations include projects and programs totaling approximately \$182.5 million that were previously funded from non-General Fund sources.

FLOW OF GENERAL FUND REVENUES AFTER EXPENDITURE LIMITATION

Est. FY 2008

(Dollars in Millions)



SLTF = Senior Living Trust Fund
 CRF = Cash Reserve Fund
 GAAP = Generally Accepted Accounting Principles Deficit Reduction Account
 EEF = Economic Emergency Fund
 RIIF = Rebuild Iowa Infrastructure Fund

GENERAL FUND REVENUE

GOVERNOR'S GENERAL FUND REVENUE RECOMMENDATIONS

The Governor is recommending revenue law changes projected to result in \$332.6 million of new General Fund revenue for FY 2009. Of the projected increase, \$132.7 is new State money and \$199.9 million is revenue the State currently allocates to non-General Fund accounts.

- **Combined Corporate Reporting** – The Governor is recommending requiring closely-related corporations to file Iowa Corporate Tax returns on a combined basis. The Governor estimates that the change will increase Corporate Tax revenue \$75.0 million per year, starting in FY 2009.
- **Beverage Container Deposit Expansion and Uncollected Deposits** – The Governor is recommending an increase of 5 cents in the current 5-cent deposit value on certain beverage containers and an expansion of the types of containers requiring a deposit. The Governor is also recommending requiring unclaimed deposits to be transferred to the State and deposited in the General Fund. The Governor estimates that the changes will increase General Fund revenue \$34.7 million per year, beginning in FY 2009.
- **Treasurer's Office Unclaimed Gift Certificates** – The Governor is recommending increased efforts to recover the value of gift certificates and gift cards that are not redeemed. The Governor estimates that \$5.0 million per year will flow through the Unclaimed Property Fund to the State General Fund from this source.
- **Improved Court Fine Collections** – The Governor is recommending improvements to the process of collecting court-ordered fines and penalties owed to the State. The Governor estimates that \$18.0 million in otherwise uncollected annual revenue will be raised by this recommendation.
- **Reallocation of Gambling Revenue** – The Governor is recommending the reallocation of Iowa's current gambling revenue stream, depositing an additional \$90.0 million per year of gaming revenue to the General Fund, beginning in FY 2009. Currently, the first \$60.0 million of gambling tax revenue is deposited into the General Fund and the next \$20.0 million is dedicated to paying the debt on the Vision Iowa and School Infrastructure Bonds. Any remaining revenues are deposited into the Rebuild Iowa Infrastructure Fund (RIIF).
- **Taxable Bond Proceeds from Tobacco Settlement Agreements** – The Governor is recommending the sale of taxable bonds, with the bonds to be repaid from the 22.0% of the tobacco payments that were not previously securitized. The State receives payments from tobacco companies as the result of settlement agreements. The Governor estimates the bond issuance will generate \$67.0 million in net proceeds for deposit in the General Fund in FY 2009.
- **Endowment for Iowa's Health Account and Healthy Iowan Tobacco Trust Funds** – The Governor is recommending the elimination of these two funds and transferring \$36.3 million of revenue to the General Fund for FY 2009. In addition, the Governor is recommending that programs previously funded from the Endowment and the Tobacco Trust be funded from the General Fund in FY 2009, transferring approximately \$75.0 million in appropriations.

- **Income Tax Withholding Diversion for Workforce Development** – Each fiscal year the Department of Economic Development receives \$4.0 million in Income Tax Withholding receipts to fund workforce development activities. Most of the funds support community college programs. The Governor is recommending ending the withholding diversion in favor of an additional General Fund appropriation to the Department of Economic Development of the same amount.
- **Income Tax Withholding Diversion for Child Care Assistance** – Each fiscal year the Department of Human Services (DHS) receives \$2.6 million in Income Tax Withholding receipts to supplement funding for child care assistance activities. The Governor is recommending ending the withholding diversion in favor of an increase in the General Fund appropriation to DHS Child Care Assistance of the same amount.

REVENUE ESTIMATING CONFERENCE

State General Fund revenues are estimated by a three-member Revenue Estimating Conference (REC) that meets quarterly. The REC was created by statute in 1987 during government reorganization. Current members are:

- Dennis Prouty, Director, LSA
- Charles Krogmeier, Director, Department of Management
- David Underwood, Door Group, Inc (retired).

The December estimate must be used by the Governor in the preparation of the budget message and by the General Assembly in the budget process. If the REC reduces the December estimate at a later meeting held before the end of the Legislative Session (usually held in March or April), the Governor must adjust the budget recommendations to account for the reduction in revenue. In addition, the General Assembly is also required to use the lower estimate for establishing next year's budget.

If the REC increases the estimate above the December figure, the Governor and General Assembly are required to use the lower estimate established in December. This provision was notwithstanding for FY 2006 and FY 2007, but not for FY 2008.

On December 11, 2007, the REC estimated FY 2009 total State General Fund revenues, prior to transfers, accruals, and refunds, at \$6.742 billion. This reflects revenue growth of 2.7% compared to the December REC estimate for FY 2008.

Including transfers, accruals, and adjusting for tax refunds, the December REC estimated General Fund FY 2009 revenues at \$6.140 billion, \$156.6 million (2.6%) above the estimated FY 2008 level.

FY 2008 AND FY 2009 REC GENERAL FUND REVENUE PROJECTIONS

(Dollars in Millions)

	2007	% Change FY 2007 vs.	REC FY 2008	% Change FY 2008 Est.	REC FY 2009	% Change FY 2009 Est.
	Actual	FY 2006	Estimate	vs. FY 2007	Estimate	vs. FY 2008
Tax Receipts						
Personal Income Tax	\$3,085.9	8.1%	\$3,293.0	6.7%	\$3,450.5	4.8%
Sales/Use Tax	1,910.1	1.5%	1,963.4	2.8%	2,001.4	1.9%
Corporate Income Tax	424.6	21.8%	447.0	5.3%	416.5	-6.8%
Inheritance Tax	76.0	4.0%	83.6	10.0%	90.3	8.0%
Insurance Premium Tax	105.2	-13.3%	118.1	12.3%	121.8	3.1%
Cigarette Tax	122.0	36.3%	233.2	91.1%	233.9	0.3%
Tobacco Tax	12.1	31.5%	19.1	57.9%	19.1	0.0%
Beer Tax	14.3	0.7%	14.6	2.1%	14.7	0.7%
Franchise Tax	33.3	-6.2%	30.2	-9.3%	31.2	3.3%
Miscellaneous Tax	1.0	66.7%	1.0	0.0%	1.0	0.0%
Total Tax Receipts	5,784.5	6.6%	6,203.2	7.2%	6,380.4	2.9%
Other Receipts						
Institutional Payments	12.9	-0.8%	12.9	0.0%	12.9	0.0%
Liquor Profits	64.8	1.6%	67.8	4.6%	69.8	2.9%
Interest	28.7	64.0%	20.0	-30.3%	20.0	0.0%
Fees	84.7	11.2%	73.2	-13.6%	72.0	-1.6%
Judicial Revenue	66.9	6.0%	89.5	33.8%	90.8	1.5%
Miscellaneous Receipts	35.7	-28.2%	36.2	1.4%	36.2	0.0%
Racing and Gaming	60.0	0.0%	60.0	0.0%	60.0	0.0%
Total Other Receipts	353.7	3.0%	359.6	1.7%	361.7	0.6%
Total Taxes & Other Receipts	6,138.2	6.4%	6,562.8	6.9%	6,742.1	2.7%
Transfers						
Lottery	59.3	-25.5%	56.3	-5.1%	58.6	4.1%
Other Transfers	9.3	-85.6%	13.9	49.5%	1.9	-86.3%
Total Transfers	68.6	-52.4%	70.2	2.3%	60.5	-13.8%
Total Receipts & Transfers	6,206.8	4.9%	6,633.0	6.9%	6,802.6	2.6%
Accrued Revenue (net)	37.4		-16.8		10.8	
Tax Refunds	-597.9	2.0%	-632.8	5.8%	-673.4	6.4%
Net General Fund Receipts	\$5,646.3	4.9%	\$5,983.4	6.0%	\$6,140.0	2.6%

Note: The Revenue Estimating Conference estimated FY 2008 and FY 2009 General Fund revenues on December 11, 2007. The individual revenue items are projected on a July 1 to June 30 gross cash year basis and do not reflect accrued revenues. The revenue total is adjusted for accruals by the Accrued Revenue (net) line at the bottom of the table. Tax refunds are reported on a fiscal year basis.

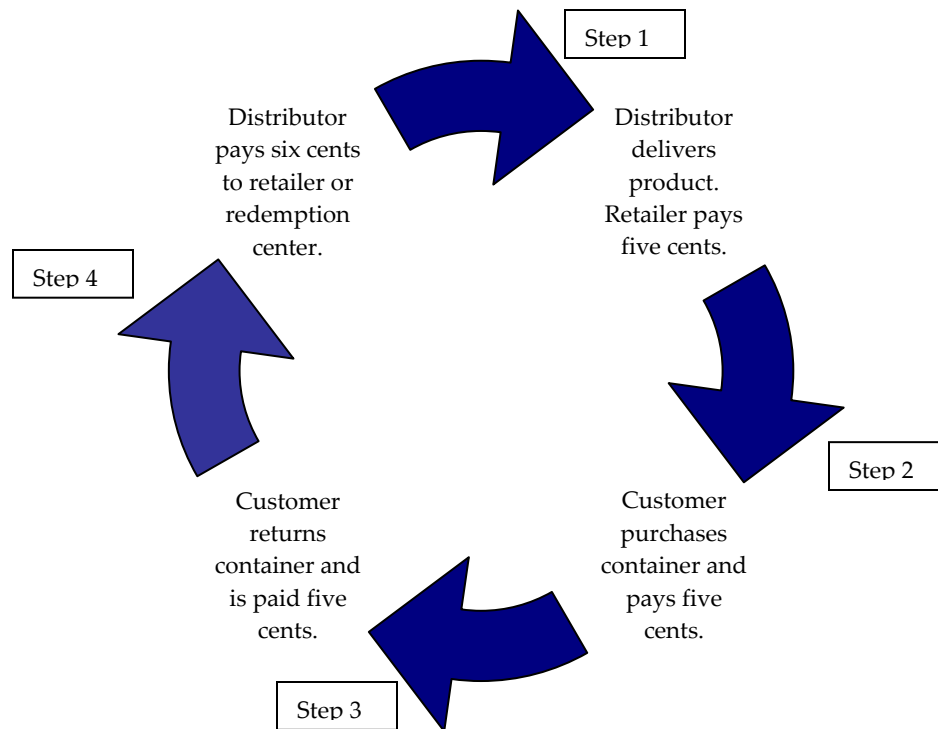
Staff Contact: Jeff Robinson (1-4614) (jeff.robinson@legis.state.ia.us)

BEVERAGE CONTAINER LAW EXPANSION

CURRENT LAW OVERVIEW

The following is an overview of the current beverage container law.

- Distributors of beer, carbonated soda, liquor, and wine deliver the product to the retailer and charge a five-cent deposit on each container.
- Retail establishments selling beer, soda pop, liquor, and wine charge the customer a five-cent deposit per container at the point of sale.
- These establishments are required to redeem only the same types of containers they sell. When the customer returns the containers, the retailer refunds the five-cent deposit.
- Distributors pick up the empty containers and pay the retailer six cents per container. Five cents is for the original deposit and one cent is for a handling fee.
- When the customer does not return the container, this is called an unclaimed deposit and that amount is retained by the distributor.
- The following chart illustrates the movement of the container deposit.



Note: The Distributor retains any unclaimed deposits.

GOVERNOR'S RECOMMENDED CHANGES

The Governor is recommending the following changes to the beverage container law:

- The beverage container deposit is increased from five cents to ten cents.
- The State will retain one cent of the deposit to fund environmental programs.
- Distributors, retailers, and redemption centers will retain one cent as a handling fee.
- Customers that return containers receive a refund of eight cents.
- The types of containers requiring a deposit are expanded to include tea, sport drinks, and water.

FISCAL IMPACT ESTIMATES

The Department of Natural Resources (DNR) estimates the following related to the current law:

- 1.9 billion containers are sold each year (does not include new beverage containers).
- 1.7 billion containers are redeemed (86.1% redemption rate).
- The distributor collects \$96.2 million from the retailer when the beverages are delivered.
- The retailer collects \$96.2 million from customers purchasing beverages.
 - \$82.8 million is returned to the customer when 86.1% of the containers are returned.
 - \$16.6 million is paid by the distributor for the one-cent handling fee to the retailer or redemption center.
 - \$13.4 million is maintained by the distributor from unclaimed deposits.

The Governor's recommendation estimates an increase of \$34.7 million to the General Fund:

- \$21.5 million from the additional beverage containers sold.
- \$13.2 million from uncollected bottle deposits.

The LSA will be reviewing the Governor's proposal and estimates and will provide more information as it becomes available.

Staff Contact: Deb Kozel (1-6767) (deb.kozel@legis.state.ia.us)

CHARTER AGENCIES

Charter Agencies were authorized by SF 453 (Reinvention of Government Act) as amended by SF 458 (FY 2004 Standings Appropriations Act) during the 2003 Legislative Session. Charter Agencies are required to reduce expenditures or increase revenues to the General Fund in exchange for negotiated operational efficiencies and flexibilities. Governor Vilsack contracted with the private consulting firm of Public Strategies Group (PSG) prior to enactment of the legislation, and the PSG worked with the Department of Management and the Charter Agencies to provide ideas for efficiencies through FY 2006.

Charter Agencies are authorized for a period of five years, terminating on June 30, 2008. Charter Agencies are required to enter into an annual performance agreement that sets forth measurable organization and individual goals in key operational areas.

Charter Agencies are exempted from a number of requirements applied to other State agencies including:

- A Charter Agency is not subject to the typical State government pay grade requirements, including the limitation on the number of full-time equivalent positions.
- A Charter Agency may waive any personnel rule.
- A Charter Agency may waive any administrative rule regarding procurement, fleet management, printing and copying, or maintenance of buildings and grounds.
- A Charter Agency may waive any administrative rule regarding the acquisition and use of information technology.

The following six agencies are currently in the process of finalizing Charter Agency agreements with the Governor's Office for FY 2008.

- Alcoholic Beverages Division of the Department of Commerce. The Governor is recommending \$2.1 million for FY 2009, or 0.03% of the total General Fund recommendations.
- Department of Corrections. The Governor is recommending \$367.5 million for FY 2009, or 5.74% of the total General Fund recommendations.
- Department of Human Services. The Governor is recommending \$1,231.5 million for FY 2009, or 19.24% of the total General Fund recommendations.
- Department of Natural Resources. The Governor is recommending \$20.0 million for FY 2009, or 0.31% of the total General Fund recommendations.
- Department of Revenue. The Governor is recommending \$26.5 million for FY 2009, or 0.41% of the total General Fund recommendations.
- Iowa Veterans Home. The Governor is recommending \$12.7 million for FY 2009 for this net budgeted agency, or 0.20% of the total General Fund recommendations.

In total, the Governor's FY 2009 recommendations for Charter Agencies represent \$1,660.3 million (25.93%) of the total General Fund recommendation

Authorization Extension

The Governor has not made a formal recommendation regarding extension of the authorization for Charter Agencies. If a recommendation is made, legislation will be forwarded to the General Assembly. Without action by the General Assembly, authorization for Charter Agencies will expire on June 30, 2008.

Staff Contacts: Douglas Wulf (281-3250) (doug.wulf@legis.state.ia.us)
Sue Lerdal (281-7794) (sue.lerdal@legis.state.ia.us)

ECONOMIC CONDITIONS AND GENERAL FUND REVENUE

National Economy

National Recession – There are several national economic groups that classify U.S. economic periods as either expansion or recession. The official federal government source is the Business Cycle Dating Committee of the National Bureau of Economic Research. On November 26, 2001, this Committee announced the longest business expansion in the nation’s history had ended during March of 2001, ten years after the end of the previous recession. On July 16, 2003, the Committee announced the recession had ended during November 2001, eight months after it began. The Committee notes that the average recession in the post-World War II era has lasted eleven months.

The Committee defines a recession as a period of significant decline in total output, income, employment, and trade, usually lasting six months to one year, and marked by a widespread contraction in many sectors of the economy. The Committee does not define a recession as simply two consecutive quarters of decline in real Gross Domestic Product.

According to the Committee, “A recession begins just after the economy reaches a peak of activity and ends as the economy reaches its trough. Between trough and peak, the economy is in an expansion. Expansion is the normal state of the economy; most recessions are brief and have been rare in recent decades.” A recession involves a substantial decline in output and employment. In the past six recessions, industrial production decreased by an average of 4.6% and employment by 1.1%. The Committee waits until the data show whether or not a decline is large enough to qualify as a recession before declaring a turning point in the economy is a true peak marking the onset of a recession. Recession determinations by the Bureau occur well after the recession start, and often after the recession is later determined to have ended.

The following Table shows that over the past 38 years, there have been six recession periods lasting a total of 61 months, 13.4% of the total 456-month timeframe. As of the end of December 2007, it has been 72 months since the end of the last recession period identified by the Committee.

United States Business Cycle			
National Bureau of Economic Research			
Business Cycle Dating Committee			
Six most recent recessions			
End of Expansion (Peak)	End of Contraction (Trough)	Length of Expansion in Months	Length of Recession in Months
Dec. 1969	Nov. 1970	106	11
Nov. 1973	Mar. 1975	36	16
Jan. 1980	Jul. 1980	58	6
Jul. 1981	Nov. 1982	12	16
Jul. 1990	Mar. 1991	92	8
Mar. 2001	Nov. 2001	120	8

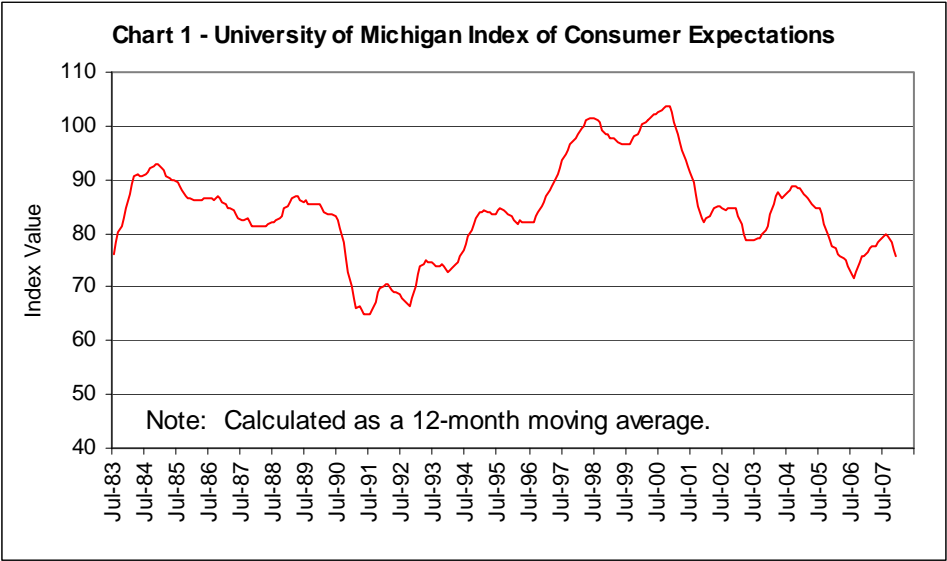
Contractions (recessions) start at the peak of a business cycle and end at the trough.

Institute for Supply Management Index – The Institute for Supply Management has conducted a monthly survey of business purchasing officers since 1948. The survey’s results produce a Purchasing Manager’s Index (PMI). The PMI is a composite index based on the seasonally adjusted diffusion indexes for five of the indicators (New Orders, Production, Supplier Deliveries, Inventories, and Employment) with varying weights. Diffusion indexes have the properties of leading indicators and are convenient summary measures showing the prevailing direction of change and the scope of change. A PMI reading above 50.0 indicates the manufacturing economy is generally expanding; below 50.0 indicates it is generally declining.

The PMI has generally been falling since the first half of calendar year 2004, but remained above the 50.0 level until the November 2006 reading of 49.5, the first below 50.0 since April 2003. The January 2007 reading was also below 50.0, but the Index recovered for ten months before once again falling below 50.0 for December 2007. A graph depicting the history of the Index is included in the Iowa Economy section.

Consumer Confidence – Each month, researchers at the University of Michigan conduct a Survey of Consumers to determine the views and expectation of consumers concerning their sentiment for the present and future direction of the U.S. economy. The survey result is called the Index of Consumer Expectations. The Index focuses on how consumers view prospects for the general economy over the long term.

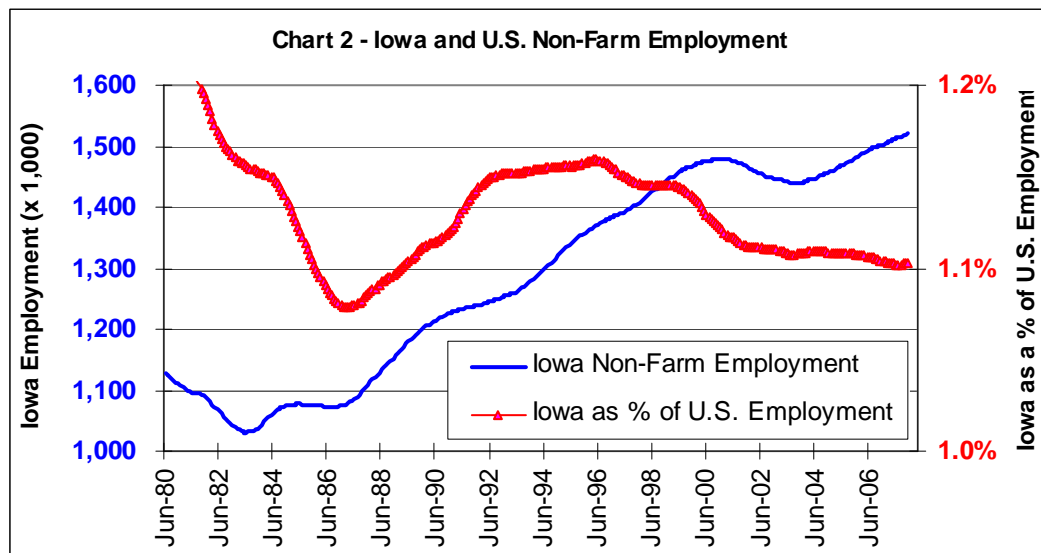
Chart 1 presents a 12-month moving average of the Index. The chart shows consumer confidence as reported by the Index reached a peak in the second half of calendar year 2000. The Index generally declined for the next 70 months, reaching a low in September 2006. For December 2007, the 12-month average value was 75.6, having risen modestly off its low. The consumer confidence reading has now been below 80 for 27 months (since November 2005). Previously, the reading had not been consistently below 80 since 1994.



Iowa Economy

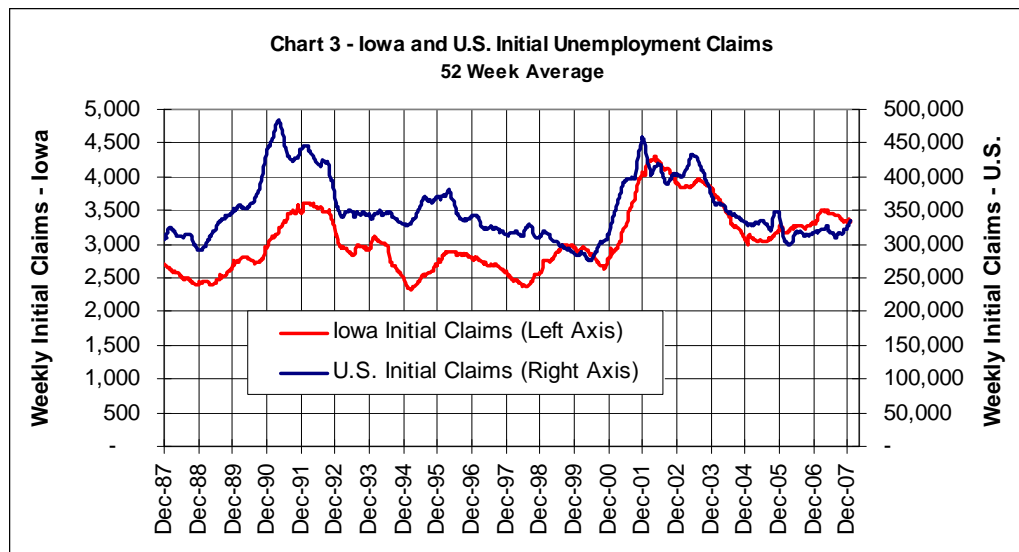
Iowa Employment – After recovering in the mid-1980s from the lingering effects of the farm crisis, Iowa total employment, as well as Iowa’s percent of total U.S. employment, increased each year for ten years (1987 through 1996). Iowa non-farm employment continued to grow through 2000, although Iowa’s percent of total U.S. employment began to decline. After the 2000 employment peak, the Iowa economy lost almost 40,000 non-farm jobs before rebounding in late 2003. Through November 2007, Iowa non-farm employment exceeded the 2000 peak by almost 42,100 and the 2003 low-point by 80,900 (calculated on a 12-month moving average).

Iowa’s share of total U.S. non-farm employment declined throughout the economic downturn of the early 2000s and for much of the recovery, indicating that employment gains in Iowa were not as strong as those of the entire nation. Since August 1996, the Iowa/U.S. employment ratio has fallen from 1.16% of all U.S. non-farm jobs to 1.11%. Essentially this ratio shows that today, 111 of every 10,000 jobs in the U.S. were Iowa jobs, down from 116 in 1996. **Chart 2** shows Iowa non-farm employment as well as the ratio of Iowa employment to U.S. employment. The chart also shows that although Iowa employment has been growing since the end of the recession, the rate has not been as strong as the growth rates shown in the 1990s.



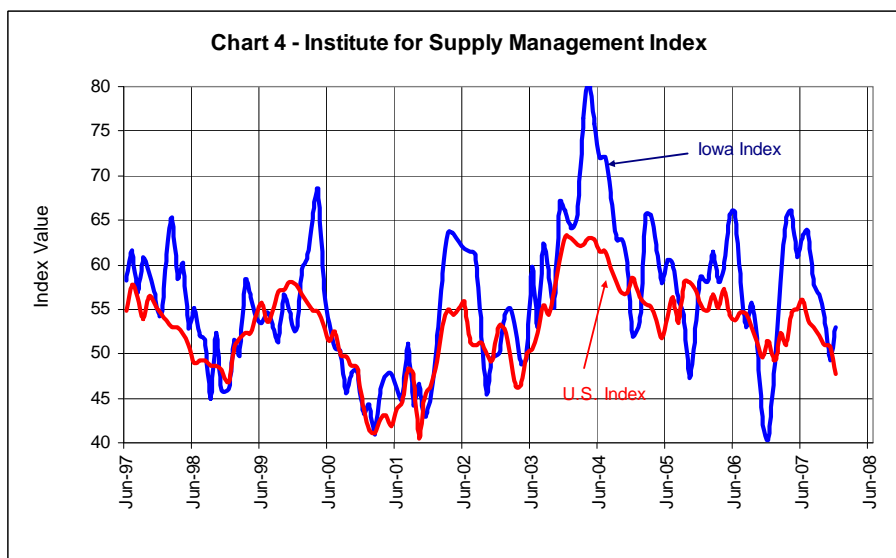
Iowa and U.S Initial Unemployment Claims – Changes in the number of persons receiving initial unemployment benefits can provide a useful insight into the current status of the economy. During the second half of calendar year 2000, U.S. initial unemployment claims (the total of claims from all states, including Iowa) turned sharply higher. Prior to that time, Iowa claims had risen slowly for two years at a time when U.S. claims were falling. Approximately five months after the upturn in U.S. claims, Iowa claims also sharply increased.

Although both U.S. and Iowa initial unemployment claims never returned to the lows shown prior to the most recent recession, the path of initial claims has not shown a sharp increase in either series, and in the most recent six months, Iowa claims have fallen while U.S. claims have risen somewhat.



Iowa Purchasing Managers' Index – Creighton University produces a monthly index based on a survey of purchasing managers for businesses within the Mid-American region of the country. The Creighton survey produces index values for the region and for each state in the region. The survey methodology is the same as the national survey completed by the Institute for Supply Management (discussed earlier in this Section). **Chart 4** shows the Iowa index value and the national value graphed together. The chart shows:

- The trend of the Iowa index is very similar to the trend of the national index.
- The Iowa index trends higher than the national index for a majority of the months. However, this could be a result of different researchers completing the two surveys.
- The most recent peak in the national Index value was June 2007 (56.0) and the Iowa value's peak was April 2007 (66.1). Since the recent peaks, both the national and Iowa Index readings have declined noticeably.

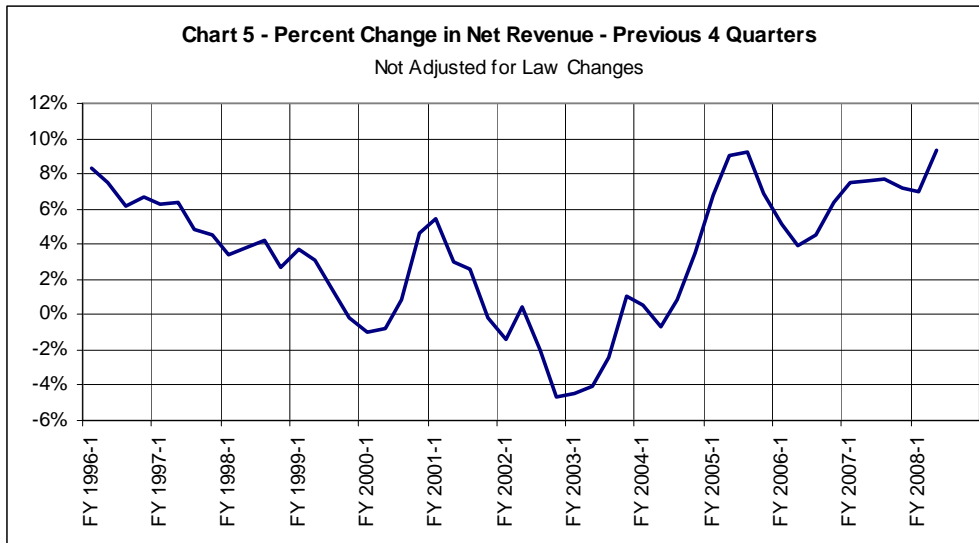


Iowa General Fund Revenues

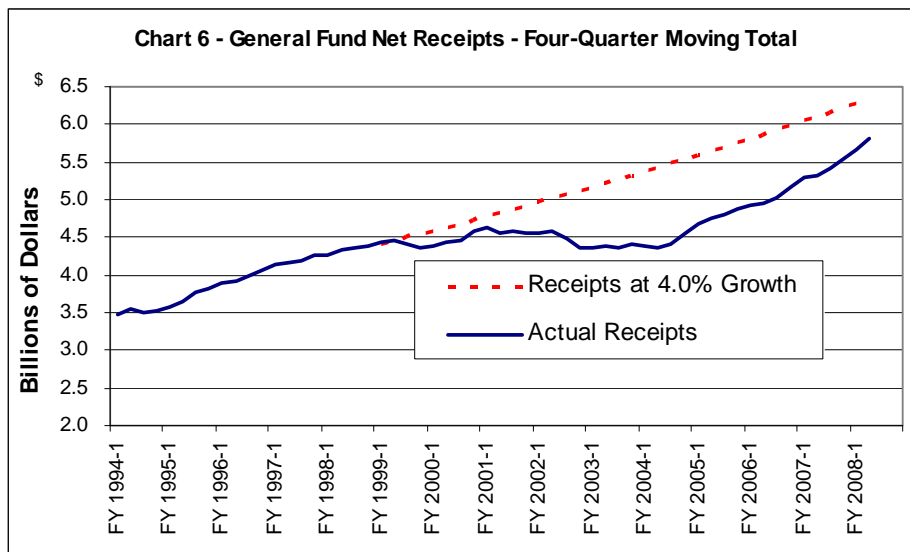
Iowa’s income, sales/use, and corporate taxes raise approximately 86.3% of the revenue deposited in the State General Fund each year (FY 2007 data – net fiscal year basis, excluding transfers). The amount of revenue generated by each of these funding sources depends on the level of economic activity in the State during a fiscal year (employment, consumer expenditures, business and government expenditures, etc.). Assuming other tax factors are equal (tax base and tax rates), a growing economy will produce more tax revenues than a static economy.

The previous paragraphs on the recent condition of the national and Iowa economy show the economy slowed in the fall of 2000, with an official U.S. recession starting in March 2001 and ending in November of the same year. Iowa General Fund revenue declined. The previous information also shows that the most recent timeframe points to a national economy that is slowing, but likely not in recession. The information also indicates that at least for the time being, the Iowa economy has fared better than the national economy as a whole.

Chart 5 shows annual Iowa General Fund net revenue growth calculated on a moving four-quarter basis. The numbers do not include transfers, but are net of tax refunds. Most evident in the graph is the abrupt downturn starting with the second quarter of FY 2001 (Oct-Dec 2000), when receipt growth fell from a positive annual value of 5.5% in the first quarter of FY 2001 to a value of negative 4.7% by the end of the fourth quarter of FY 2002. The growth rate has generally accelerated since that time, with the four-quarter average reaching 9.2% at the end of the third quarter of FY 2005. The recent downturn that started after the third quarter of FY 2005 is due in large part to adjustments to Iowa income tax withholding tables, not to economic factors.



While economic factors contributed to the revenue growth downturn of the early 2000’s, tax reductions and revenue adjustments enacted by the General Assembly played a significant role in reducing the rate of General Fund net revenue growth from FY 1998 through FY 2005. Had receipt growth averaged 4.0% since the end of FY 1998, net revenues for FY 2007 would have totaled \$6.229 billion, \$681.6 million more than the actual net receipts (see **Chart 6**).



In December 2007, the Revenue Estimating Conference (REC) established an FY 2008 net General Fund revenue growth rate (excluding transfers, accrued revenues, and prior to refunds) of 6.9%. After adjusting for the excluded items, estimated growth is 6.0%.

For FY 2009, the REC estimates growth will be positive 2.7% and 2.6% after transfer and other adjustments.

In dollar terms, net revenue growth for FY 2008 is estimated at \$337.1 million and \$156.6 million for FY 2009.

Staff Contact: Jeff Robinson (1-4614) (jeff.robinson@legis.state.ia.us)

IOWA SCHOOL FOUNDATION AID

FY 2009 AND FY 2010 SCHOOL AID ALLOWABLE GROWTH ESTIMATES

School Aid Allowable Growth Increase for FY 2009

During the 2007 Legislative Session, there were four bills enacted that directly impacted the school aid allowable growth amount for FY 2009. These include:

- Senate File 109 (FY 2009 School Aid Allowable Growth Act) established an increase in the cost per pupil allowable growth rate of 4.0%.
- Senate File 447 (School District Reorganization and Sharing Incentives Act) provided the following:
 - An extension for whole grade sharing supplementary weighting under certain circumstances through FY 2014.
 - Operational function sharing supplementary weighting for school districts and area education agencies (AEAs) for up to five years, with an annual phase-out of 20.0% each year.
- Section 20 of SF 588 (Education Appropriations Act) provided supplementary weighting for school districts providing and receiving classes over the Iowa Communications Network (ICN).
- House File 877 (Statewide Voluntary Preschool Program for Four-Year-Olds) provides State funding for approved preschool programs. Although this Program is not directly part of the school aid formula, funding for the Program is tied to the school finance formula's State cost per pupil and allowable growth rate. Funding for the program is based on the eligible program's preschool enrollment weighted at 60.0% and multiplied by the state cost per pupil

The current estimate of State aid for FY 2009 without the Preschool Program funding is \$2, 219.5 million, an increase of \$73.9 million (3.4%) compared to estimated FY 2008 State aid. Based on Preschool Programs that were approved by the Department of Education in 2007, there were 5,126 preschool students that will generate approximately \$17.1 million in State aid in addition to the school aid amount for FY 2009.

At-risk weights and taxable valuations for the FY 2009 school district budget year have not been finalized at the time of this publication. That data will be available in April 2008 and will impact all FY 2009 (and FY 2010) estimates noted in this section.

The following **Table** provides the estimated school aid changes for FY 2009. Including the preschool State aid amount, overall State aid is estimated to increase \$91.0 million (4.2%) in FY 2009. Other changes for FY 2009 include:

- School aid property taxes are estimated to increase \$47.8 million (4.3%).
- Property tax adjustment aid increases by \$6.0 million with an additional 21 districts receiving the State aid for property tax relief. Property tax adjustment aid provides property tax relief in the form of state aid for school districts that have high tax rates. The property tax adjustment aid appropriation increases to \$24.0 million in FY 2010 and will remain at that level for future years.
- The fifth year of the phase-out of the budget adjustment (also referred to as the budget guarantee) has an increase in both the amount of the budget adjustment (an increase of \$2.1 million) and the number of districts receiving budget adjustment funding (an increase of 34 districts). The budget adjustment

provides additional funds for school districts that may have had a reduction in the budget enrollment from the previous year. The budget adjustment is funded entirely through local property taxes.

	State Aid Before New Weightings and Preschool Program	Preschool State Aid	Total State Aid	Property Tax	Property Tax Adjustment Aid	# of Districts Receiving Prop. Tax Adj. Aid	Budget Adjustment	# of Districts Receiving Budget Adj.
FY 2009	\$ 2,219.5	\$ 17.1	\$ 2,236.6	\$ 1,168.4	\$ 18.0	71	\$ 12.4	158
FY 2008	2,145.6	N.A.	2,145.6	1,120.5	12.0	50	10.3	124
Change	\$ 73.9	\$ 17.1	\$ 91.0	\$ 47.8	\$ 6.0	21	\$ 2.1	34

Governor’s Recommendations for FY 2009 School Aid Funding

The Governor recommends maintaining the FY 2009 allowable growth rate at 4.0% for a total estimated State aid amount of \$2.227 billion, an increase of approximately \$80.9 million (3.8%) compared to estimated FY 2008. Included in the Governor’s recommendation for FY 2009 school aid:

- A State aid decrease of \$10.0 million to area education agencies (AEAs). The recommendation increases the current law State aid reduction by \$2.5 million (FY 2009 current law AEA reduction totals \$7.5 million) for special education support.
- Reducing the weight generated by resident students receiving competent private instruction from licensed staff provided by the public school district from 0.6 to 0.3. For FY 2009, this reduction is estimated to reduce State aid by approximately \$7.0 million. The reduction in the weight will reduce district enrollments and potentially increase the budget guarantee for FY 2009. Property tax implications for FY 2009 include:
 - If there is no adjustment made to the budget guarantee for the reduction in enrollment, the estimated FY 2009 budget guarantee will increase by \$1.7 million compared to current law estimates resulting in an overall increase of \$600,000 in property tax compared to current law FY 2009 estimates.
 - If an adjustment is made to the budget guarantee for the reduction in the FY 2009 budget enrollment, the overall property tax amount may decrease by \$1.1 million compared to the current law FY 2009 estimate.

School Aid Allowable Growth Increase for FY 2010

The General Assembly is required to establish the school finance formula cost per pupil allowable growth rate for FY 2010 within 30 days of the Governor’s budget presentation. The following **Table** provides funding amounts at various allowable growth rates for FY 2010 and the changes compared to estimated FY 2009. In general, a 1.0% change in the allowable growth rate equates to approximately a \$28.3 million change in State aid.

Allowable Growth Rate	Total State Aid	Total State Aid Change vs Est. FY 2009	Estimated Preschool State Aid*	School Aid Property Tax	Property Tax Change vs Est. FY 2009	Budget Adjustment	# of School Districts Receiving Budget Adjustment
0.0%	\$ 2,235.0	\$ -1.6	\$ 32.0	\$ 1,235.3	\$ 67.0	\$ 52.5	261
1.0%	\$ 2,263.3	\$ 26.7	\$ 32.3	\$ 1,224.0	\$ 55.6	\$ 36.2	229
2.0%	\$ 2,292.1	\$ 55.5	\$ 32.7	\$ 1,216.1	\$ 47.8	\$ 23.1	185
3.0%	\$ 2,320.4	\$ 83.8	\$ 33.0	\$ 1,213.0	\$ 44.7	\$ 14.6	142
4.0%	\$ 2,349.2	\$ 112.6	\$ 33.3	\$ 1,213.4	\$ 45.1	\$ 9.6	112
5.0%	\$ 2,377.5	\$ 140.9	\$ 33.6	\$ 1,216.3	\$ 47.9	\$ 7.0	97
6.0%	\$ 2,406.3	\$ 169.7	\$ 34.0	\$ 1,220.2	\$ 51.9	\$ 5.4	78
7.0%	\$ 2,434.6	\$ 198.0	\$ 34.3	\$ 1,224.6	\$ 56.2	\$ 4.3	67
8.0%	\$ 2,463.4	\$ 226.9	\$ 34.6	\$ 1,229.3	\$ 60.9	\$ 3.4	58

*Estimated Preschool State Aid is included in the Total State Aid Column.
Property Tax Adjustment Aid will total \$24.0 million with approximately 80 districts receiving the aid in FY 2010.

Governor's Recommendations for FY 2010 School Aid Funding

At the time of publication of this document, the Governor has not made a recommendation for the FY 2010 allowable growth rate.

Individual School District Estimates

The Legislative Services Agency models the school finance formula and provides estimates of State aid and property tax at the school district level. Estimates of various school aid factors for FY 2009 and FY 2010 are available on the LSA web site at:

http://staffweb.legis.state.ia.us/lfb/docs/k-12_ed/k-12_ed.htm.

In addition to the data available on the LSA web site, additional school finance estimates may be requested. Please contact the LSA for additional information.

School Aid Issue Reviews Published during the 2007 Interim

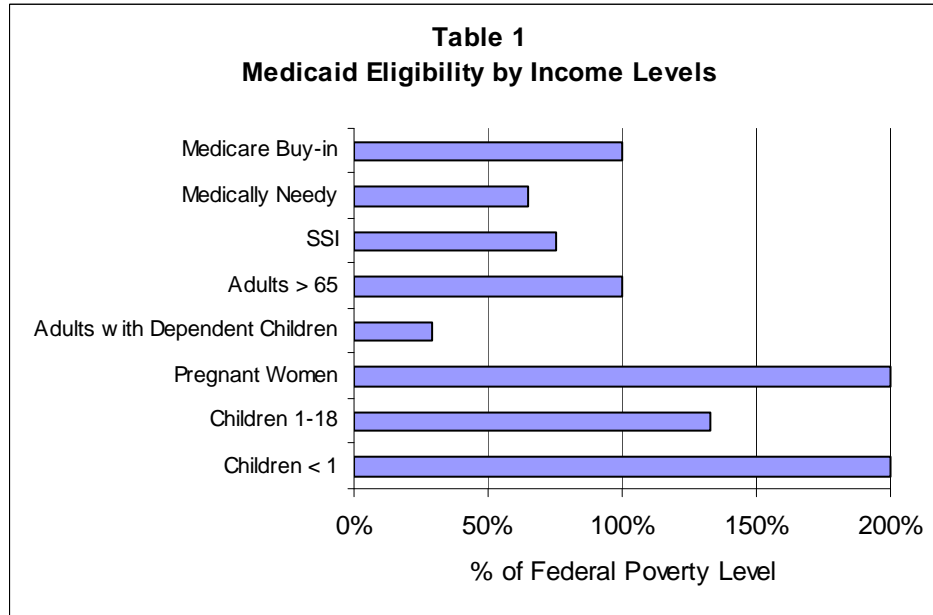
The Legislative Services Agency (LSA) published three *Issue Reviews* that focused on school finance issues. These *Issue Reviews* include:

- [Property Tax Adjustment Aid](#) – provides an overview of the mechanism that provides property tax relief to school districts that have high property tax rates.
- [Impact of School Budget Components on Foundation Property Tax Rates](#) – examines each budget component and its contribution to the total school aid property tax amount.
- [School Infrastructure Local Option \(SILO\) Sales Tax](#) – reviews the current status of SILO and implications of expanding the SILO to a statewide tax.

Staff Contact: Shawn Snyder (1-7799) (shawn.snyder@legis.state.ia.us)

MEDICAL ASSISTANCE PROGRAM (MEDICAID)

Medicaid is funded jointly by State and federal funds to provide health care services to low-income persons that are elderly, blind, disabled, pregnant, children under age 21, or members of families with dependent children. For Federal Fiscal Year (FFY) 2007, the federal matching rate for Iowa is 61.79%. The estimated match rate for FFY 2008 is 62.18%.

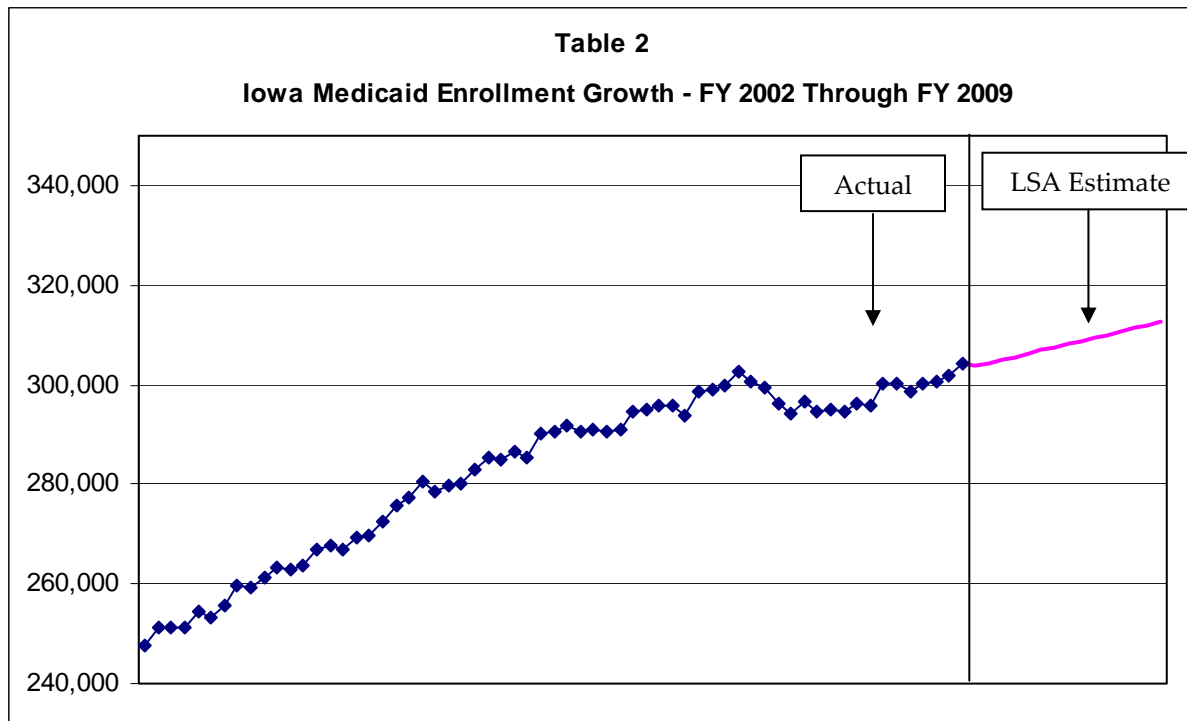


The Iowa Medicaid Program covers individuals at various levels of income as allowed under federal law. **Table 1** shows the maximum income level for children, pregnant women, adults with dependent children, recipients of Supplemental Security Income (SSI), the Medicare Buy-in Program, and the Medically Needy Program. The income levels are based on the percentage of the Federal Poverty Level (FPL) calculated annually by the federal government and varies by the size of the household. The FPL for a family of four is \$20,650 for 2007.

In December 2007, 305,625 Iowans were enrolled in Medicaid. Of this amount, 52.4% were children, 17.9% were adults with dependent children, 20.0% were disabled, and 9.6% were over age 65. Fiscal Year 2007 State expenditures totaled \$759.7 million. This was matched by approximately \$1.8 billion in federal funds, for a total of approximately \$2.6 billion in expenditures. Of the total expenditures, 16.9% was for children, 11.4% was for adults with dependent children, 50.9% was for the disabled, and 20.8% was for adults over age 65. While children account for approximately half of the enrollment, they consume less than 17.0% of Medicaid expenditures. Adults over age 65 and the disabled account for 29.6% of enrollment but utilize 71.7% of expenditures.

State Medicaid Enrollment

Medicaid programs throughout the nation have been experiencing a significant slowing in growth attributed to economic conditions and lower increases in the cost of services than have been seen in the past. **Table 2** shows the enrollment growth in Iowa over the past five years. Average enrollment increased by 6.4% in FY 2004, by 5.8% in FY 2005, and by 3.4% in FY 2006, and in FY 2007 there was negligible growth as a result of additional citizenship requirements at the federal level.



Enrollment is projected to continue to increase slowly in FY 2008 and FY 2009. The Fiscal Services Division of the Legislative Services Agency (LSA) estimates Medicaid enrollment will increase by 2.6% in FY 2008 and FY 2009.

State Medicaid Expenditures

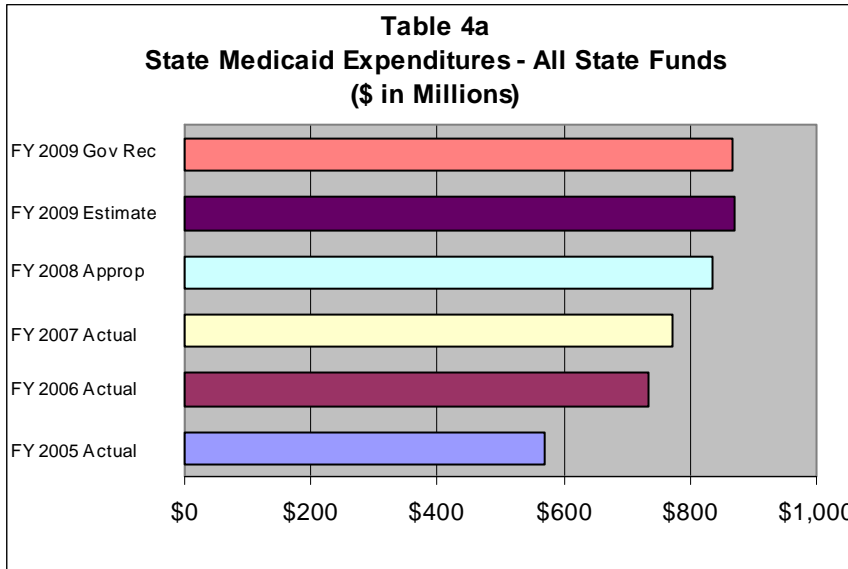
Table 3 shows current year-to-date expenditures for FY 2008 compared to actual FY 2007 expenditures. For FY 2008 and FY 2009 funding sources, please refer to Table 5.

Table 3
State Expenditures for FY 2007 and FY 2008

	Actual FY 2007	Year-to-Date FY 2008
July	\$ 14,107,670	\$ 16,379,832
August	48,443,845	48,508,909
September	51,278,427	63,394,006
October	69,856,090	73,328,600
November	57,272,161	65,468,081
December	64,658,737	-
January	64,953,511	-
February	63,282,231	-
March	63,935,543	-
April	66,879,378	-
May	70,439,016	-
June	63,082,095	-
June +60	61,284,763	-
Total State Expenditures	<u>\$ 759,473,466</u>	<u>\$ 267,079,428</u>

Table 4 shows actual State expenditures for Medicaid for FY 2004 through FY 2007 and the appropriation for FY 2008. In addition, **Tables 4 and 4a** include the LSA estimated expenditures for FY 2009 and the Governor’s FY 2009 recommendation.

	State Expenditures
FY 2005 Actual	\$ 568.8
FY 2006 Actual	732.6
FY 2007 Actual	771.7
FY 2008 Appropriation	834.0
FY 2009 Estimate	869.5
FY 2009 Governor's Recommendation	867.5



FY 2008 Estimate

Staff from the Department of Management, the DHS, and the Fiscal Services Division of the LSA meet monthly to discuss current enrollment and expenditure data in the Medicaid Program and set a range for projected FY 2008 and FY 2009 expenditures. At the December 21, 2007, meeting, the group agreed to an FY 2008 estimate ranging from a surplus of \$10.0 million to a supplemental need of \$10.0 million, with a midpoint of zero.

FY 2009 Estimate

The three staffs also agreed the increased need for Medical Assistance for FY 2009 will fall in a range between \$27.0 and \$50.0 million, with a midpoint of \$38.5 million. This increase is compared to the FY 2008 appropriation (prior to any supplemental). The estimate includes \$15.9 million for IowaCare and includes both the need at the Mental Health Institutes (MHIs) resulting from the phase out of federal funds, as well as increased utilization at the University of Iowa Hospitals and Clinics (UIHC).

Medical Assistance Program (Medicaid)

The Governor is recommending an increase of \$33.5 million for FY 2009 compared to the estimated FY 2008. This increase assumes savings in addition to expected inflationary increases for a net increase of \$26.9 million. This is \$2.0 million below the estimated midpoint agreed upon by the DHS, DOM and LSA. The Governor's additional policy initiatives relating to the Medicaid program have a net increase of \$6.9 million in FY 2009. The Governor's funding recommendation is compared to FY 2008 in Table 5.

Table 5
Governor's FY 2009 Recommendation Compared to Estimated FY 2008
and Department's FY 2009 Request

	FY 2008	FY 2009	FY 2009	Difference:
	Appropriation	Department	Gov's	FY 08 vs.
		Request	Recomm.	Gov's Rec
General Fund	\$ 616,771,820	\$ 649,915,521	\$ 695,858,450	\$ 79,086,630
HITT*	35,327,368	35,327,368	0	-35,327,368
HCTF	99,518,096	99,518,096	100,018,096	500,000
SLTF	65,000,000	65,000,000	65,000,000	0
Carryforward	10,750,000	0	0	-10,750,000
Property Tax Relief	6,600,000	6,600,000	6,600,000	-6,600,000
Total Approp./				
Request/ Recomm.	<u>\$ 833,967,284</u>	<u>\$ 856,360,985</u>	<u>\$ 867,476,546</u>	<u>\$ 33,509,262</u>
Total Estimated				
Need**	\$ 833,967,284	N/A	\$ 869,476,546	
Unfunded Estimate/				
Additional Need	\$ 0	N/A	\$ -2,000,000	

* The Governor has recommended dissolving the HITT Fund and transferring the appropriation to the General Fund.

** The total estimated need is the midpoint of the Medicaid forecasting work group projections.

Other Issues

AEA Financial Review – The Center for Medicare and Medicaid Services (CMS) conducted a financial management review of the State's Area Education Agencies (AEA) school-based reimbursements under Medicaid. The Center is making significant recommendations regarding the manner in which AEAs are allowed to bill and recover service costs from Medicaid. Some of the recommendations may require attention by the General Assembly. The Department is currently reviewing the CMS recommendations and preparing a response.

Pharmacy Dispensing Fees – The Center for Medicare and Medicaid Services (CMS) had planned to implement changes in the Federal Upper Payment Limit (FUL) calculation as required by Section 6001(a) of the Federal Deficit Reduction Act of 2005. This was proposed because the published prices that were used to set Medicaid FUL amounts often greatly exceeded prices available in the marketplace. The rule would limit the federal share of reimbursement for multi-source drugs when at least one generic version is available. On December 18, 2007, a District Court Judge implemented a preliminary injunction that would prohibit CMS from adopting this new method of calculating FUL.

Section 31 of HF 909 (FY 2008 Health and Human Services Appropriation Act) requires the State to compensate pharmacies with increased dispensing fees for any reduction in the federal funds resulting from implementation of FULs. If the change in FULs were to take effect on February 1, 2008, the Department would have to increase dispensing fees from \$4.50 to \$10.00 per prescription and the

Department estimates it would cost the State \$4.9 million in FY 2008 and \$11.7 million in FY 2009. This assumes the additional dispensing fee is funded with 100% State funds.

Medical Assistance Projections and Assessment Council – The FY 2006 IowaCare Medicaid Reform Act established the Medical Assistance Projections and Assessment Council (MAPAC) to oversee the implementation of the Act. The Council members include:

- Chairpersons and Ranking Members of the Health and Human Services Appropriations Subcommittee.
- Chairpersons and Ranking Members or a Committee member appointed by the Chairpersons of the Human Resources Standing Committees of the House and Senate.
- Chairpersons and Ranking Members or a Committee member appointed by the Chairpersons of the Appropriations Committees of the House and Senate.

The Council meets at least quarterly and is charged with:

- Reviewing quarterly reports on design, development, and implementation of the IowaCare Medicaid Reform Act and making annual recommendations for reform.
- Reviewing the providers' audited financial statements related to the expansion population on an annual basis.
- Reviewing financial performance of the Iowa Medicaid Enterprise (IME) on an annual basis.
- Ensuring that the expansion population is managed within funding limitations.
- With assistance of the DHS, the Department of Management (DOM), and the LSA, agree to a projection of Medical Assistance expenditures each fiscal year.

Iowa Medicaid Enterprise – The DHS formerly contracted with a private entity for the majority of the administrative functions within the Medicaid Program (known as the “fiscal agent”). Historically, this was one contract. Beginning in FY 2006, a new contracting strategy was implemented with eight separate contracts. This new administrative structure is called the “Iowa Medicaid Enterprise” (IME). A few key points include:

- All of the contractors and the DHS staff are now in one physical location.
- The new contracts require additional services to members, providers, and the DHS, and the contracts have significantly more performance requirements.

Staff Contact: Jess Benson (281-4611) (jess.benson@legis.state.ia.us)

PUBLIC RETIREMENT SYSTEMS

Retirement Systems

The public retirement systems in Iowa include:

- **Iowa Public Employees' Retirement System – IPERS:** The membership includes approximately 225,000 active and 82,000 retired employees of State, county, and city governments; other political subdivisions or agencies; and school districts. Special groups within the System include:
 - Sheriffs and Deputy Sheriffs.
 - Protection Occupations - airport safety officers; conservation peace officers; city marshals, fire fighters, police officers and fire prevention inspectors not under the Municipal Fire and Police Retirement System of Iowa (MFPRSI); correctional officers; and Department of Transportation (DOT) peace officers.
- **Judicial Retirement System:** There are approximately 356 covered members in this group. Membership includes active Judges, Senior Judges, retired Senior Judges, retired Judges, beneficiaries of deceased Judges, and inactive Judges with contributions remaining in the System.
- **Department of Public Safety Peace Officers' Retirement, Accident, and Disability System – PORS:** The membership includes 631 active and 512 retired peace officers of the Department of Public Safety including uniformed sworn officers of the State Patrol, Division of Criminal Investigation (DCI) officers, drug enforcement officers, arson investigators, and fire prevention inspectors.
- **Municipal Fire and Police Retirement System of Iowa - MFPRSI or 411s:** The membership includes 3,818 active and 3,585 retired police officers and firefighters in cities with a population of 8,000 or more in 1980, and other cities that voluntarily established a civil service commission.
- **Teachers' Insurance and Annuity Association - College Retirement Equities Fund - TIAA-CREF:** The membership includes 27,128 active members that are University, Board of Regents, and some community college employees.

Types of Plans

- The IPERS, Judicial Retirement, PORS, and MFPRSI are “defined benefit plans,” meaning the person’s retirement benefit is based on a benefit formula prescribed by contract or statute. The contributions by employers and employees are adjusted based on actuarial evaluations so funds will be available to pay retirees’ benefits. The IPERS, Judicial Retirement System, and TIAA-CREF retirees receive Social Security benefits. The PORS and MFPRSI retirees do not.
- The TIAA-CREF is a “defined contribution plan,” meaning moneys are contributed to an individual account for each participant and the moneys contributed, plus any investment earnings, determine the retirement benefit made available to the participant upon retirement.

FY 2008 Contribution Rates

	<u>Employee Share</u>	<u>Employer Share</u>	<u>Total</u>
IPERS			
Regular	3.90%	6.05%	9.95%
Sheriffs and Deputies	7.70%	7.70%	15.40%
Protection Occupations	5.64%	8.47%	14.11%
Judicial Retirement (1)	5.70%	22.52%	28.22%
PORS (2)	9.35%	17.00%	26.35%
MFPRSI/411s	9.35%	18.75%	28.10%
TIAA-CREF(3)	3.90%	6.05%	9.95%

(1) Section 602.9104(4)(c)(1), Code of Iowa, requires an employer contribution of 23.7%. If the employer's share is reduced by Session Law, than the employee's share is reduced by a like amount. In SF 563 (FY 2008 Judicial Branch Appropriations Act), the employer's share was reduced to 22.52% for FY 2008. This reduced the employee's share from 6.0% to 5.7%.

(2) The State also contributed \$2.7 million in FY 2008.

(3) The employee contribution rate for Regent Universities and the Board Office is 3.33% for the first \$4,800 of salary for staff members with less than five years of service and the employer's rate is 6.66%. After five years of service and on all additional salary, the employee's rate is 5.0% and the employer's rate is 10.0%. The employee contribution rate for Community Colleges is reflected in the Table above.

Public Retirement Systems Committee

The Public Retirement Systems Committee is a 10-member statutory legislative committee required to examine and make recommendations to the Iowa General Assembly concerning public retirement systems in Iowa. Section 97D.4(3), Code of Iowa, establishes the duties of the committee. The General Assembly addresses retirement system issues during the second year of each biennium and as needed.

The Public Retirement Systems Committee made the following recommendations to the General Assembly:

- IPERS should be maintained as a core defined benefit plan but IPERS should be encouraged to continually study and assess options that complement the core defined benefit plan to better recruit and retain public employees.
- The Senate and House Committees on Appropriations and the Joint Appropriations Subcommittee on the Justice System should fully fund the Judicial Branch request for State contributions to the Judicial Retirement System or at least provide a State contribution to the Judicial Retirement System at the statutory rate of at least 23.7% of covered payroll.
- The Senate and House Committees on State Government should consider legislation which would include the following proposals:
 - Municipal Fire and Police Retirement System (MFPRSI)
 - The current cap on State contributions to MFPRSI should be removed, thereby providing for a yearly State contribution to the System of 3.79% of covered payroll.
 - Overtime should be included in earnable compensation, if the cost if not significant.

- Employees covered by MFPRSI should be provided their choice of doctor when injured on the job and in need of medical assistance.
- Peace Officers' Retirement System (PORS)
 - Modify language governing the designation of the medical board for the System to match language provided for in MFPRSI.
 - Provide that accidental disability benefits cease if the member becomes employed in another public safety occupation.
 - Eliminate references to multiple retirement funds in the Code of Iowa to reflect that only one retirement fund exists.
 - Allow the PORS Board of Trustees to select the actuarial method used by the System.
 - Provide for a \$5.0 million appropriation increase per year to the System for 12 years and an increase in the State's contribution percentage from 17.0% of covered payroll by two percentage points per year to a maximum of 27.0%. A higher State contribution shall be maintained until the Fund is actuarially sound.
 - A member of the System who was in service under MFPRSI prior to January 1992 and not eligible for a transfer of that service to PORS should receive credit for that service under PORS at no cost to the member. A State appropriation of \$50,000 should be made to the System to assist in funding the cost of this credit.
- Iowa Public Employees' Retirement System (IPERS)
 - Allow IPERS to adjust the employer and employee contribution rates for members in regular service on an actuarial basis with yearly changes limited to one half a percentage point.
 - Eliminate bonuses and allowances from the definition of covered wages.
 - Forego implementation of major plan design changes in IPERS during FY 2008-2009 which the System upgrades benefits administration technology.
 - Eliminate the statutory cap on investment management expenses.
 - Allow all public hospital employees, not just licensed health care professionals, to return to full-time work within one month of retirement and not lose retirement benefits.
 - Allow a credit for the cost of purchasing prior service equal to the amount of the member's employers' contributions plus interest that were not paid when the member received a refund, prior to July 1, 1998, for that service.
 - Create a new special service category for County Attorneys and Assistant County Attorneys with benefits commensurate with the protection occupation category. Allow services as a County Attorney or Assistant County Attorney prior to the creation of this new category to be credited as services under the new special category.
 - Include county jailers, Iowa National Guard installation security officers, emergency medical providers, and Polk County attorney special investigators into the protection occupation category.
- Legislative subcommittees assigned legislation in 2007 on substantive proposals affecting public retirement systems not otherwise recommended by the Committee for inclusion in proposed legislation should continue to examine that legislation during the 2008 Session.

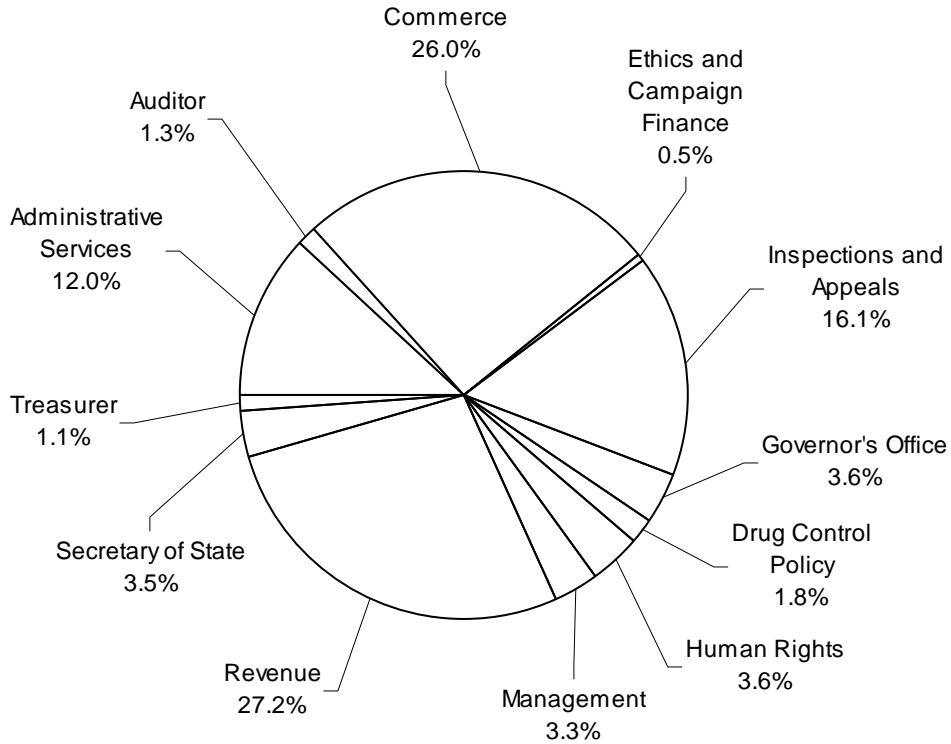
Governor's Recommendation

The Governor is recommending the General Assembly re-balance the pension programs to ensure equitable contribution rates and appropriate funding levels to make all Iowa public retirement systems fiscally sound.

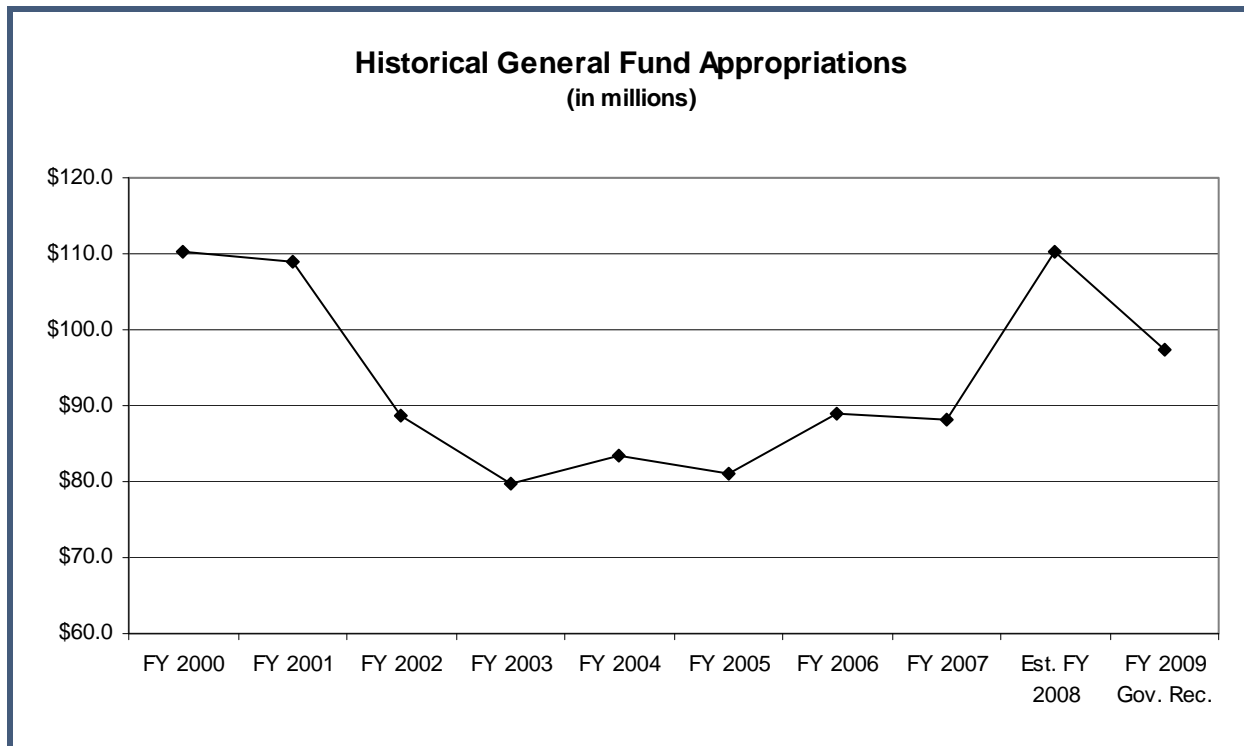
Staff Contact: Jennifer Acton (1-7846) (jennifer.acton@legis.state.ia.us)

ADMINISTRATION AND REGULATION APPROPRIATIONS SUBCOMMITTEE

FY 2009 General Fund Governor's Recommendations



Administrative Services	\$	11,640,986
Auditor		1,249,178
Commerce		25,288,072
Ethics and Campaign Finance		527,122
Inspections and Appeals		15,701,991
Governor's Office		3,537,750
Drug Control Policy		1,746,731
Human Rights		3,513,186
Management		3,178,337
Revenue		26,472,699
Secretary of State		3,382,081
Treasurer		1,027,970
Total	\$	97,266,103



FY 2009 GOVERNOR’S RECOMMENDATIONS

Department of Administrative Services

Established in 2003 by legislative action, the Department of Administrative Services (DAS) consists of four enterprises that provide infrastructure and facilities services to other agencies of State government. These enterprises include the Information Technology Enterprise (ITE), the General Services Enterprise (GSE), the Human Resources Enterprise (HRE), and the State Accounting Enterprise (SAE).

The Governor is recommending FY 2009 General Fund appropriations totaling \$11.6 million. This is an increase of \$1.2 million compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Administrative Services, Dept. of</u>			
Administrative Services, Dept.	\$ 6,469,186	\$ 6,389,186	\$ -80,000
Utilities	3,824,800	3,824,800	0
DAS Distribution Account	0	1,000,000	1,000,000
Shuttle Service	120,000	0	-120,000
HR Payroll System	0	427,000	427,000
Total Administrative Services, Dept. of	\$ 10,413,986	\$ 11,640,986	\$ 1,227,000

The increase reflects a one-time appropriation of \$1.0 million to the DAS Distribution Account for I/3 System costs. The increase also reflects \$427,000 for the analysis of the current Human Resources Payroll System and an RFP process for a new system. The Governor did not recommend funding for the DAS Shuttle Service, which provides free transportation to and from downtown during the Legislative Session.

Issues

I/3 System Funding – The Department received a \$2.0 million appropriation from the RIIF in FY 2008 for increased operating costs associated with the I/3 System. The cost to operate the I/3 System is funded by fees charged to other agencies that use the System. The fees are typically paid from the agencies' General Fund budgets. Had the \$2.0 million appropriation been made from the General Fund, DAS would have allocated the funds to the other state agencies' General Fund appropriations and then billed for the I/3 services. Because the appropriation was from RIIF, the funds could not be allocated to the other agencies' General Fund budgets. In addition, the Department is not requesting the \$2.0 million from RIIF for FY 2009. If an appropriation of \$2.0 million is not provided for the DAS Distribution Account in FY 2009, State agencies will be billed for the additional costs that are currently not included in their FY 2009 budgets. *The Governor is recommending a General Fund appropriation of \$1.0 million to the DAS Distribution Account to be distributed to State agencies to build in to their base budgets for future I/3 System costs.*

Purchase of Mercy Capitol Building – In May of 2007, DAS notified the Legislative Services Agency of its intent to purchase the Mercy Capitol Hospital building located in Des Moines. At that time, DAS was in the process of working with the Treasurer of State to arrange financing of the purchase. The Department is currently in negotiations with the building's owner. The Governor is recommending an appropriation of \$3.4 million from the Endowment for Iowa's Health Restricted Capital Fund (RC2) for the purchase of Mercy Capitol. See the discussion on this issue in the Transportation, Infrastructure, and Capitals Appropriations Subcommittee section.

Federal Overrecovery – When states work with the federal government to operate programs, the federal government pays a portion of the direct and indirect costs. If the federal government believes that they have paid too much of the costs, it will seek recovery of a share of these costs, levy fines, or halt programming. Currently, the federal government is examining areas of service provided by DAS for costs they believe have been overcharged.

Customer Councils – There are four customer councils within DAS: the General Services Enterprise, the Human Resources Enterprise, the I/3 System, and the Information Technology Enterprise. The councils serve as a communication link between DAS and State agencies that receive services from the Department. The DAS is proposing to consolidate the four councils into a single council.

Human Resources Payroll Implementation – The Department has until June 2008 to decide whether the final phase of the I/3 System will be completed using the current vendor, CGI-AMS of Canada. The final phase will implement the Human Resources/Payroll System improvements. The alternative is to conduct a request for proposals (RFP) to find a new vendor. *The Governor is recommending a General Fund appropriation of \$397,000 for the Department to continue working with CGI-AMS to conduct an analysis of the current Human Resources/Payroll System. An additional \$30,000 is recommended to conduct an RFP process for a vendor to implement a new system once the analysis is complete.*

Auditor of State

The Auditor’s Office provides independent audits of the financial operations of State and local governments. The Office also reviews government activities to help ensure they are conducted in an effective, efficient, and legal manner.

The Governor is recommending an FY 2009 General Fund appropriation of \$1.3 million. This is no change compared to estimated FY 2008.

General Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Auditor of State</u>			
Auditor of State - General Office	\$ 1,249,178	\$ 1,249,178	\$ 0
Total Auditor of State	\$ 1,249,178	\$ 1,249,178	\$ 0

Department of Commerce

The Department of Commerce is comprised of five divisions including: the Iowa Alcoholic Beverages Division, the Iowa Division of Banking, the Iowa Credit Union Division, the Iowa Insurance Division, and the Iowa Utilities Board. Each division is responsible for regulation of an industry or group of industries. Each division’s budget is prepared independently and then combined with the other divisions’ budgets for submission to the Governor and General Assembly for approval.

The Governor is recommending FY 2009 General Fund appropriations totaling \$25.3 million. This is a decrease of \$40,000 compared to estimated FY 2008. The Governor is also recommending an FY 2009 other fund appropriation of \$62,000. This is no change compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Commerce, Department of</u>			
Alcoholic Beverages Operations	\$ 2,079,509	\$ 2,079,509	\$ 0
Banking Division	\$ 8,200,316	\$ 8,200,316	\$ 0
Professional Licensing Bureau	\$ 945,982	\$ 945,982	\$ 0
Credit Union Division	\$ 1,671,740	\$ 1,631,740	\$ -40,000
Insurance Division	\$ 4,857,123	\$ 4,857,123	\$ 0
Utilities Division	\$ 7,573,402	\$ 7,573,402	\$ 0
Total Commerce, Department of	\$ 25,328,072	\$ 25,288,072	\$ -40,000

The Credit Union Division received a one-time appropriation from the General Fund of \$40,000 for FY 2008 for a document imaging system and a new database server.

Other Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Commerce, Department of</u>			
Professional Licensing and Regulation			
Real Estate Trust Account Audit	\$ 62,317	\$ 62,317	\$ 0
Total Commerce, Department of	\$ 62,317	\$ 62,317	\$ 0

Issues

Iowa Utility Board's (IUB) High Efficiency Building – In 2006, the Board received authorization to construct an energy efficient building that will house IUB as well as the Office of Consumer Advocate. The Board was also authorized to work with the Treasurer of State to arrange financing for the building through the issuance of bonds. It is anticipated that the bonds will be backed by fees that the IUB charges for services. The building will be located at the southwest corner of the Court Avenue and East 14th Street intersection. The building is currently in the design phase.

Ethics and Campaign Disclosure Board

The Iowa Ethics and Campaign Disclosure Board administers the State campaign, lobbying, and ethics laws. The Board also reports on all gifts, bequests, and grants received by an Executive Branch agency other than a Regents university.

The Governor is recommending an FY 2009 General Fund appropriation of \$527,000. This is a decrease of \$5,000 compared to estimated FY 2008.

General Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Ethics and Campaign Disclosure</u>			
Ethics & Campaign Disclosure Board	\$ 532,122	\$ 527,122	\$ -5,000
Total Ethics and Campaign Disclosure	\$ 532,122	\$ 527,122	\$ -5,000

The decrease of \$5,000 reflects decreased costs of equipment maintenance supplies, printing and binding, ITS reimbursements, and IT equipment.

Department of Inspections and Appeals

The Department of Inspections and Appeals (DIA) is a regulatory agency charged with protecting the health, safety, and well-being of Iowans. The Department consists of four major divisions: the Administration Division, the Administrative Hearings Division, the Health Facilities Division, and the Investigations Division. The Department also includes five administrative units including, the Child Advocacy Board, the Employment Appeal Board, the Hospital Licensing Board, the Iowa Racing and Gaming Commission, and the State Public Defender.

Administration and Regulation Appropriations Subcommittee

The Governor is recommending FY 2009 General Fund appropriations totaling \$15.7 million. This is a decrease of \$122,000 compared to estimated FY 2008. The Governor is also recommending an FY 2009 other fund appropriation totaling \$1.6 million. This is no change compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Inspections & Appeals, Department of			
Inspections and Appeals, Department of			
Administration Division	\$ 2,209,075	\$ 2,087,331	\$ -121,744
Administrative Hearings Division	708,962	708,962	0
Investigations Division	1,599,591	1,599,591	0
Health Facilities Division	2,498,437	2,498,437	0
Employment Appeal Board	58,117	58,117	0
Child Advocacy Board	2,751,058	2,751,058	0
Total Inspections and Appeals, Department of	\$ 9,825,240	\$ 9,703,496	\$ -121,744
Racing Commission			
Pari-Mutuel Regulation	\$ 2,790,551	\$ 2,827,266	\$ 36,715
Riverboat Regulation	3,207,944	3,171,229	-36,715
Total Racing Commission	\$ 5,998,495	\$ 5,998,495	\$ 0
Total Inspections & Appeals, Department of	\$ 15,823,735	\$ 15,701,991	\$ -121,744

Due to the increase in the number of riverboat establishments in the State, the Iowa Racing and Gaming Commission received approval during the 2006 Legislative Session to move one FTE position from Pari-Mutuel Regulation to Riverboat Regulation. Additionally for the Department, the Governor is recommending decreasing the Targeted Small Business Program by \$122,000 and by 1.33 FTEs.

Other Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Inspections & Appeals, Department of			
DIA - Use Tax	\$ 1,623,897	\$ 1,623,897	\$ 0
Total Inspections & Appeals, Department of	\$ 1,623,897	\$ 1,623,897	\$ 0

Office of Governor and Lieutenant Governor

The Governor's Office is responsible for managing the Executive Branch and implementing policies and programs in accordance with State law.

The Governor is recommending FY 2009 General Fund appropriations totaling \$3.5 million. This is an increase of \$450,000 compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Governor			
Governor/Lt. Governor's Office	\$ 2,224,462	\$ 2,674,462	\$ 450,000
Terrace Hill Quarters	492,593	492,593	0
Administrative Rules Coordinator	158,873	158,873	0
National Governor's Association	80,600	80,600	0
State-Federal Relations	131,222	131,222	0
Total Governor	\$ 3,087,750	\$ 3,537,750	\$ 450,000

The \$450,000 increase includes \$300,000 to fund 4.0 FTE positions that currently work for the Governor's Office but are funded from other State agencies' budgets. The recommended increase also includes \$150,000 for hiring additional staff for the Governor's Office.

Governor's Office of Drug Control Policy

The Governor's Office of Drug Control Policy (GODCP) coordinates agencies and stakeholders involved with drug enforcement and substance abuse treatment and prevention. The Office creates the drug control policy and strategy for the State and identifies, pursues, and administers federal and other grants.

The Governor is recommending FY 2009 General Fund appropriations totaling \$1.8 million. This is no change compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Governor's Office of Drug Control Policy			
Drug Policy Coordinator	\$ 346,731	\$ 346,731	\$ 0
Drug Task Forces	1,400,000	1,400,000	0
Total Governor's Office of Drug Control Policy	\$ 1,746,731	\$ 1,746,731	\$ 0

Issues

A Real-Time Pseudoephedrine Tracking System – In 2007, HF 771 (Advisory Services Sales Tax Exemption) and HF 852 (Pseudoephedrine Sales and Tracking) proposed the creation of a real-time pseudoephedrine tracking system. Once a consumer has reached the daily or monthly limit of pseudoephedrine, the sales record is flagged providing notification to other pharmacies to deny the next sale. The GODCP estimates initial start-up costs at \$200,000 with an additional cost of \$30,000 per year to maintain operations of the system. These costs are not included in the Department's FY 2009 budget request.

State and Local Drug Task Forces – Federal appropriations for FFY 2009 may not be sufficient for State and local Drug Task Forces to continue current operations in many areas of Iowa. The Department

received a one-time appropriation of \$1.4 million for FY 2008 to offset a reduction in federal funding. *The Governor is recommending an appropriation of \$1.4 million to the Drug Task Forces to offset the shortfall in federal funding for SFY 2009.*

Department of Human Rights

The Iowa Department of Human Rights is comprised of seven divisions, one commission, and an administrative support unit. The Divisions include: the Division on the Status of African Americans, the Commission on the Status of Asian and Pacific Islanders, the Division of Latino Affairs, the Division of Persons with Disabilities, the Division on the Status of Women, the Division of Deaf Services, the Division of Community Action Agencies, and the Division of Criminal and Juvenile Justice Planning. The divisions promote self-sufficiency of their constituency population by providing training, developing strong partnerships, and advocating on their behalf.

The Governor is recommending FY 2009 General Fund appropriations totaling \$3.5 million. This is a decrease of \$94,000 compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Human Rights, Department of			
Human Rights Administration	\$ 356,535	\$ 356,535	\$ 0
Deaf Services	413,700	421,700	8,000
Asian and Pacific Islanders	127,093	153,093	26,000
Persons with Disabilities	206,221	217,221	11,000
Latino Affairs	191,035	207,035	16,000
Status of Women	353,203	367,203	14,000
Status of African Americans	372,066	187,066	-185,000
Criminal & Juvenile Justice	1,587,333	1,587,333	0
Development, Assessment & Resolution Program	0	10,000	10,000
Commission on the Status of Native Americans	0	6,000	6,000
Total Human Rights, Department of	\$ 3,607,186	\$ 3,513,186	\$ -94,000

The decreases reflect one-time appropriations received in FY 2008 that are not being requested for FY 2009. Increases are spread across most of the divisions for attending conferences and expanding and enhancing programs. The Governor is also recommending \$6,000 for the development of a new Commission on the Status of Native Americans.

Issues

Abraham Lincoln Bicentennial Commission – House File 826 (Abraham Lincoln Bicentennial Commission) established the Commission under the Department of Human Rights. The Commission is responsible for planning, coordinating, and administering activities and programs relating to the commemoration of the bicentennial of the birth of Abraham Lincoln in 2009.

Division on the Status of African Americans – House File 874 (FY 2008 Administration and Regulation Appropriations Act) appropriated \$200,000 to the Division on the Status of African Americans for various statewide projects and programs. *The Governor is recommending \$15,000 for the Covenant with Black Iowa program that was initiated with an FY 2008 one-time appropriations of \$200,000.*

Family Development and Self-Sufficiency – See Education Appropriations Subcommittee, “Iowa Empowerment Board – Fiscal Accountability Work Group,” for information on a current issue involving the Department of Human Rights.

Commission on the Status of Native Americans – The Governor is recommending the development of a new Commission on the Status of Native Americans within the Department of Human Rights. The Commission would have 11 members based on party, gender balance, and geographic diversity. Members would also include representatives of tribes.

Department of Management

The Department of Management (DOM) is the planning and budgeting agency within the Executive Branch. The director of the Department serves as the Governor’s chief financial advisor.

The Governor is recommending FY 2009 General Fund appropriations totaling \$3.2 million. This is a decrease of \$300,000 compared to estimated FY 2008. The Governor is also recommending FY 2009 other fund appropriations totaling \$56,000. This is a decrease of \$4.0 million compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Management, Department of</u>			
Department Operations	\$ 3,178,337	\$ 3,178,337	\$ 0
Local Government Innovation Fund	300,000	0	-300,000
Total Management, Department of	\$ 17,415,600	\$ 3,178,337	\$ -300,000

The decrease reflects the decision by the Governor not to recommend funding for the Local Government Innovation Fund.

Other Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Management, Department of</u>			
Road Use Tax Salary Adjustment	\$ 957,279	\$ 0	\$ -957,279
Primary Road Salary Adjustment	3,060,049	0	-3,060,049
RUTF DOM Operations	56,000	56,000	0
Total Management, Department of	\$ 4,073,328	\$ 56,000	\$ -4,017,328

The Department was appropriated a total of \$14.1 million from the Road Use Tax Fund and the Primary Road Fund for deposit in the Salary Adjustment Fund; however, only \$10.1 million was needed to fund the FY 2008 salary increases for State employees. The \$3.1 million and \$957,000 decreases in the table above reflect the excess funding that was not allocated for salaries FY 2008. These funds will revert at the end of FY 2008, unless legislation is enacted redirecting the funds for other purposes.

Department of Revenue

The Department of Revenue is comprised of six divisions, including: Taxpayer Services and Policy, Compliance, Property Tax, Revenue Operations, Technology and Information Management, and Internal Services. The Department of Revenue collects all taxes in Iowa that are required by law. The Department also provides taxpayers with information that supports tax filing and payments.

The Governor is recommending FY 2009 General Fund appropriations totaling \$26.5 million. This is a decrease of \$150,000 compared to estimated FY 2008. The Governor is also recommending an FY 2009 other fund appropriation of \$1.3 million. This is no change compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Revenue, Dept. of</u>			
Revenue, Department of Tax Amnesty-Auditing and Enforcement	\$ 26,472,699 150,000	\$ 26,472,699 0	\$ 0 -150,000
Total Revenue, Dept. of	\$ 26,622,699	\$ 26,472,699	\$ -150,000

The decrease of \$150,000 reflects a one-time appropriation for FY 2008 for the Tax Amnesty Program for increased auditing and enforcement.

Other Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Revenue, Dept. of</u>			
Motor Fuel Tax Admin.-MVFT	\$ 1,305,775	\$ 1,305,775	\$ 0
Total Revenue, Dept. of	\$ 1,305,775	\$ 1,305,775	\$ 0

Issues

Streamlined Sales Tax Project (SSTP) – SSTP is a national initiative of state and local governments and private sector business and organizations to address the complexities of the different sales tax laws from state to state. Iowa is currently one of 43 states participating in the project.

Iowa Tax Amnesty Program – The Iowa Tax Amnesty Program ran from September 4 through October 31, 2007. Delinquent taxpayers were allowed to pay their past-due taxes without penalty, civil or criminal prosecution, and interest was reduced to half of the original amount. The Program was last implemented in 1986. As of December 7, 2007, the Department has reported \$27.3 million in additional revenue to the General Fund that may not have otherwise been collected. A final report will be provided by the Department in February 2008.

Secretary of State

The Secretary of State is responsible for filing documents such as Uniform Commercial Code (UCC) financing statements, trademarks, business entity documents, and other statutorily required special

filings. The Office also coordinates and supervises elections, and maintains and operates the voter registration program.

The Governor is recommending FY 2009 General Fund appropriations totaling \$3.7 million. This is no change compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Secretary of State			
Admin/Elections/Voter Reg	\$ 1,370,063	\$ 1,370,063	\$ 0
Secretary of State-Business Services	2,012,018	2,012,018	0
Total Secretary of State	\$ 3,382,081	\$ 3,382,081	\$ 0

Issues

Voting Machines – Senate File 369 (Voting Machines, Verified Paper Trail Act) was enacted on May 25, 2007, and makes numerous changes to the types of voting machines and optical scan voting systems that are used at the local level. The Act:

- Requires counties that are replacing voting machines to replace them with an optical scan voting system.
- Requires all elections held on or after November 4, 2008, to utilize voting machines that provide a paper record for review by the voter at the polling place, and that any county using an optical scan voting system conduct absentee voting by use of such a system.
- Requires accommodations for disabled voters.

Currently, only 21 counties have an optical scan system with electronic ballot marking devices for all precincts. The estimated cost to the other 78 counties that do not have paper trail capability is estimated to range between \$1.1 million and \$9.0 million. If the existing voting equipment is retrofitted, the cost is estimated to be \$1.1 million. If the all machines are changed to an optical scan system with ballot marking devices, the estimated cost is \$9.0 million. As of November 5, 2007, none of the \$2.0 million appropriated for voting machine replacement has been expended. The Secretary of State’s Office is uncertain whether or not additional federal law changes will be enacted early next year that may conflict with the requirements enacted in SF 369.

Treasurer of State

The Treasurer of State provides financial services to the State of Iowa by maintaining records of the receipts and disbursements in the State treasury. The Treasurer is responsible for reporting the bonding activities of all political subdivisions and agencies, and makes recommendations to the General Assembly and the Governor on modifications to the bonding authority.

The Governor is recommending an FY 2009 General Fund appropriation of \$1.0 million for operation of the Office. The Governor is also recommending an FY 2009 Road Use Tax Fund appropriation of \$93,000 to fund I/3 budget system expenses. These requests represent no change compared to estimated FY 2008.

General Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Treasurer of State</u>			
Treasurer - General Office	\$ 1,027,970	\$ 1,027,970	\$ 0
Total Treasurer of State	\$ 1,027,970	\$ 1,027,970	\$ 0

Other Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Treasurer of State</u>			
I-3 Expenses - RUTF	\$ 93,148	\$ 93,148	\$ 0
Total Treasurer of State	\$ 93,148	\$ 93,148	\$ 0

Iowa Public Employees Retirement System

The Iowa Public Employees' Retirement System (IPERS) administers the retirement benefits for many of Iowa's public employees. Iowa's public employers use IPERS benefits to attract and retain qualified public personnel in public service. The benefits help public employees care for themselves during retirement.

The Governor is recommending an appropriation of \$17.3 million from the IPERS Trust Fund for FY 2009. This is an increase of \$28,000 compared to estimated FY 2008, to cover additional DAS I/3 budget system expenses.

Other Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>IPERS Administration</u>			
IPERS Administration	\$ 17,285,466	\$ 17,313,766	\$ 28,300
Total IPERS Administration	\$ 17,285,466	\$ 17,313,766	\$ 28,300

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Energy Efficiency Study Committee

The Energy Efficiency Study Committee met on October 18, 2007. The Committee received information related to the Iowa Utilities Board (IUB) requirements and oversight of the utilities' current energy efficiency efforts; energy reduction technology; energy efficient buildings and construction concepts; and energy efficiency financing and investment. The Committee members agreed to make the following recommendations to the General Assembly:

- Set energy efficiency goal of 1.5% per capita per year.
- Provide tax incentives for the construction and rehabilitation of green buildings.
- Provide basic energy efficiency services statewide so they are available for all Iowa families and businesses.
- Improve compliance with State building energy code.
- Encourage green building construction and renovation.
- Promote low-income energy efficiency efforts.
- Encourage the Iowa Power Fund to invest in energy efficiency.
- Promote integrated planning and programming with energy efficiency (Minnesota model) - including rural electric cooperatives and municipal utilities.
- Establish third-party administration pilot project.
- Facilitate an energy efficiency summit – promote statewide sharing of programs and cooperation.
- Establish an advisory council on energy efficiency for the Office of Energy Independence.
- Require economic impact assessment of energy efficiency programs.
- Provide better consumer education.
- Continue to study load management.
- Facilitate easier implementation of energy efficiency programs for customers, including list of available contractors.
- The Committee was unable to discuss the following ideas in committee but recommend their consideration:
 - Transportation efficiency improvements.
 - Promote cogeneration of electricity to improve energy efficiency in electrical production.
 - Promote better workforce training to improve energy efficiency.

Additional information is available on the web site at
<http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=217>.

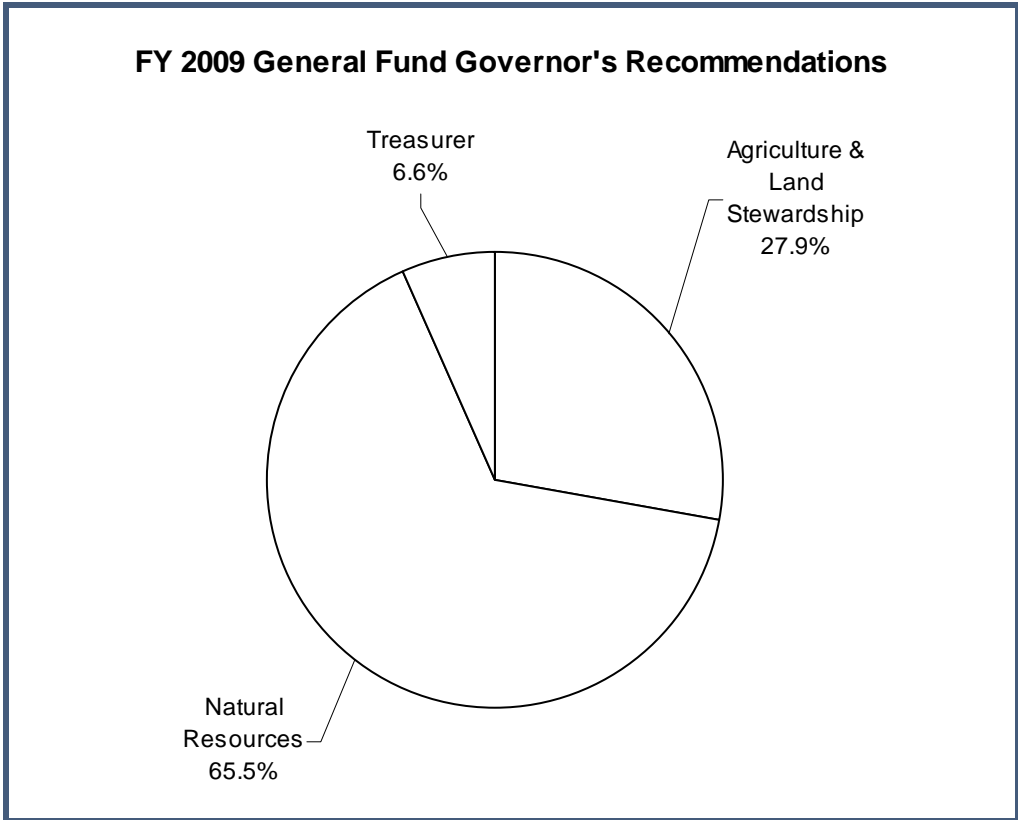
Public Retirement Systems Committee

The Public Retirement Systems Committee met on October 31, November 1, and December 7, 2007. The Committee received information related to the status of the various retirement systems of public employees in Iowa including the Iowa Public Employees' Retirement System (IPERS). See the Public Retirement Systems section elsewhere in this document for further details. See **Appendix F** for a summary of public retirement systems in Iowa.

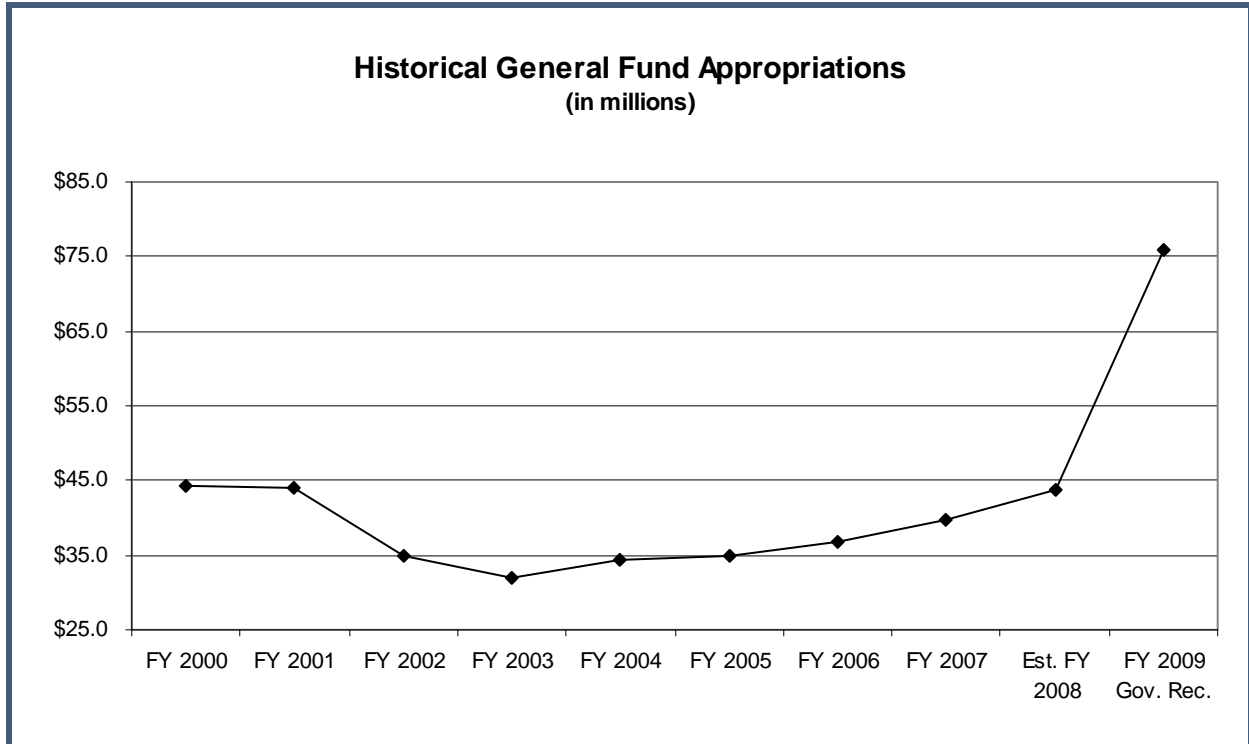
Staff Contacts: Deborah Helsen (1-6764) (deborah.helsen@legis.state.ia.us)
Dave Reynolds (1-6934) (dave.reynolds@legis.state.ia.us)

Subcommittee Web Site: <http://www3.legis.state.ia.us/ga/committee.do?id=32>

**AGRICULTURE AND NATURAL RESOURCES
APPROPRIATIONS SUBCOMMITTEE**



Agriculture & Land Stewardship	\$	21,139,509
Natural Resources		49,619,822
Treasurer		5,000,000
	\$	<u>75,759,331</u>



FY 2009 GOVERNOR’S RECOMMENDATIONS

Department of Agriculture and Land Stewardship

The Department of Agriculture and Land Stewardship (DALs) was created in 1923 to oversee agriculture in the State. Land stewardship functions were added in 1986. The Department has two operating divisions: the Consumer Protection and Industry Services Division and the Soil Conservation Division.

The Governor is recommending FY 2009 General Fund appropriations totaling \$21.1 million. This is a decrease of \$185,000 compared to estimated FY 2008. The Governor is also recommending FY 2009 other fund appropriations totaling \$16.7 million. This is no change compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Agriculture and Land Stewardship</u>			
Administrative Division	\$ 19,278,172	\$ 19,278,172	\$ 0
Chronic Wasting Disease	100,000	100,000	0
Regulatory Dairy Products	951,666	951,666	0
Avian Influenza	50,000	50,000	0

Agriculture and Natural Resources Appropriations Subcommittee

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Agriculture and Land Stewardship, cont.</u>			
Apiary Program	40,000	40,000	0
Soil Commissioners Expense	250,000	250,000	0
Sr. Farmers Market Program	77,000	77,000	0
Gypsy Moth Control - GF	50,000	50,000	0
Emerald Ash Borer Public Awareness Project	50,000	50,000	0
Emergency Veterinarian Rapid Response Services	130,000	130,000	0
Organic Agricultural Products	54,671	54,671	0
Grape & Wine Development Fund	283,000	108,000	-175,000
IA Jr. Angus Program	10,000	0	-10,000
Total Agriculture and Land Stewardship	\$ 21,324,509	\$ 21,139,509	\$ -185,000

Changes include:

- A decrease of \$175,000 to the Grape and Wine Development Fund.
- A decrease of \$10,000 for the Iowa Junior Angus Program.

Other Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Agriculture and Land Stewardship</u>			
Agriculture and Land Stewardship			
Native Horse and Dog Program	\$ 305,516	\$ 305,516	\$ 0
Open Feedlots Research Project	50,000	50,000	0
Conservation Reserve Enhance-EFF	1,500,000	1,500,000	0
Watershed Protection Fund-EFF	2,550,000	2,550,000	0
Farm Management Demo.-EFF	850,000	850,000	0
Agricultural Drainage Wells-EFF	1,480,000	1,480,000	0
Cost Share-EFF	7,000,000	7,000,000	0
Conservation Reserve Prog.-EFF	1,500,000	1,500,000	0
So. Iowa Conservation & Dev. Authority-EFF	300,000	300,000	0
Motor Fuel Inspection	300,000	300,000	0
Flood Prevention Study-EFF	150,000	150,000	0
Farm to School Program-EFF	80,000	80,000	0
State Apiarist Program-EFF	40,000	40,000	0
Total Agriculture and Land Stewardship	\$ 16,105,516	\$ 16,105,516	\$ 0
Loess Hills Development and Conservation Authority			
Loess Hills-EFF	\$ 580,000	\$ 580,000	\$ 0
Total Agriculture and Land Stewardship	\$ 16,685,516	\$ 16,685,516	\$ 0

Issues

Ethanol Testing – House File 2759 (FY 2007 Renewable Fuels Infrastructure Act) created the Renewable Fuel Infrastructure Fund in the State Treasurer’s Office. Funding was provided from the Grow Iowa Values Fund. For FY 2007 and FY 2008, the DALs received \$300,000 to screen and test motor fuels at production plants, to test motor fuel sold at dealerships, and to inspect and audit motor fuel production

Agriculture and Natural Resources Appropriations Subcommittee

at processing plants. *The Governor is recommending funding of \$300,000 from the Grow Iowa Values Fund for this Program.*

Avian Influenza – Avian Influenza, or bird flu, is a viral illness that can infect a variety of animals, including birds and pigs. Although the disease is spread through the wild bird population, poultry can be infected and are more susceptible to illness when exposed. There have been no cases of Avian Influenza reported in the United States. *The Governor is recommending funding of \$50,000 from the General Fund for this Program.*

Emerald Ash Borer – The Emerald Ash Borer is an insect belonging to a group of metallic wood boring beetles. These insects kill weakened trees as part of the natural nutrient recycling scheme. However, the Emerald Ash Borer will vigorously kill growing or weakened ash trees. Although this insect has not been detected in Iowa, the insect was detected in northeast Illinois this past summer and 18 Illinois counties are under quarantine. Movement of the emerald ash borer occurs when people transport infested nursery stock, firewood, and logs to uninfested areas. *The Governor is recommending funding of \$50,000 from the General Fund for this Program.*

Department of Natural Resources

The Department of Natural Resources (DNR) is responsible for maintaining State parks and forests, protecting the environment, and managing energy, fish, wildlife, and land and water resources in Iowa.

The Governor is recommending FY 2009 General Fund appropriations totaling \$20.0 million. This is a decrease of \$225,000 compared to estimated FY 2008. The Governor is also recommending FY 2009 General Fund appropriations totaling \$29.6 million for capital projects. This is an increase of \$29.6 million compared to estimated FY 2008. The Governor is also recommending FY 2009 other fund appropriations of \$42.1 million. This is no change compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Natural Resources, Department of</u>			
Natural Resources Operations	\$ 20,244,822	\$ 20,019,822	\$ -225,000
Total Natural Resources, Department of	\$ 20,244,822	\$ 20,019,822	\$ -225,000
<u>Natural Resources Capital</u>			
Lake Restoration Program	\$ 0	\$ 8,600,000	\$ 8,600,000
REAP	0	20,000,000	20,000,000
Odor Study	0	1,000,000	1,000,000
Total Natural Resources Capital	\$ 0	\$ 29,600,000	\$ 29,600,000

Other Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Natural Resources, Department of</u>			
Fish & Game-DNR Admin Expenses	\$ 37,626,733	\$ 37,626,733	\$ 0
NPDES Permit Application Processing	700,000	700,000	0
Snowmobile Registration Fees	100,000	100,000	0
UST Administration Match	200,000	200,000	0
GWF-Storage Tanks Study-DNR	100,303	100,303	0
GWF-Household Hazardous Waste-DNR	447,324	447,324	0
GWF-Well Testing Admin 2%-DNR	62,461	62,461	0
GWF-Groundwater Monitoring-DNR	1,686,751	1,686,751	0
GWF-Landfill Alternatives-DNR	618,993	618,993	0
GWF-Waste Reduction and Assistance	192,500	192,500	0
GWF-Solid Waste Authorization	50,000	50,000	0
GWF-Geographic Information System	297,500	297,500	0
Total Natural Resources, Department of	\$ 42,082,565	\$ 42,082,565	\$ 0
<u>Natural Resources Capital</u>			
REAP-EFF	\$ 15,500,000	\$ 0	\$ -15,500,000
Volunteers and Keepers of Land-EFF	100,000	100,000	0
Park Operations & Maintenance-EFF	2,470,000	2,470,000	0
GIS Information for Watershed-EFF	195,000	195,000	0
Water Quality Monitoring-EFF	2,955,000	2,955,000	0
Water Quality Protection-EFF	500,000	500,000	0
Air Quality Monitoring- Livestock-EFF	235,000	0	-235,000
Animal Feeding Operations-EFF	360,000	360,000	0
Air Quality Monitoring-EFF	325,000	520,000	195,000
Database Development-EFF	50,000	0	-50,000
Floodplain Management/Dam Safety-EFF	0	150,000	150,000
Water Quantity-EFF	480,000	480,000	0
Resource Conservation and Development-EFF	300,000	0	-300,000
Biofuels Permitting-EFF	0	90,000	90,000
Global Climate Change-EFF	0	150,000	150,000
Total Natural Resources Capital	\$ 23,470,000	\$ 7,970,000	\$ -15,500,000

Changes include:

- A General Fund decrease of \$225,000 to the DNR operations budget.
- A General Fund increase of \$29.6 million for DNR capital projects for the following:
 - \$20.0 million increase for the Resource Enhancement and Protection (REAP) Fund.
 - \$8.6 million increase for the Lake Restoration Program.
 - \$1.0 million increase for a Livestock Odor Study.
- An Environment First Fund increase totaling \$585,000 for the following:
 - \$195,000 for the Ambient Air Quality Monitoring Program.
 - \$150,000 for a Flood Plain Management and Dam Safety Program.

- \$150,000 for the Global Climate Change Advisory Council.
- \$90,000 for a Biofuels Permitting Program.
- An Environment First Fund decrease totaling \$16.1 million for the following:
 - \$15.5 million for REAP.
 - \$235,000 for the Livestock Air Quality Monitoring Program.
 - \$50,000 for development of a livestock database.
 - \$300,000 for the Resource Conservation and Development Program.

Issues

REAP – The REAP Fund was created by the 1989 Legislature with the goal of protecting Iowa’s resources. Provisions in the Code of Iowa require the Program to receive a standing appropriation up to \$20.0 million from the General Fund. *The Governor is recommending \$20.0 million from the General Fund for FY 2009.*

Lake Restoration Program – The Lake Restoration Program was implemented to improve the water quality of State-owned lakes. The DNR ranked 127 lakes based upon a number of socio-economic, water quality, watershed factors. This process resulted in a list of 35 priority lakes for restoration. *The Governor is recommending \$8.6 million from the General Fund for FY 2009.*

Livestock Odor Study – The Livestock Odor Interim Study Committee met twice during the interim. Recommendations to the General Assembly included a five-year plan that was presented by Iowa State University (ISU), the Department of Agriculture and Land Stewardship, and the DNR. *The Governor is recommending \$1.0 million from the General Fund for FY 2009 to encourage livestock producers to voluntarily utilize available odor-reducing technologies.*

Bottle Deposit Program Expansion – The Beverage Container Control Act was approved by the 1978 General Assembly and was effective on July 1, 1979. Currently, consumers purchasing carbonated beverages, beer, wine, and liquor pay a five-cent bottle deposit fee. *The Governor is recommending to add containers for tea, sport drinks, and water to the Beverage Container Control Act and to increase the deposit amount from five cents to ten cents. The Governor estimates additional revenue of \$34.7 million per year. The additional funding will be used to fund environmental programs such as REAP and water quality improvement programs.*

Global Climate Change Advisory Council – The Council was created in SF 485 (Greenhouse Gas Regulations Act). The Council consists of 27 members that are required to submit a report with recommendations to the Governor and the General Assembly by January 1, 2008. The Council has held several meetings to meet this requirement, however, there was no funding to pay for related expenditures. *The Governor is recommending \$150,000 from the Environment First Fund for FY 2009.*

Flood Plain Management and Dam Safety Programs – The Flood Plain Management Program is responsible for ensuring that construction of bridges and culverts in urban and rural areas meets the appropriate criteria. Department staff review bridge applications to ensure that Iowa's roads and bridges are safe and passable during flood events. The Dam Safety Program provides regular inspection of dams in Iowa. *The Governor is recommending \$150,000 from the Environment First Fund for FY 2009.*

Biofuels Permitting – Prior to issuing a construction permit for a new facility, the DNR reviews the design and performance objectives related to air contaminants. Facilities that comply with State and federal standards are issued a permit. The number of permits to review has increased with the expansion of the biofuels industry. *The Governor is recommending \$90,000 from the Environment First Fund for FY 2009.*

Honey Creek Resort State Park – Honey Creek Resort State Park is located on Rathbun Lake in Appanoose County. The resort offers a broader range of recreational activities and lodging accommodations that includes a lodge, restaurant, conference center, 18-hole golf course, and indoor water park. Although the Honey Creek Premier Destination Park Authority approved \$33.1 million in double tax-exempt revenue bonds during 2006. Since that time, the DNR has determined an additional \$8.0 million will be needed for FY 2009 to complete the family cabins and other amenities that were part of the original plan. *The Governor is recommending funding of \$4.9 million from the RIF and \$3.1 million from the Restricted Capitals Account for FY 2009. The Transportation, Infrastructure, and Capitals Appropriations Subcommittee will address this issue.*

Board of Regents

The Board of Regents oversees the State’s three universities, including Iowa State University (ISU). The Veterinary Diagnostic Laboratory at ISU currently receives funding through the Agriculture and Natural Resource Appropriations Subcommittee.

The Board of Regents is not requesting an FY 2009 General Fund appropriation from the Agriculture and Natural Resources Appropriations Subcommittee. This is a decrease of \$2.1 million compared to estimated FY 2008. The funding for the Laboratory resulted from an initiative by several legislators and the Iowa Veterinary Medical Association, and was not requested by ISU. The Governor is not recommending additional funding for FY 2009.

General Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Regents, Board of</u>			
ISU Veterinary Diagnostic Laboratory	\$ 2,068,706	\$ 0	\$ -2,068,706
Total Regents, Board of	\$ 2,068,706	\$ 0	\$ -2,068,706

Department of Economic Development

The Department of Economic Development (DED) promotes economic development policies and practices that stimulate and sustain Iowa's economic growth and climate and that integrate efforts across public and private sectors. The Agriculture and Natural Resource Appropriations Subcommittee appropriated funds to DED in FY 2008 from the Environment First Fund for Brownfields.

The Governor is recommending an FY 2009 appropriation from the Environment First Fund of \$500,000. This is no change compared to estimated FY 2008.

Other Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Economic Development, Dept. of</u>			
Brownfields Redevelopment-EFF	\$ 500,000	\$ 500,000	\$ 0
Total Economic Development, Dept. of	\$ 500,000	\$ 500,000	\$ 0

Treasurer of State

The Watershed Improvement Review Board receives funding from the Treasurer of State; however, the activities and the grants awarded by the Board are managed by the DALs, so the funding is appropriated by the Agriculture and Natural Resource Appropriations Subcommittee.

The Governor is recommending an FY 2009 appropriation from the General Fund of \$5.0 million. This is a General Fund increase compared to estimated FY 2008. The funding for FY 2008 was from the Endowment for Iowa’s Health Account.

General Fund Recommendation

	<u>Estimated FY 2008</u>	<u>Gov Rec FY 2009</u>	<u>Gov Rec vs. FY 2008</u>
<u>Treasurer of State</u>			
Watershed Protection-Water Quality	\$ 0	\$ 5,000,000	\$ 5,000,000
Total Treasurer of State	\$ 0	\$ 5,000,000	\$ 5,000,000

Other Fund Recommendation

	<u>Estimated FY 2008</u>	<u>Gov Rec FY 2009</u>	<u>Gov Rec vs. FY 2008</u>
<u>Treasurer of State</u>			
Watershed Protection-Water Quality	\$ 0	\$ 5,000,000	\$ 5,000,000
Total Treasurer of State	\$ 0	\$ 5,000,000	\$ 5,000,000

Environment First Fund

The Environment First Fund was created by the 2000 General Assembly to provide funding for environmental programs. A standing appropriation of \$35.0 million was established for the Fund from the Rebuild Iowa Infrastructure Fund (RIIF). During the 2007 General Assembly, the standing appropriation was increased to \$40.0 million and the Agriculture and Natural Resources Appropriations Subcommittee made recommendations to the General Assembly regarding programs that should receive appropriations from the Fund. The Governor is recommending FY 2009 Environment First Fund appropriations totaling \$24.5 million. This is a decrease of \$15.5 million compared to estimated FY 2008. The decrease is from moving the REAP Program from the Environment First Fund and a \$20.0 million General Fund appropriation. The following is a summary of the Governor’s recommendations for FY 2009:

Agriculture and Natural Resources Appropriations Subcommittee

	Estimated FY 2008	Gov Rec FY 2009	Gov. Rec vs. FY 2008
<u>Dept. of Agriculture and Land Stewardship</u>			
Conservation Reserve Enhancement	\$ 1,500,000	\$ 1,500,000	\$ 0
Watershed Protection Fund	2,550,000	2,550,000	0
Farm Management Demonstration	850,000	850,000	0
Agricultural Drainage Wells	1,480,000	1,480,000	0
Cost Share	7,000,000	7,000,000	0
Conservation Reserve Program	1,500,000	1,500,000	0
So. Iowa Conservation & Dev. Authority	300,000	300,000	0
Loess Hills Authority	580,000	580,000	0
Flood Prevention Study-EFF	150,000	150,000	0
Farm to School Program	80,000	80,000	0
State Apiarist Program	40,000	40,000	0
Total Dept. Agriculture and Land Steward.	\$ 16,030,000	\$ 16,030,000	\$ 0
<u>Dept. of Natural Resources</u>			
REAP	\$ 15,500,000	\$ 0	\$ -15,500,000
Volunteers and Keepers of Land	100,000	100,000	0
Park Operations & Maintenance	2,470,000	2,470,000	0
GIS Information for Watershed	195,000	195,000	0
Water Quality Monitoring	2,955,000	2,955,000	0
Water Quality Protection	500,000	500,000	0
Air Quality Monitoring- Livestock	235,000	0	-235,000
Marine Fuel Tax Projects	0	0	0
Lake Dredging	0	0	0
Tire Reclamation	0	0	0
Animal Feeding Operations	360,000	360,000	0
Air Quality Monitoring - ambient	325,000	520,000	195,000
Database Development	50,000	0	-50,000
Floodplain Management/Dam Safety	0	150,000	150,000
State Forester/Ecologist	0	0	0
Water Quantity	480,000	480,000	0
Biofuels Permitting	0	90,000	90,000
Global Climate Change Council	0	150,000	150,000
Resource Conservation and Development	300,000	0	-300,000
Total Dept. of Natural Resources	\$ 23,470,000	\$ 7,970,000	\$ -15,740,000
<u>Economic Development, Department of</u>			
Env DED Brownfields	\$ 500,000	\$ 500,000	\$ 0
Total Economic Development, Dept. of	\$ 500,000	\$ 500,000	\$ 0
Total Environment First Fund	\$ 40,000,000	\$ 24,500,000	\$ -15,500,000

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Animal Feeding of Distillers Dried Grains Interim Study Committee

The Animal Feeding of Distillers Dried Grains Interim Study Committee met on September 13, 2007, in Des Moines. Senator Rich Olive and Representative John Whitaker were elected as Co-Chairpersons for the Committee. In 2006, 1.6 billion gallons of ethanol were produced in Iowa. The majority of the ethanol plants in Iowa use the dry mill production method. A co-product that results from the

Agriculture and Natural Resources Appropriations Subcommittee

production of ethanol using the dry mill method is the distillers dried grain. This grain is purchased by livestock producers as feed rations.

The Committee voted to make the following recommendations to the General Assembly:

- To create and require standardized testing procedures for distillers dried grain.
- To consider increasing funding to Iowa State University to research the effects of using distillers dried grain for animal feedstock.

For additional information, refer to the following web site:

<http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=220>.

Livestock Odor Interim Study Committee

The Livestock Odor Interim Study Committee met on October 24, 2007, in Des Moines. Senator Frank Wood and Representative Wes Whitehead were elected as Co-Chairpersons for the Committee. The Committee's charge is to consider additional funding to research cost-effective management practices that will minimize odor at animal feeding operations.

The Committee met on November 28, 2007, and voted to make the following recommendations to the General Assembly:

- To recommend the five-year plan to mitigate livestock odor as presented by Wendy Wintersteen, Iowa State University (ISU), Bill Northey, Secretary of Agriculture, and Richard Leopold, Department of Natural Resources. The total estimated cost is \$22.8 million over five years.
- To recommend that swine producers requiring a construction permit must complete a Community Air Modeling Study with assistance from ISU. The recommendation included funding to ISU for up to \$1,000 per study.

For additional information, refer to the following web site:

<http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=213>.

The Governor is recommending funding from the General Fund of \$1.0 million for FY 2009 to encourage livestock producers to voluntarily utilize available odor-reducing technologies.

Sustainable Funding For Natural Resources Interim Study Committee

The Sustainable Funding for Iowa's Natural Resources Advisory Committee was created in HF 2797 (FY 2007 Standings Appropriations Act). The purpose of the Committee is to research and recommend funding sources that will provide sustainable funding for natural resource needs in Iowa. The legislation required the Committee to submit a report to the Governor and the General Assembly by January 10, 2007. The Advisory Committee submitted a draft report on January 10, 2007, and a final report on March 1, 2007. The final report stated that \$150.0 million per year would be needed for sustainable natural resources.

During 2007, the Sustainable Funding for Natural Resources Funding Interim Study Committee was appointed by the Legislative Council. Meetings were held on August 13, and November 1 and 2 in Des Moines. Senator Dick Dearden and Representative Paul Bell were elected as Co-Chairpersons for the Committee.

During the November 1 and 2 Interim Study Committee meetings, presentations were made on economic benefits, taxation issues, funding mechanisms to raise \$150.0 million per year, and what other

states have done for sustainable natural resources. The Interim Study Committee will meet in January to make recommendations to the General Assembly, however no date has been determined. For additional information, refer to the following web site: <http://www.iowadnr.com/sustainablefunding/>.

Global Climate Change Advisory Council

The Global Climate Change Advisory Council met on October 18, 2007, in Des Moines. The Council was created in SF 485 (Greenhouse Gas Regulations Act). The Council consists of 23 voting members and four nonvoting members. The Council is charged with:

- Developing scenarios to reduce Statewide greenhouse gas emissions while considering cost-effectiveness.
- Establishing a baseline year for purposes of calculating reductions in Statewide greenhouse gas emissions.
- Submitting a proposal to the Governor and General Assembly by January 1, 2008.

The Council met on December 17 in Davenport. The Council discussed several options for first report that is due to the Governor and the General Assembly by January 1, 2008. The Council's recommendations include:

- Developing multiple scenarios for Statewide reductions in greenhouse gas emissions by 2050.
- Adopting a baseline year of 2005 for the purposes of calculating Statewide greenhouse gas emissions in future years.
- Reducing greenhouse gas emissions for interim years including 2012, 2020, and 2050.

For additional information, refer to the following web site: <http://www.iowadnr.com/iccac/index.html>.

The Governor is recommending funding of \$150,000 from the Environment First Fund for the Global Climate Change Advisory Council.

Watershed Improvement Review Board

The Watershed Improvement Review Program was established during the 2005 Legislative Session in SF 200 (Agriculture Powers, Duties, and Watershed Improvement Act). The legislation also created a Watershed Improvement Review Fund and a Watershed Improvement Review Board. The purpose of the Board is to review applications and award grants for projects that will encourage public participation and input for determining priorities to improve the State's water quality. The following grants have been awarded:

- FY 2006—17 grants totaling \$4.8 million were awarded for projects totaling \$14.0 million.
- FY 2007—16 grants totaling \$4.9 million were awarded for projects totaling \$18.0 million.
- FY 2008—16 grants totaling \$2.7 million were awarded for projects totaling \$10.0 million.

Funding for the Watershed Improvement Review Fund is appropriated to the State Treasurer each year. *The Governor is recommending \$5.0 million from the General Fund for FY 2009 to continue the funding for the Program.* Funding for FY 2008 was from the Endowment for Iowa's Health Account. For more information on the Watershed Improvement Review Board, refer to the following web site:

<http://www.agriculture.state.ia.us/IWIRB.htm>.

Watershed Quality Planning Task Force

The Watershed Quality Planning Task Force was created during the 2007 Legislative Session in SF 2363 (Water Quality Standards Act). The legislation specified that the Task Force must make recommendations to the General Assembly by June 30, 2008, for a voluntary Statewide water quality program. The report date was changed to January 1, 2008, in SF 551 (FY 2008 Agriculture and Natural Resources Appropriations Act). The Task Force met on November 15 and finalized their recommendations that include:

- Creation of a Water Resource Coordinating Council under the direction of the Governor.
- Conduct a water quality research and marketing campaign to rekindle the conservation ethic in all Iowans. The funding recommendation is \$1.0 million for one year to develop a campaign.
- Create regional watershed assessment, planning and prioritization. The funding recommendation is \$5.0 million annually.
- Implement smaller projects and identify sub-watersheds. The funding recommendation is \$5.0 million annually.
- Support for community-based watershed monitoring and measurement by providing technical and financial support for locally-based watershed monitoring and measurement. The funding recommendation is \$ 2.5 million annually.
- Development of wastewater and stormwater treatment Infrastructure.

For more information on the Task Force and a copy of the final report, refer to the following web site: <http://www.iowadnr.com/water/taskforce/index.html>.

Farm-To-School Council

The Farm-To-School Program and the Farm-To-School Council were created in SF 601 (FY 2008 Standings Appropriations Act). The goal of the Program is to link Iowa elementary and secondary public and nonpublic schools with Iowa farms to provide schools with fresh and minimally processed food that will be served for meals and snacks. In addition, the Program is to encourage children to develop healthy eating habits, and provide Iowa farmers access to consumer markets. The members of the Council were appointed by the Governor on November 8, 2007. The first meeting was held on January 8 to develop objectives, strategies, and timetables for the Council. *The Governor is recommending \$80,000 from the Environment First Fund for FY 2009.*

LSA Publications

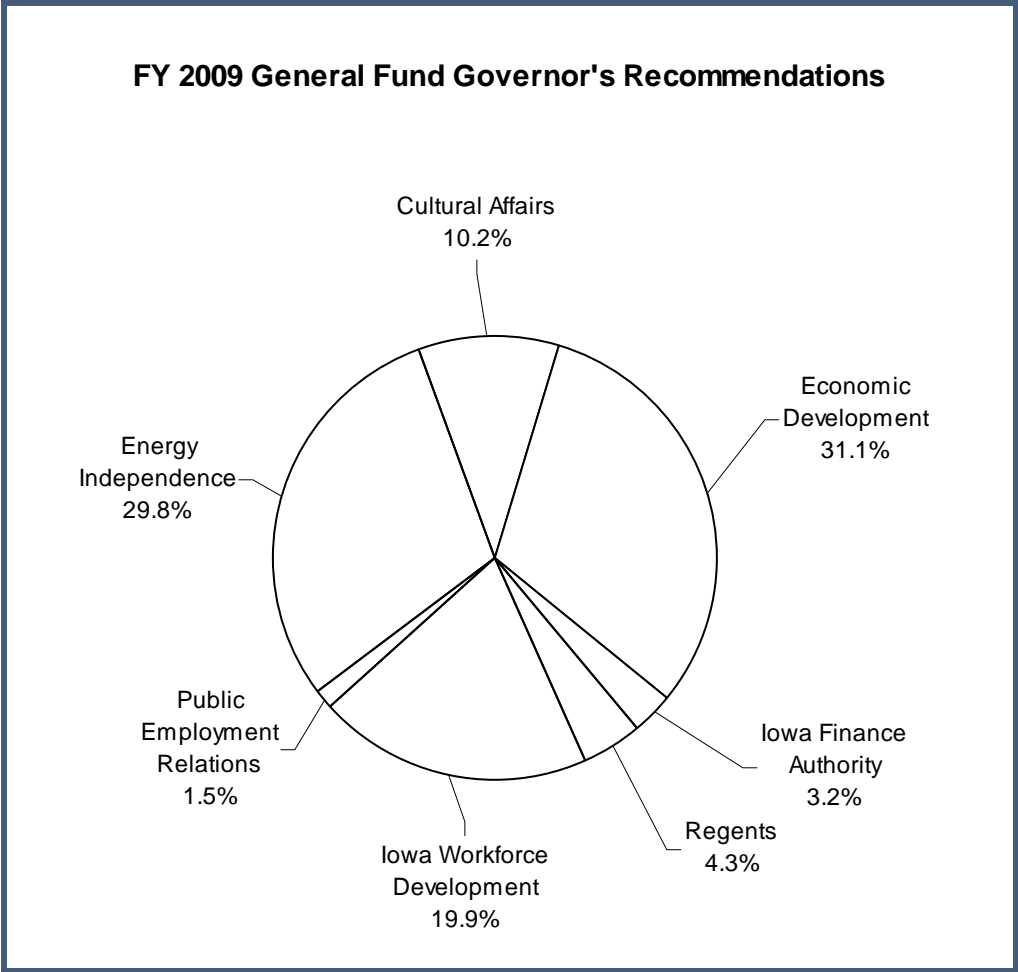
The following publications have been issued by the LSA that relate to the Agriculture and Land Stewardship Appropriations Subcommittee:

- [Overview of Iowa's Farmer's Markets](#)
- [Help Us Stop Hunger Program](#)

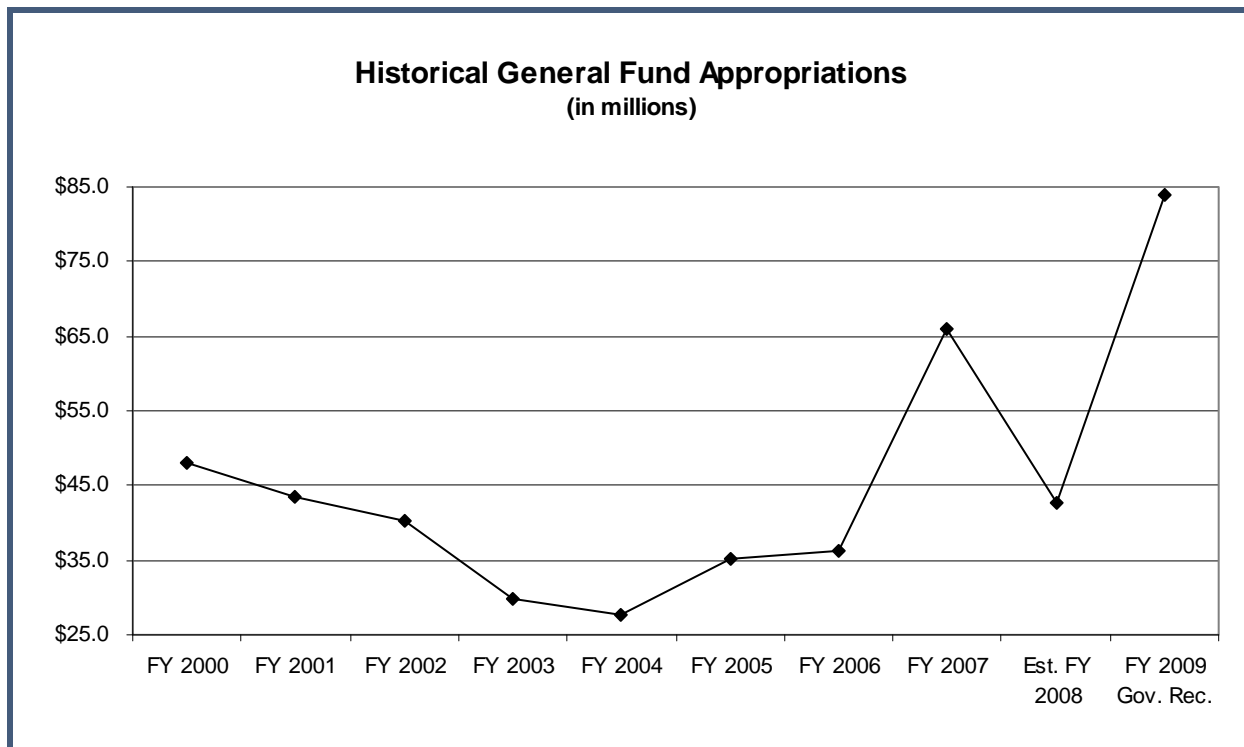
Staff Contact: Deb Kozel (1-6767) (deb.kozel@legis.state.ia.us)

Subcommittee Web Site: <http://www3.legis.state.ia.us/ga/committee.do?id=33>

ECONOMIC DEVELOPMENT APPROPRIATIONS SUBCOMMITTEE



Cultural Affairs	\$ 8,551,397
Economic Development	26,125,000
Iowa Finance Authority	2,700,000
Regents	3,627,439
Iowa Workforce Development	16,758,076
Public Employment Relations	1,233,283
Energy Independence	25,000,000
	<u>\$ 83,995,195</u>



FY 2009 GOVERNOR'S RECOMMENDATIONS

Department of Cultural Affairs

The Iowa Department of Cultural Affairs provides cultural leadership and direction for the State through the Iowa Arts Council and the State Historical Society of Iowa.

The Governor is recommending FY 2009 General Fund appropriations totaling \$8.6 million. This is an increase of \$1.3 million compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Cultural Affairs, Department of</u>			
Administration Division	\$ 255,418	\$ 255,418	\$ 0
Community Cultural Grants	299,240	299,240	0
Historical Division	3,763,782	3,763,782	0
Historic Sites	576,395	576,395	0
Arts Division	1,246,392	1,246,392	0
Great Places	322,231	322,231	0
Archiving Former Governor's Papers	82,171	82,171	0

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Cultural Affairs, Department of, cont.</u>			
Records Center Rent	185,768	185,768	0
County Endowment Funding - DCA Grants	520,000	520,000	0
Battle Flag Stabilization	0	220,000	220,000
Historic Preservation	0	1,000,000	1,000,000
Kimball Organ Restoration	0	80,000	80,000
Total Cultural Affairs, Department of	\$ 7,251,397	\$ 8,551,397	\$ 1,300,000

Significant General Fund increases include:

- An increase of \$1.0 million to support historic preservation. The Department received a \$1.0 million FY 2008 appropriation from the Rebuild Iowa Infrastructure Fund (RIIF) for this purpose.
- An increase of \$220,000 to continue restoration of Iowa battle flags. The Department received a \$220,000 FY 2008 appropriation from the RIIF for this purpose.
- An increase of \$80,000 to support the historic preservation of the Union Sunday School Kimball Pipe Organ at the Montauk Historic Site. The organ, constructed in 1896, is the largest tubular pneumatic organ in the United States. The organ was donated to the City of Clermont by William Larrabee, the 12th Governor of Iowa.

Issues

Iowa Cultural Trust – At any time when the principal balance in the Iowa Cultural Trust Grant Account equals or exceeds \$3.0 million, the Board of Trustees of the Iowa Cultural Trust may use moneys for a Statewide educational program to promote participation in, expanded support of, and local endowment building for, Iowa nonprofit arts, history, and sciences and humanities organizations. The current balance in the Account, as of November 6, 2007, is \$2.5 million.

Department of Economic Development

The main products and services offered by the Iowa Department of Economic Development generally involve business development or community development. The types of products and services in both categories include the following:

- Marketing and promotion to encourage customers and partners to help achieve common development goals.
- Financial assistance to communities and businesses for specific development.
- Technical assistance to communities and community organizations and businesses.

The Governor is recommending FY 2009 General Fund appropriations totaling \$26.1 million. This is an increase of \$9.3 million compared to estimated FY 2008. The Governor is also recommending FY 2009 other fund appropriations totaling \$50.0 million. This is a decrease of \$7.9 million compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Economic Development, Dept. of</u>			
Economic Dev. Administration	\$ 2,125,661	\$ 0	\$ -2,125,661
Business Development	6,611,963	0	-6,611,963
Community Development Division	6,448,716	0	-6,448,716
World Food Prize	450,000	450,000	0
Endow Iowa Grants	50,000	0	-50,000
Tourism Marketing - AGR	1,100,000	1,100,000	0
Regional Sports Authorities GF	0	500,000	500,000
Workforce Training & Econ. Dev.	0	2,000,000	2,000,000
Workforce Development Appr	0	4,000,000	4,000,000
Economic Development Operations	0	18,075,000	18,075,000
Total Economic Development, Dept. of	\$ 16,786,340	\$ 26,125,000	\$ 9,338,660

Significant General Fund changes include:

- An increase of \$4.0 million for the Workforce Development Fund. The Department received a \$4.0 million FY 2008 appropriation from the Workforce Development Fund Account. The Workforce Development Fund Account was established in Section 15.342A, Code of Iowa, to receive job training payroll withholdings as required by Section 422.16A, Code of Iowa. The Governor is recommending deposit of the withholdings to the General Fund.
- An increase of \$2.0 million to provide job training for new and existing employees. The Department received a \$2.0 million FY 2008 appropriation from the RIIF for this purpose.
- An increase of \$2.0 million for unspecified purposes. The appropriation will be used in part to continue services and programs that serve targeted small businesses. The Department received FY 2007 supplemental appropriations totaling \$3.9 million for services and programs that serve targeted small businesses. The Governor is also recommending the consolidation of the appropriations for Economic Development Administration, Business Development, and Community Development, in a new Economic Development Operations appropriation.
- An increase of \$900,000 for programs targeted at innovation and commercialization of products and services through the support of targeted industries infrastructure. The Department received a \$900,000 FY 2008 appropriation from the RIIF for this purpose. The increase will be for the new Economic Development Operations appropriation.
- An increase of \$500,000 for support of Regional Sports Authorities. The Department received a \$500,000 FY 2008 appropriation from the RIIF for this purpose.
- A decrease of \$50,000 for Endow Iowa Grants. This was a standing limited General Fund appropriation created during the 2005 Legislative Session by HF 809 (FY 2006 Economic Development Appropriations Act). The Act established FY 2008 as the last year for the appropriation.

Other Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Economic Development, Dept. of			
Council of Governments-R.C. 2000	\$ 50,000	\$ 0	\$ -50,000
Insurance Division Revenue	100,000	0	-100,000
Workforce Development Appropriation	4,000,000	0	-4,000,000
Renewable Fuels Infrastructure-GIVF	2,000,000	2,000,000	0
Renewable Fuels Infrastructure-UST	3,500,000	0	-3,500,000
DED Programs-GIVF	30,000,000	30,000,000	0
Regents Institutions-GIVF	5,000,000	5,000,000	0
State Parks-GIVF	1,000,000	1,000,000	0
Cultural Trust Fund-GIVF	1,000,000	1,000,000	0
Workforce and Econ. Dev.-GIVF	7,000,000	7,000,000	0
Regional Financial Assistance-GIVF	1,000,000	1,000,000	0
NPDES Elimination System Permits	100,000	0	-100,000
Iowa Comm Volunteer Ser.-HITT	125,000	0	-125,000
Targeted Industries-GIVF	3,000,000	3,000,000	0
Total Economic Development, Dept. of	\$ 57,875,000	\$ 50,000,000	\$ -7,875,000

Significant other fund decreases include:

- A decrease of \$4.0 million for the Workforce Development Fund. The Department received a \$4.0 million FY 2008 appropriation from the Workforce Development Fund Account that the Governor is not recommending for FY 2009. The Governor is recommending the funding from the General Fund for FY 2009. The Workforce Development Fund Account was established in Section 15.342A, Code of Iowa, to receive job training payroll withholdings as required by Section 422.16A, Code of Iowa. The Governor is recommending deposit of the withholdings to the General Fund.
- A decrease of \$3.5 million to reflect the expiration of the Renewable Fuels Infrastructure appropriation from the Underground Storage Tank Fund. The funds are being used to provide incentives for the installation of infrastructure for storing and distributing renewable fuels. The appropriation was established in HF 2759 (Renewable Fuels Infrastructure Act) enacted during the 2006 Legislative Session.
- A decrease of \$125,000 from the Healthy Iowans Tobacco Trust (HITT) Account that was used for the Iowa Commission on Volunteer Services. The funding is not being replaced.
- A decrease of \$100,000 from the National Pollutant Discharge Elimination System Permit (NPDES) Fund. The Department of Natural Resources now has an agreement with the Department to fund the environmental advocate that provides NPDES permit assistance to livestock operations.
- A decrease of \$100,000 from Insurance Division Revenues. This is a technical change. The Governor is recommending continuance of the language permitting the use of the \$100,000; however, the Governor does not consider it an appropriation.
- A decrease of \$50,000 from the repayment of loans from the former Rural Community 2000 Program. This is a technical change. The Governor is recommending continuance of the language permitting the use of any repayments; however, the Governor does not consider it an appropriation. An estimated \$20,000 will be available during FY 2009.

Issues

Vision Iowa and Community Attraction and Tourism – The Subcommittee may want to review the operation, administration, and current status of the Vision Iowa and Community Attraction and Tourism Programs. The Programs were created to provide financial assistance to communities for the construction of recreational, cultural, educational, or entertainment facilities that enhance the quality of life in Iowa. The projects have taken place in 91 counties and 200 communities. A total of 293 projects have been funded as of September 13, 2007, and \$320.1 million has been invested in projects totaling \$1.661 billion. The Programs have funded approximately 19.3% of the total project costs. As of September 13, 2007, the projects have supported 8,734 temporary construction jobs, and 2,056 permanent jobs have been created, according to project reports. Additional jobs will be created upon the completion of more projects. The LSA is preparing an *Issue Review* in regard to this topic that will be published in the near future.

Iowa Finance Authority

The Iowa Finance Authority (IFA) was created in 1975 to assist in the attainment of housing for low- and moderate-income Iowans. A self-supporting instrumentality of the State, the IFA issues tax-exempt mortgage revenue bonds to support its operation. Over the years, the IFA's duties have been broadened to include Title Guaranty and financing water and wastewater infrastructure projects.

The Governor is recommending an FY 2009 General Fund appropriation of \$2.7 million. This is an increase of \$2.5 million compared to estimated FY 2008 for the State Housing Trust Fund. The Department received a \$2.5 million FY 2008 appropriation from the RIIF for this purpose.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Iowa Finance Authority</u>			
Entrepreneurs with Disabilities	\$ 200,000	\$ 200,000	\$ 0
State Housing Trust Fund GF	0	2,500,000	2,500,000
Total Iowa Finance Authority	\$ 200,000	\$ 2,700,000	\$ 2,500,000

Board of Regents

The Economic Development Appropriations Subcommittee appropriates funds to the Board of Regents' universities for the following purposes:

- University of Iowa (SUI) Economic Development appropriation includes Advanced Drug Development, Oakdale Research Park, and Technology Innovation Center.
- Iowa State University (ISU) Economic Development appropriation includes the Institute for Physical Research and Technology, Small Business Development Centers, and ISU Research Park.
- University of Northern Iowa (UNI) Economic Development appropriation includes the Institute for Decision Making, Metal Casting Center, and MyEntrenet.

The Governor is recommending FY 2009 General Fund appropriations totaling \$3.6 million. This is no change compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Regents, Board of			
ISU - Economic Development	\$ 2,789,625	\$ 0	\$ -2,789,625
SUI - Economic Development	259,206	0	-259,206
UNI - Economic Development	578,608	0	-578,608
BOR Economic Development	0	3,627,439	3,627,439
Total Regents, Board of	\$ 3,627,439	\$ 3,627,439	\$ 0

Issues

Bioscience, Advanced Manufacturing, and Information Technology – The Subcommittee may want to examine the expenditure of funds appropriated to the Board of Regents to implement initiatives related to the commercialization of bioscience, advanced manufacturing, and information technology. The Regents universities received appropriations totaling \$30.0 million for FY 2006 and FY 2007 to research, develop, and implement initiatives related to bioscience, advanced manufacturing, and information technology. See the LSA’s *Issue Review* on this topic at: <http://www.legis.state.ia.us/lsadocs/IssReview/2008/IRRNR000.PDF>.

Iowa Workforce Development

The Department of Iowa Workforce Development (IWD) strives to improve the income, productivity, and safety of all Iowans. In conjunction with State and local economic development efforts, IWD also assists businesses in fulfilling workforce needs. The IWD major products and services include:

- Workforce Center Services
- Compliance Assistance and Enforcement
- Unemployment Insurance
- Workforce Information and Analysis
- Adjudication, Compliance, and Education
- Resource Management

The Governor is recommending FY 2009 General Fund appropriations totaling \$16.8 million. This is an increase of \$3.2 million compared to estimated FY 2008. The Governor is also recommending FY 2009 other fund appropriations totaling \$6.3 million. This is no change compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Iowa Workforce Development</u>			
IWD General Fund - Operations	\$ 6,341,284	\$ 8,041,284	\$ 1,700,000
Workforce Development Field Offices	7,216,792	7,716,792	500,000
Statewide Standard Skills Assessment	0	500,000	500,000
Integrated Basic Ed. & Skills Training	0	500,000	500,000
Total Iowa Workforce Development	\$ 13,558,076	\$ 16,758,076	\$ 3,200,000

Significant General Fund increases include:

- \$750,000 for a new program to conduct workforce assessments and vacancy surveys.
- \$500,000 for a new program for statewide standard skills assessments.
- \$500,000 for a new program for integrated basic education and skills training.
- \$500,000 for additional support of the New Iowans Centers.
- \$500,000 for additional support of the Workforce Development Field Offices. The current appropriations are \$7.2 million from the General Fund and \$5.8 million from the Unemployment Reserve Interest Fund.
- \$375,000 for a new program to establish offender reentry programs at Newton, Mitchellville, and Rockwell City correctional facilities.
- \$75,000 for a new program to provide employability certification to those who have passed standardized tests.

Other Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Iowa Workforce Development</u>			
P & I Workers' Comp. Division	\$ 471,000	\$ 471,000	\$ 0
IWD Field Offices (UI Reserve Interest)	5,800,000	5,800,000	0
Total Iowa Workforce Development	\$ 6,271,000	\$ 6,271,000	\$ 0

Issues

Federal Funds – The Subcommittee may want to review the Department’s federal funding. The Department has been using approximately \$3.9 million annually from one-time funding sources over the past five years. In addition, employee salary costs have been increasing and federal funding has not increased for the payment of federally-funded employee positions.

Public Employment Relations Board

The Public Employment Relations Board (PERB) is responsible for implementing the provisions of the Public Employment Relations Act (PERA), and for adjudicating and conciliating labor/management disputes involving public employers and employee organizations throughout the State.

The Governor is recommending FY 2009 General Fund appropriations totaling \$1.2 million. This is no change compared to estimated FY 2008.

General Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Public Employment Relations Board</u>			
PER Board - General Office	\$ 1,233,283	\$ 1,233,283	\$ 0
Total Public Employment Relations Board	\$ 1,233,283	\$ 1,233,283	\$ 0

Office of Energy Independence

The Office of Energy Independence was established in 2007 and provides grants and loans for energy-related development.

The Governor is recommending a new FY 2009 General Fund appropriation of \$25.0 million to operate the Office and provide grants and loans for energy-related development. House File 927 (Iowa Power Fund Appropriations Act) established the Iowa Power Fund. The Program was funded with a \$24.7 million FY 2007 supplemental appropriation to be used for FY 2008 costs.

General Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Energy Independence</u>			
Iowa Power Fund	\$ 0	\$ 25,000,000	\$ 25,000,000
Total Energy Independence	\$ 0	\$ 25,000,000	\$ 25,000,000

Issues

Office Operations –The Governor named Roya Stanley as Director of the Office of Energy Independence, with responsibilities include helping establish the State’s renewable energy policy and assisting the Iowa Renewable Energy Board. The Board oversees the four-year \$100.0 million Iowa Power Fund. The Iowa Power Fund was created in HF 918 (Iowa Power Fund Act) and the appropriations were made in HF 927 (Iowa Power Fund Appropriations Act). The Economic Development Appropriations Subcommittee may wish to review the operations of the new Office.

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Skilled Worker Shortage Interim Study Committee

The Skilled Worker Interim Study Committee met on September 24, October 15, and November 19, 2007. The Committee received information related to the Iowa labor force and the skills needed now and in the future. At the November 19 meeting, the Committee made recommendations to the appropriate committees for review and consideration. The recommendations encourage partnerships with employers, school districts, local governments, and State agencies, to address Iowa's skilled worker shortage. The Committee also recommended that current workforce training and education programs should be reviewed for relevance and effectiveness to determine continuation, modification, or elimination. The full text of the Committee's recommendations is available on the General Assembly's web site at: <http://www.legis.state.ia.us/lsadocs/IntComDoc/2008/IDKBH000.PDF>. *The Governor is recommending appropriations to the Iowa Department of Workforce Development as outlined under the Iowa Department of Workforce Development section totaling \$2.7 million to support the Committee's recommendations.*

Home-Based Child Care Interim Study Committee

Please refer to the Human Services Appropriations Subcommittee section of this document for information regarding the Home-Based Child Care Interim Study Committee.

LSA Publications

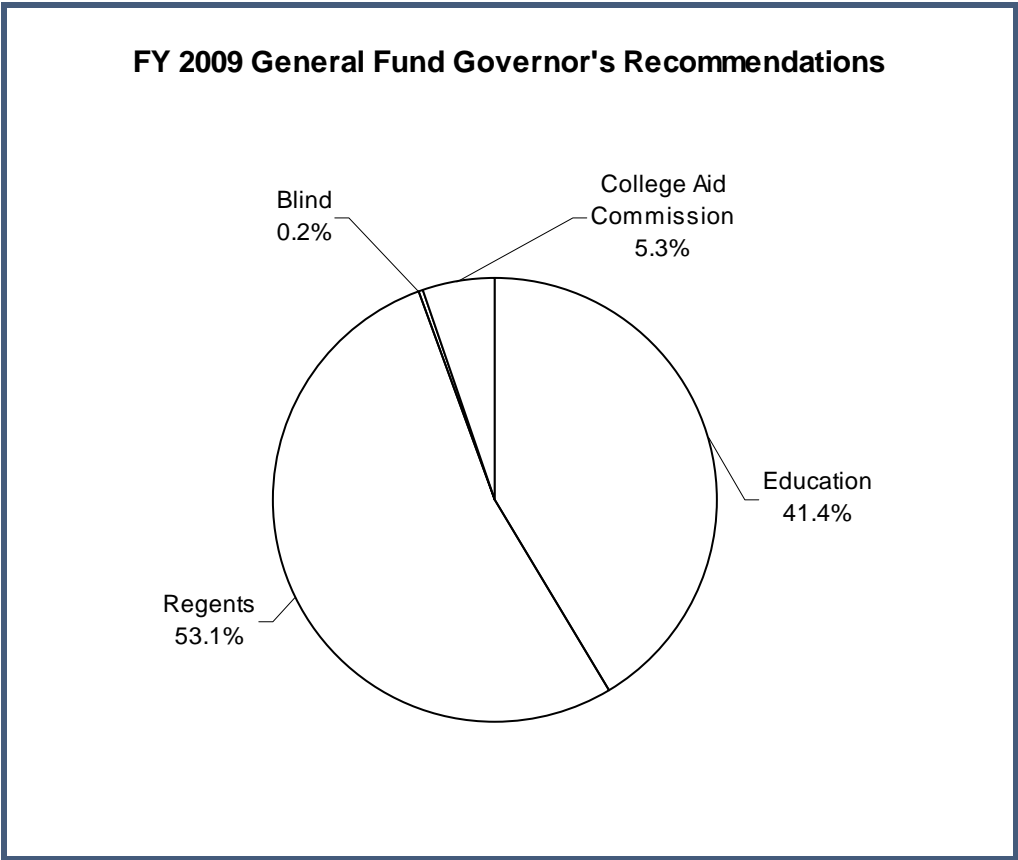
The following publication related to the Economic Development Appropriations Subcommittee has been issued by the LSA:

- [Report on Commercialization of Research Appropriations to the Board of Regents](#)

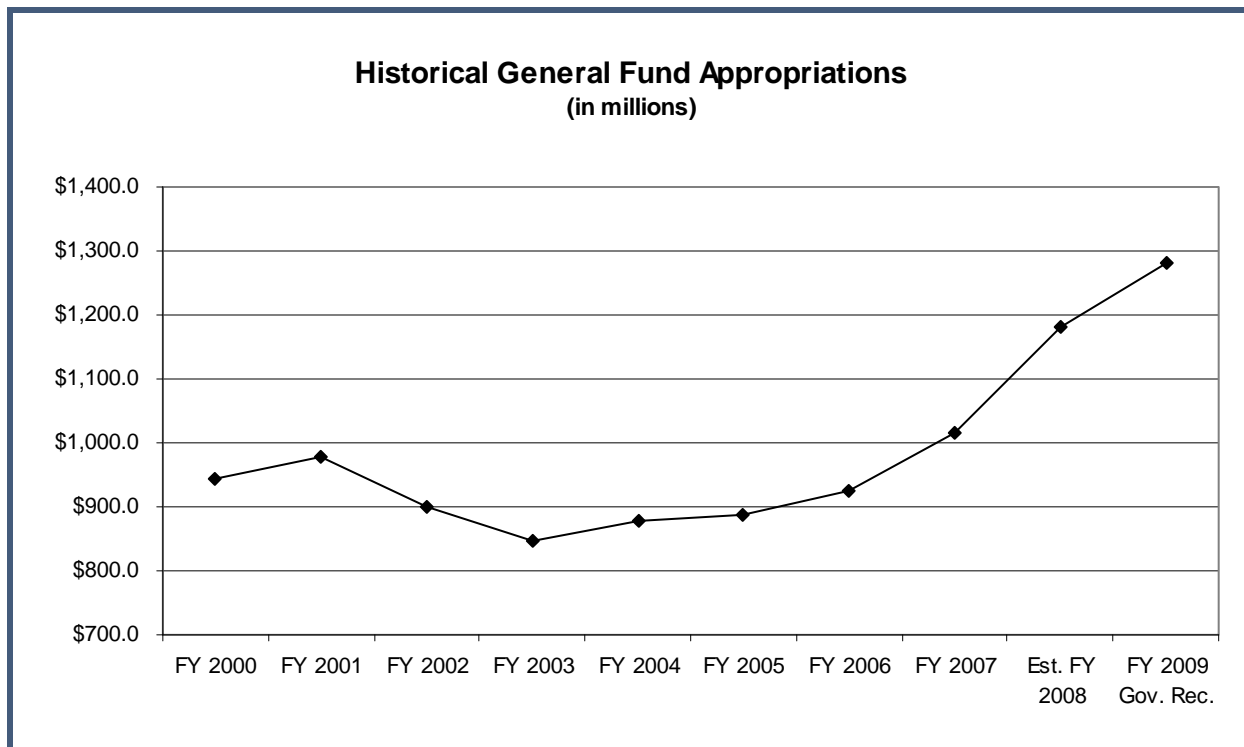
Staff Contact: Ron Robinson (1-6256) (ron.robinson@legis.state.ia.us)

Subcommittee Web Site: <http://www3.legis.state.ia.us/ga/committee.do?id=34>

EDUCATION APPROPRIATIONS SUBCOMMITTEE



Blind	\$ 2,484,953
College Student Aid	67,785,203
Education	530,033,893
Regents	680,643,217
	<u>\$ 1,280,947,266</u>



FY 2009 GOVERNOR'S RECOMMENDATIONS

Department for the Blind

The Department for the Blind provides vocational rehabilitation, independent living skills, library services, and other essential services to blind Iowans. The Department consists of four organizational divisions: Field Operations, Adult Orientation and Adjustment Center, Business Enterprises Program, and Library for the Blind and Physically Handicapped.

The Governor is recommending an FY 2009 General Fund appropriation of \$2.5 million. This is no change compared to estimated FY 2008.

General Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Blind, Iowa Commission for the</u> Department for the Blind	\$ 2,484,953	\$ 2,484,953	\$ 0
Total Blind, Iowa Commission for the	\$ 2,484,953	\$ 2,484,953	\$ 0

College Student Aid Commission

The College Student Aid Commission, under the direction of a 12-member commission, administers a variety of State and federal programs to connect students with resources and services to finance a college education. The Commission offers need-based scholarships, grants, work study, and loans and serves as Iowa’s student loan guarantee agency. It provides school and lender services, borrower and collections services, communications services to assist students and families in planning and paying for college, and data collection and management.

The Governor is recommending FY 2009 General Fund appropriations totaling \$67.8 million. This is an increase of \$3.3 million compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>College Aid Commission</u>			
College Aid Commission	\$ 390,685	\$ 450,685	\$ 60,000
Iowa Grants	1,070,976	1,070,976	0
DSM University-Osteopathic Loans	100,000	100,000	0
DSM University-Physician Recruit.	346,451	346,451	0
National Guard Benefits Program	3,800,000	3,800,000	0
Teacher Shortage Loan Forgiveness	485,400	485,400	0
All Iowa Opportunity Scholarships	1,500,000	4,000,000	2,500,000
College Work Study	295,600	1,000,000	704,400
Tuition Grant Program-Standing	48,373,718	48,373,718	0
Vocational Technical Tuition Grant	2,783,115	2,783,115	0
Tuition Grant - For-Profit	5,374,858	5,374,858	0
Total College Aid Commission	\$ 64,520,803	\$ 67,785,203	\$ 3,264,400

Significant increases include:

- An increase of \$2.5 million for the All Iowa Opportunity Scholarship Program. This increase affects both facets of the program: high performing students that demonstrate financial need to attend college and students that have aged out of Iowa foster care.
- An increase of \$60,000 for the Commission to support the administration of the All Iowa Opportunity Scholarship Program.
- An increase of \$704,000 for the Iowa Work Study Program.

Issues

All Iowa Scholarship Program – The scholarship program was new in FY 2008 and received appropriations totaling \$1.5 million. Senate File 588 (FY 2008 Education Appropriations Act) appropriated \$1.0 million and specified that \$500,000 was allocated to the All Iowa Opportunity Foster Care Grant Program for students reaching age 18 while still under the supervision of the State. The remaining \$500,000 was allocated to the All Iowa Opportunity Scholarship Program for students that perform well in high school and demonstrate financial need. Senate File 601 (FY 2008 Standing Appropriations Act) appropriated an additional \$500,000 to the All Iowa Opportunity Scholarship Program, bringing funding to a level permitting private college and university students to receive grants.

Education Appropriations Subcommittee

The All Iowa Opportunity Scholarship Program gives priority to students that participated in the federal TRIO Programs, graduated from an alternative high school or alternative high school program, or are homeless. Students enrolled in a four-year institution are eligible for one year of funding. For community college students, the grant is renewable for a second year. The grant is equal to the amount of tuition and fees paid by the student up to the average tuition and fees for the three Board of Regents universities (\$6,269 for the 2007-2008 academic year). *The Governor is recommending an increase of \$2.5 million for the All Iowa Opportunity Scholarship Program.*

College Student Debt – The 2006 report of the Project on Student Debt ranks Iowa sixth highest nationally for average student debt (\$22,926) upon graduation and second for the percentage of graduates with student loan debt (74.0%). A survey by the College Student Aid Commission that included all Iowa public and private colleges and universities shows the average debt to be \$24,990 for 72.5% of the 14,372 graduates in 2006. Applying the most affordable level of debt repayment (8.0% of starting salary) recommended by the College Student Aid Commission, only a few highly paid professions can afford the average level of debt. The Government Oversight Committee reviewed this issue during the 2007 interim, and the Committee’s documents are available on the web site at http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeFC?id=true&type=ih&com=41. The LSA has published an *Issue Review* on the topic that is available at <http://www.legis.state.ia.us/lsadocs/IssReview/2008/IRMDf001.PDF>.

Iowa Student Loan Liquidity Corporation – Private loans are generally more costly than government-backed loans when funding a college education. The Subcommittee may want to examine whether the loans offered by Iowa Student Loan provide the best rates among private loans and whether private loans are being over-marketed or misconstrued to be government-backed loans.

Department of Education

The Department of Education oversees K-12 education in Iowa, as well as the community college system. In addition, Department’s budget includes early childhood programming, the State Library and local library support, Iowa Public Television (IPTV), and Iowa Vocational Rehabilitation Services (IVRS). Direct aid to local schools is not part of the Subcommittee’s budget; for more information, see the Standing Appropriations section of this document.

The Governor is recommending FY 2009 General Fund appropriations totaling \$530.0 million. This is an increase of \$84.5 million compared to estimated FY 2008. The Governor is recommending FY 2009 other fund appropriations totaling \$2.3 million. This is a decrease of \$154,000 compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Education, Department of</u>			
Education, Department of			
Administration	\$ 8,320,341	\$ 9,370,341	\$ 1,050,000
Administrator Mentoring	250,000	250,000	0
Advanced Placement Belin & Blank Ctr	400,000	0	-400,000
Before/After School Grants	695,000	1,000,000	305,000
Data Warehouse	400,000	0	-400,000

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Education, Department of, cont.			
Education, Department of, cont.			
District Sharing & Efficiencies	400,000	0	-400,000
Early Child - Comm. Empowerment	23,781,594	25,934,844	2,153,250
Early Child - Early Care, Health & Ed.	10,000,000	10,000,000	0
Early Child - Family Support & Parent Ed.	5,000,000	5,000,000	0
Early Child - Voluntary Preschool	15,000,000	15,000,000	0
Early Child - Spec. Ed. Services Birth to 3	1,721,400	1,721,400	0
Early Head Start Pilot Projects	400,000	0	-400,000
Food Service	2,509,683	2,509,683	0
Jobs For America's Grads	600,000	600,000	0
Model Core Curriculum	0	2,590,000	2,590,000
Nonpublic Textbook Services	664,165	664,165	0
Project Lead the Way	0	660,000	660,000
Senior Year Plus	0	3,500,000	3,500,000
Student Achievement Strategies	2,500,000	0	-2,500,000
Student Achievement/Teacher Quality	173,943,894	248,943,894	75,000,000
Vocational Agric. Youth Org	50,000	50,000	0
Vocational Education Administration	576,613	576,613	0
Vocational Education Secondary	2,936,904	2,936,904	0
Community College General Aid	171,962,414	177,462,414	5,500,000
Comm College Interpreters for Deaf	200,000	0	-200,000
Community College Salaries	2,000,000	0	-2,000,000
State Library	1,879,827	1,744,827	-135,000
State Library - Enrich Iowa	1,823,432	2,048,432	225,000
State Library - Library Service Areas	1,586,000	1,376,558	-209,442
Workbased Learning Network	0	600,000	600,000
Total Education, Department of	\$ 429,601,267	\$ 514,540,075	\$ 84,938,808
Iowa Public Television			
Iowa Public Television	\$ 8,804,620	\$ 8,530,620	\$ -274,000
Regional Telecom. Councils	1,364,525	1,240,478	-124,047
Total Iowa Public Television	\$ 10,169,145	\$ 9,771,098	\$ -398,047
Vocational Rehabilitation			
Vocational Rehabilitation	\$ 5,667,575	\$ 5,667,575	\$ 0
Independent Living	55,145	55,145	0
Total Vocational Rehabilitation	\$ 5,722,720	\$ 5,722,720	\$ 0
Total Education, Department of	\$ 445,493,132	\$ 530,033,893	\$ 84,540,761

Significant increases include:

- \$1.1 million for Department administration. This includes:
 - \$650,000 and 4.0 FTE positions to operate the Education Data Warehouse and to purchase hardware and software licenses. A portion of this increase is offset by eliminating an FY 2008 appropriation of \$400,000 for the Education Data Warehouse Project.
 - \$400,000 and 3.0 FTE positions for administration of the Voluntary Preschool Program. The FTE positions would be in addition to 3.0 FTE positions appropriated in FY 2008 for the Program.

Education Appropriations Subcommittee

- \$305,000 for Before and After School Grants, to replace an FY 2008 appropriation from the Healthy Iowans Tobacco Trust (HITT).
- \$2.2 million for Community Empowerment, to replace an FY 2008 appropriation from HITT.
- \$5.5 million for general aid to community colleges, an increase of 3.2% compared to the estimated FY 2008 appropriation. A portion of this increase is offset by eliminating an FY 2008 appropriation of \$2.0 million for faculty salaries. The statute specifies that the funds be rolled into the colleges' base funding in subsequent years.
- \$75.0 million for the Student Achievement and Teacher Quality Program. This appropriation was enacted in SF 277 (Student Achievement and Teacher Quality Program Act) in 2007.
- \$225,000 for the Enrich Iowa Libraries Program to partially replace an FY 2008 appropriation from the Rebuild Iowa Infrastructure Fund (RIIF) in the amount of \$1.0 million.
- \$2.6 million for a new appropriation for Model Core Curriculum to prepare a group of educators to support all school districts in high quality implementation of the core curriculum.
- \$660,000 for a new appropriation to support Project Lead the Way, a program that prepares high school students to study engineering in college. The funds will be used to leverage contributions from the business community.
- \$3.5 million for a new appropriation to create the Iowa Senior Year Plus Program to increase opportunities for high school students to access college-level coursework.
- \$600,000 for statewide expansion of the Work-Based Learning Intermediary Network, established in Section 256.40, Code of Iowa, and currently centered at Kirkwood Community College.

FY 2008 Appropriations Not Funded – In addition to the Education Data Warehouse and Community College Salary appropriations mentioned above, the following FY 2008 appropriations are not funded in the Governor's FY 2009 recommendations:

- \$400,000 for District Sharing and Efficiencies to facilitate discussions between school districts and Area Education Agencies (AEAs) to promote reductions in operational costs through shared functions. This effort will be completed in FY 2008. A report of findings and recommendations is due to the General Assembly by March 15, 2008.
- \$200,000 to Iowa Western Community College for interpreters for deaf students. Iowa Western has a greater proportion of deaf students due to its proximity to the Iowa School for the Deaf. Iowa Vocational Rehabilitation Services, that had previously funded interpreters, determined that it was not required to do so and ceased its funding in FY 2008.
- \$400,000 for transfer to the Department of Human Services for Early Head Start Pilot Projects.
- \$400,000 to the Belin-Blank Center at the University of Iowa to increase high school student participation in the Iowa On-Line Advanced Placement (AP) Academy. These funds cannot be used to pay AP examination fees for students.
- \$2.5 million for Student Achievement Strategies to provide grants to districts for supplemental educational services to students in grades K-5 that are not achieving at grade level in English-language arts, social studies, math, and science. Section 279.65, Code of Iowa, enacted in 2007, requires districts to provide such services.

Other decreases include:

- \$135,000 for the State Library to return to the FY 2007 level of funding.
- \$209,000 for the Library Service Areas to return to the FY 2007 level of funding.
- \$274,000 for Iowa Public Television to return to the FY 2007 level of funding plus FY 2008 salary adjustment.
- \$124,000 for Regional Telecommunications Councils to return to the FY 2007 level of funding.

Other Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Education, Department of</u>			
Education, Department of			
Before/After School Grants-HITT	\$ 305,000	\$ 0	\$ -305,000
Community Empowerment-HITT	2,153,250	0	-2,153,250
Total Education, Department of	\$ 2,458,250	\$ 0	\$ -2,458,250
Iowa Public Television			
Generators	\$ 0	\$ 1,602,437	\$ 1,602,437
Digital Translator	0	701,500	701,500
Total Iowa Public Television	\$ 0	\$ 2,303,937	\$ 2,303,937
Total Education, Department of	\$ 2,458,250	\$ 2,303,937	\$ -154,313

Significant changes include:

- A decrease of \$2.5 million in Healthy Iowans Tobacco Trust appropriations for Before and After School Grants and Community Empowerment. The Governor recommends funding these items from the General Fund in FY 2009.
- A new appropriation of \$1.6 million from the Technology Reinvestment Fund to IPTV for purchase and installation of generators at transmitter sites.
- A new appropriation of \$702,000 from the Technology Reinvestment Fund to IPTV for a digital translator for Keosauqua.

Issues

Student Achievement and Teacher Quality Program – Senate File 277 (Student Achievement and Teacher Quality Program Act), enacted in 2007, appropriated \$248.9 million for the Program in FY 2009, an increase of \$75.0 million compared to the FY 2008 appropriation in the Act. The Act specified allocations for both FY 2008 and FY 2009 for various components of the Program (see table below). The Governor is recommending increasing professional development funding from \$20.0 million to \$30.0 million, using a portion of the increase to reinstate the National Board Certification Awards Program, and reallocating \$1.5 million from the Career Ladder/Pay for Performance Projects to fund a preschool professional development system in the Area Education Agencies (AEAs) for \$1.3 million and the Institute for Tomorrow’s Workforce for \$250,000. See below for more details regarding National Board Certification and the Career Ladder/Pay for Performance Projects.

The LSA has published two *Issue Reviews* in regard to the impact of the Program on average teacher salaries (<http://www.legis.state.ia.us/lsadocs/IssReview/2007/IRSL003.PDF>) and on teacher retention (<http://www.legis.state.ia.us/lsadocs/IssReview/2008/IRSL003.PDF>).

Student Achievement and Teacher Quality Program Allocations			
	FY 2007	FY 2008	FY 2009
National Board Certification	\$ 1,915,000	\$ 2,500	\$ 1,002,500
NBC Support Program	250,000	0	0
Ambassador to Education	85,000	85,000	85,000
Market Factor Incentives - Librarians, Counselors, Nurses	0	1,000,000	0
Mentoring and Induction	4,650,000	4,650,000	4,650,000
Career/Prof. Dev. and Eval. Training	610,000	695,000	695,000
Praxis II Pilot	0	0	0
Variable Pay	0	0	0
Add'l. Prof. Dev. Day(s)	10,000,000	0	0
Professional Development	0	20,000,000	0
Teacher Dev. Academies	0	1,845,000	0
Market Factor Incentives	3,390,000	3,390,000	7,500,000
Pay for Performance	850,000	1,000,000	2,500,000
Institute for Tomorrow's Workforce	150,000	0	0
Salaries or Prof. Dev.	6,625,000	0	0
Teacher Compensation	<u>75,818,894</u>	<u>141,276,394</u>	<u>232,511,394</u>
Totals	<u>\$ 104,343,894</u>	<u>\$ 173,943,894</u>	<u>\$ 248,943,894</u>

NBC = National Board Certification

National Board Certification Awards – Senate File 277 allocated only enough funding to the Awards Program in both FY 2008 and FY 2009 to fulfill existing commitments. No new awards were funded. The Subcommittee may want to consider whether to change the FY 2009 allocation to reinstate the Program and provide for new awards. *The Governor is recommending that funding within the Student Achievement and Teacher Quality Program be reallocated in order to reinstate the Awards.*

Career Ladder and Pay for Performance Pilots – Senate File 277 allocated \$1.0 million in FY 2008 to award grants to local school districts to conduct eight Career Ladder Planning Projects and two Pay for Performance Planning Projects in FY 2008. The Act provided \$2.5 million in FY 2009 to award grants to follow-up the planning effort with implementation projects. The Department issued two Requests for Proposals (RFPs) and received one application for a Career Ladder Planning Project from the Cedar Rapids school district and two for Pay for Performance Planning Projects from the MOC-Floyd Valley and Mount Pleasant districts. All three applicants have been approved for grants.

The allocations for FY 2008 and FY 2009 do not revert and remain available for the purposes specified in subsequent years. The Subcommittee may want to consider reallocating the unused portion of the FY 2008 funds and all or a portion of the FY 2009 funds, extending the timeline for the pilots to permit the Department to seek additional applicants, or providing other specific direction regarding the use of the remaining funds.

The Governor is recommending that the Department be allowed to retain the FY 2008 carryforward to partially fund the implementation projects in FY 2009. The Governor is also recommending that the FY 2009 allocation be reduced to \$1.0 million and that the remainder be reallocated to the AEAs to create a Preschool Professional Development Program and to the Institute for Tomorrow's Workforce.

Department of Education – Status of New FTE Positions – The General Assembly appropriated 17.0 new FTE positions to the Department for FY 2008. The positions and their status at the end of November are as follows:

- 3.0 FTE positions for the Voluntary Preschool Program. All three positions were filled in July.
- 4.0 FTE positions for the Education Data Warehouse. Three of the positions were filled in October and November. One remains vacant; the position was advertised and interviews were conducted, but no suitable candidate was identified.
- 10.0 FTE positions for General Administration, including the model core curriculum, sharing incentives, a Senior Year Plus study, the community college management information system, student achievement strategies, human growth and development curriculum resources, and development of strategic education goals. Four of the positions were filled in July (five people were hired to fill 4.0 FTE positions); two were filled in September and two in November. Two positions remain vacant and continue to be advertised.

The Department has cited the difficulty in filling vacant positions when recruitment begins after July 1, since most educators are already under contract to a school district or Area Education Agency by that time. The Department will continue to seek qualified candidates for the remaining positions.

Iowa Public Television – Status of New FTE Positions – The FY 2008 appropriation to Iowa Public Television included 5.0 new FTE positions for development of multi-channel content. The positions have not been filled. According to IPTV, the FY 2008 increase to IPTV’s general operating appropriation of \$274,000 was \$400,000 less than requested and is insufficient to fill all the positions. The increase in funding is being used to pay for multi-channel programming packages, utilities for digital transmitters, and to begin a digital television awareness campaign to educate viewers regarding the end of analog transmission in February 2009.

Iowa Vocational Rehabilitation Services (IVRS) – The IVRS received \$25.6 million in federal funds in FFY 2007. This required a non-federal match that included State and third-party funding. The IVRS was able to match all available federal funds, after being unable to for the previous three years. For FFY 2008, the IVRS is estimating a 2.0% increase in available federal funding compared to FFY 2007.

Community Empowerment – The 30.0% annual carryforward limit established by the Iowa Empowerment Board (IEB) for local Community Empowerment Areas went into effect at the end of FY 2007. As a result, it is estimated that 13 local boards will revert \$1.4 million. The funds will not be physically reverted; rather, the Area’s FY 2009 allocation will be reduced by the amount of the reversion. The IEB’s policies direct that the reverted money be reallocated among all 58 Areas using the School Ready Children Grant formula. It is anticipated that the sizeable FY 2007 reversion will be a one-time occurrence and reversions in future years will be significantly less. The Subcommittee may want to consider other uses for the reverted funds. In light of fiscal accountability issues that have been identified in the past year, there may be need for additional staff with financial expertise in the Office of Empowerment to provide greater direction and intensive assistance to local boards. (See Iowa Empowerment Board – Fiscal Accountability Work Group below for more details).

Board of Regents

The Board of Regents is a nine-member board that oversees the University of Iowa, Iowa State University, University of Northern Iowa, Iowa School for the Deaf, and the Iowa Braille and Sight Saving School. The Board establishes policy for the institutions; hires the university presidents and special school superintendents; approves budgets, tuition and fees, bonding, investment policies, and other

Education Appropriations Subcommittee

business and finance matters; reviews and approves academic programs; and serves as the trustees for the University of Iowa Hospitals and Clinics.

The Governor is recommending FY 2009 General Fund appropriations totaling \$680.6 million, to be allocated among the three universities and two special schools. This is an increase of \$10.4 million compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Regents, Board of			
BOR - Universities	\$ 0	\$ 560,352,838	\$ 560,352,838
BOR - Higher Education Legis. Special Purposes	0	104,523,216	104,523,216
BOR - Special Schools	0	15,767,163	15,767,163
Regent Board Office	1,263,437	0	-1,263,437
Tuition Replacement (Bond Debt Ser.)	13,975,431	0	-13,975,431
Southwest Iowa Resource Center	108,698	0	-108,698
Tri State Graduate Center	80,467	0	-80,467
Quad Cities Graduate Center	160,806	0	-160,806
Midwestern Higher Ed Consortium	90,000	0	-90,000
University of Iowa - General	258,011,947	0	-258,011,947
University of Iowa - Psychiatric Hospital	7,321,954	0	-7,321,954
Center for Disabilities and Development	6,726,227	0	-6,726,227
University of Iowa - Oakdale Campus	2,726,485	0	-2,726,485
University of Iowa - Hygienic Laboratory	4,182,151	0	-4,182,151
Family Practice Program	2,179,043	0	-2,179,043
SCHS - Spec. Child Health	732,388	0	-732,388
State of Iowa Cancer Registry	184,578	0	-184,578
SUI - Substance Abuse Consortium	67,877	0	-67,877
Biocatalysis	902,687	0	-902,687
Primary Health Care	793,920	0	-793,920
Iowa Birth Defects Registry	46,685	0	-46,685
SUI - Iowa Nonprofit Resource Center	200,000	0	-200,000
SUI - Ag Health & Safety	130,000	0	-130,000
Iowa State University - General	205,145,406	0	-205,145,406
ISU - Ag Experiment Station	34,493,006	0	-34,493,006
ISU - Cooperative Extension	21,900,084	0	-21,900,084
ISU - Leopold Center	490,572	0	-490,572
Livestock Disease Research	220,708	0	-220,708
University of Northern Iowa - General	92,495,485	0	-92,495,485
Recycling and Reuse Center	219,279	0	-219,279
Iowa School for the Deaf	9,689,607	0	-9,689,607
Iowa Braille and Sight Saving	5,456,107	0	-5,456,107
Tuition and Transportation	15,020	0	-15,020
ISU - George Washington Carver Endowed Chair	250,000	0	-250,000
Total Regents, Board of	\$ 670,260,055	\$ 680,643,217	\$ 10,383,162

Significant increases include:

- \$4.7 million for the University of Iowa, Iowa State University, and the University of Northern Iowa for a Math and Science Collaborative Initiative among the three universities to promote collaboration

and cooperation statewide with the goal of improving teaching and student performance in preschool through higher education. (See Issues below.)

- \$606,000 increase for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School. This is a 4.0% increase for the special schools' budgets. The FY 2009 per pupil allowable growth rate approved for the K-12 Foundation Formula is 4.0%.
- \$3.0 million for Higher Education Legislative Special Purpose budget units including:
 - An increase of \$10.3 million to fully fund Tuition Replacement from the General Fund. This amount was funded from the Rebuild Iowa Infrastructure Fund (RIIF) in FY 2008.
 - A decrease of \$7.3 million for the University of Iowa-Psychiatric Hospital. The Hospital will receive funding from the Department of Human Services (DHS) at the same level as FY 2008. The shift will allow DHS to obtain a federal match by funding the Hospital.
 - Eliminates the General Fund appropriation for the Real Estate Education Program at the University of Northern Iowa. The University received an FY 2007 General Fund appropriation of \$160,000 for use in FY 2008. The Program was expanded in FY 2008 and is funded from the Real Estate Education Program Fund. The Fund receives fees from real estate licenses. Iowa community colleges, universities, and other Iowa colleges are eligible for funding by applying to the Real Estate Commission for grants to operate real estate education programs.

The Governor is also recommending \$46.8 million for the infrastructure needs of the Regents institutions. For more detail, see the Transportation and Infrastructure Appropriations Subcommittee section.

Issues

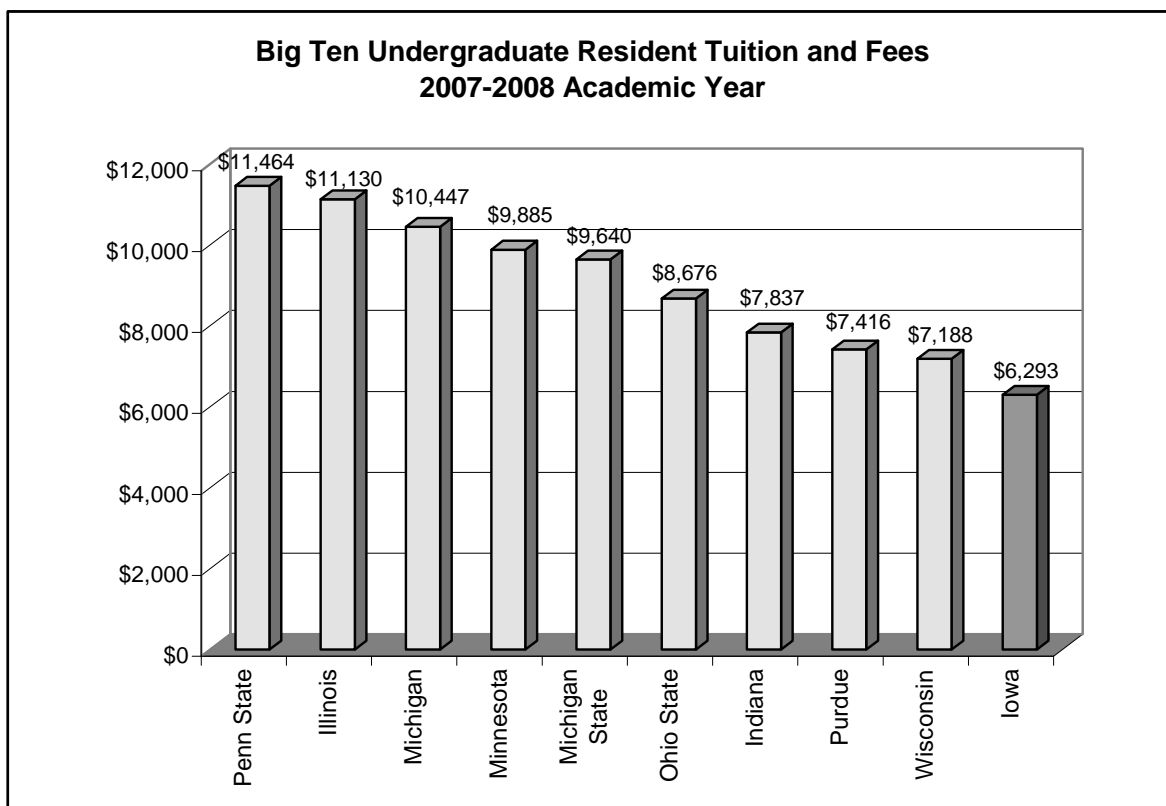
Math and Science Collaborative Initiative – The Governor is recommending \$4.7 million for this collaborative initiative among the three universities, community colleges, K-12 schools, and others. A listening summit was held in July 2007 with a cross-section of Science-Technology-Engineering-Mathematics (STEM) stakeholders from local schools, businesses, government, community colleges, media, private colleges, service organizations, educational foundations, and the three Board of Regents universities. The first element involves four inter-university projects focusing on recruitment to increase the number of math and science teachers; summer internships for current math and science teachers to increase retention; expansion of Project Lead The Way (PLTW), collaborating with the Department of Education, to increase the number of PLTW certified teachers and improve the rigor of math and science curriculum; and an increase in the number of STEM community college instructors. The second element involves establishing a Regents Mathematics and Science Education Institute to coordinate efforts of the collaborative.

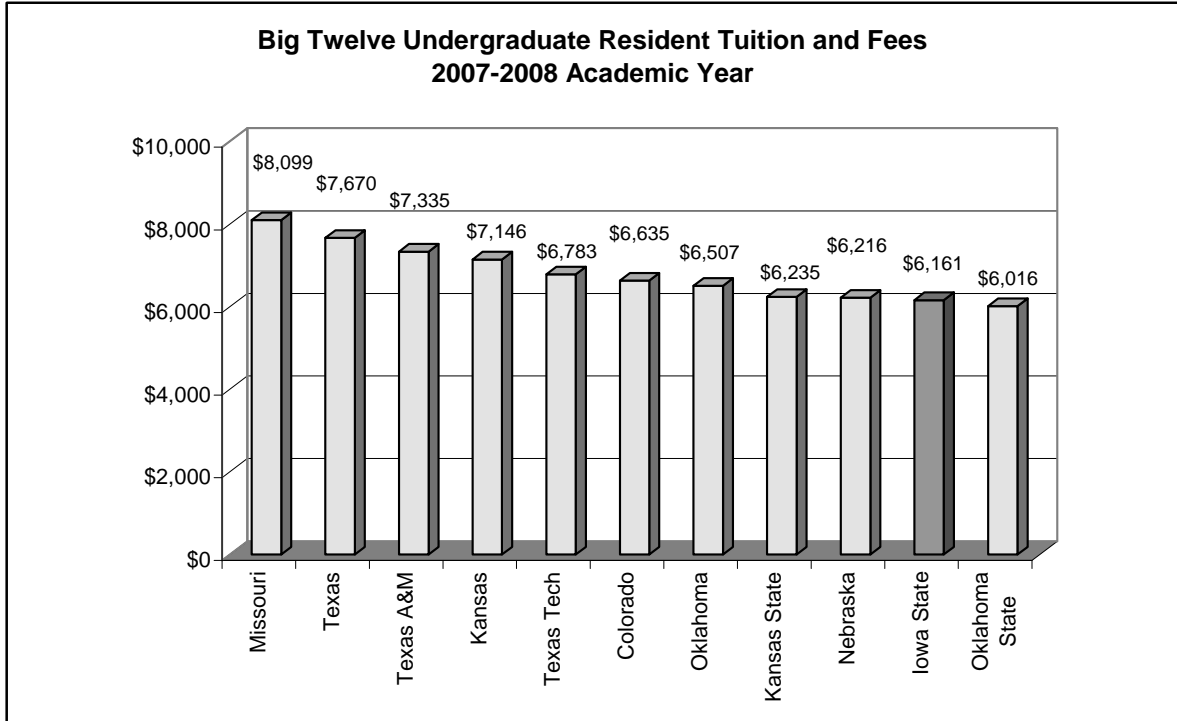
University of Iowa Nursing Program – The Board of Regents approved changes to the focus of the University of Iowa Nursing Program. Admissions to the Bachelor of Science in Nursing (BSN) program will be reduced from 75 per fall and spring semester to 80 in the fall semester. Admissions to the masters and doctoral graduate programs will be increased. Qualified applicants are being turned away from nursing programs because of a shortage of faculty and practicum supervisors. Overall, the total number of graduates will be maintained; however, the proportion of students graduating with graduate degrees prepared to fill positions as faculty, executives, researchers, and advanced practice nurses will increase. The change does not affect current BSN students. Future undergraduate pre-nursing students will face stiffer competition for admission. Those who are not admitted on their first application will be encouraged to continue their studies at the University of Iowa in a discipline of their choice and apply to

the Practice Masters in Nursing (MSN) upon graduation. Others may want to raise their grade point average and reapply to the BSN program, or they may opt to transfer to one of the other 49 nursing programs in the state. *The Governor plans to appoint a task force to make recommendations to improve nursing education and increase the number of nurses. The task force will be required to make recommendations within four weeks of appointment so that the Legislature can consider the recommendations during the 2008 Legislative Session.*

Tuition and Student Debt – The Board of Regents approved a base tuition increase for undergraduate students at the three universities of 3.2% for the 2008-2009 academic year. Nonresident tuition is set with the intent of recouping the total cost of the student’s education. A number of fees were increased reflecting increased costs for the uses covered by those fees.

The University of Iowa’s tuition historically is the lowest among Big Ten institutions. Iowa State University’s tuition historically ranks in the middle of the Big Twelve institutions, although it is second lowest for the current academic year. (See charts below.) The University of Northern Iowa’s tuition is similar to those of the other two Iowa Regents universities. Yet, Iowa graduates rank near the top of the nation for average student debt upon graduation and for the percentage of graduates with debt. The Subcommittee may want to examine the funding for grants and scholarships compared to that available to comparable institutions in other states.





INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Early Care Best Practices Interim Study Committee

The Early Care Best Practices Interim Study Committee met on October 31 and November 26, 2007, and received information related to family support and parent education programs available to families with children ages 0-5. Family support programs are defined as community-based services to promote the well-being of children and families. In light of efforts underway to expand four-year-old preschool in Iowa, the Committee is focusing primarily on family support services for children ages 0-3, although many programs serve ages 0-5.

On October 31, Early Childhood Iowa and the Office of Empowerment presented information regarding their efforts related to family support services. Staff from the Fiscal Services Division of the Legislative Services Agency presented a funding overview. A panel presentation on the primary family support programs in Iowa included Family Development and Self-Sufficiency (FaDSS), Parents as Teachers (PAT), Healthy Opportunities for Parents to Experience Success – Healthy Family Iowa (HOPES-HFI), Early Access, an example of a HOPES-like program funded by a local Community Empowerment area, Prevent Child Abuse Iowa’s parent education efforts, and Early Head Start.

On November 26, the Committee heard presentations by Deborah Daro, Chapin Hall Center for Children at the University of Chicago, and Steffanie Clothier, National Conference of State Legislatures. Additional information was provided regarding the roles of the Area Education Agencies and the Department of Education in early childhood programming. Representatives of the Neighborhood Centers of Johnson County highlighted the local Even Start Program.

The Committee is scheduled to meet again on January 14 to discuss possible recommendations. Materials from the Committee's meetings are available on the web site at http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeinterim?id=true&type=ih&com=215.

Home-Based Child Care Interim Study Committee

Please refer to the Human Services Appropriations Subcommittee section of this document for information on the Home-Based Child Care Interim Study Committee.

Iowa Empowerment Board – Fiscal Accountability Work Group

In November 2006, the Iowa Empowerment Board asked the Fiscal Accountability Work Group (FAWG) to begin meeting again to review fiscal accountability measures in place for local boards and recommend measures to strengthen local practices. Established by the Iowa Empowerment Board (IEB), FAWG consists of Board members with experience on local Empowerment boards, representatives of State agencies that work with Empowerment, and a representative of the Fiscal Services Division of the Legislative Services Agency. It has convened periodically, as needed, since the establishment of the Community Empowerment initiative.

Since November 2006, FAWG has met seven times to gather and discuss information related to the fiscal accountability practices of local Empowerment boards. Members agreed that fiscal accountability has become a critical issue, as the amount of State appropriations to Empowerment have grown from \$5.2 million in FY 1999 to \$40.9 million in FY 2008 and the spending requirements (carve-outs) have grown more complex. At the August 2007 meeting of the Iowa Empowerment Board, FAWG recommended that the Board explore the possibility of establishing a network of regional fiscal agents to serve all 58 local boards in order to ensure adequate, consistent services statewide. While not ruling out the possibility, the Board asked FAWG to consider other options and make further recommendations.

After seeking input from local Boards and their coordinators, FAWG has begun reviewing all of the State-level fiscal guidance that is provided to local Boards and advising the Community Empowerment Technical Assistance Team of clarifications or additional information needed. In addition, a representative of the State Auditor's Office has participated in the meetings to discuss methods for strengthening the current audit requirements for local Boards. Strategies for providing the Technical Assistance Team with greater resources to assist local Boards with fiscal issues and for more thoroughly addressing fiscal accountability in the redesignation process are currently under discussion.

At the November 1 FAWG meeting, members learned of several specific problems with local Boards that were uncovered during the 2007 redesignation visits. There are at least four local Boards that did not spend their FY 2007 State School Ready Grant funds as specified in statute. The areas will be directed to reallocate non-categorical and administrative funds to correct the situation. The Office of Empowerment will recommend to the IEB conditional one-year redesignation for these areas and provide intensive technical assistance to correct the problems and ensure that they do not reoccur in the future. The Office is in the process of reviewing the annual reports submitted by the 39 local Boards that were not subject to redesignation this year to determine whether any other areas have similar problems.

Also, as part of a peer review process being piloted with family support programs funded by local Empowerment Boards, it appears that an agency under contract with several local Boards may have been double-billing by charging the same family support visits to both Empowerment funds and federal Family Development and Self-Sufficiency (FaDSS) funds administered by the Department of Human

Rights. These situations are currently under investigation by the Office of Empowerment in the Department of Management, as well as the Departments of Education and Human Rights.

Agendas, minutes, and other materials from the FAWG meetings are available on the Empowerment web site at <http://www.empowerment.state.ia.us/fiscal.asp>.

Skilled Worker Shortage Interim Study Committee

Please refer to the Economic Development Appropriations Subcommittee section of this document for information on the Skilled Worker Shortage Interim Study Committee.

LSA Publications

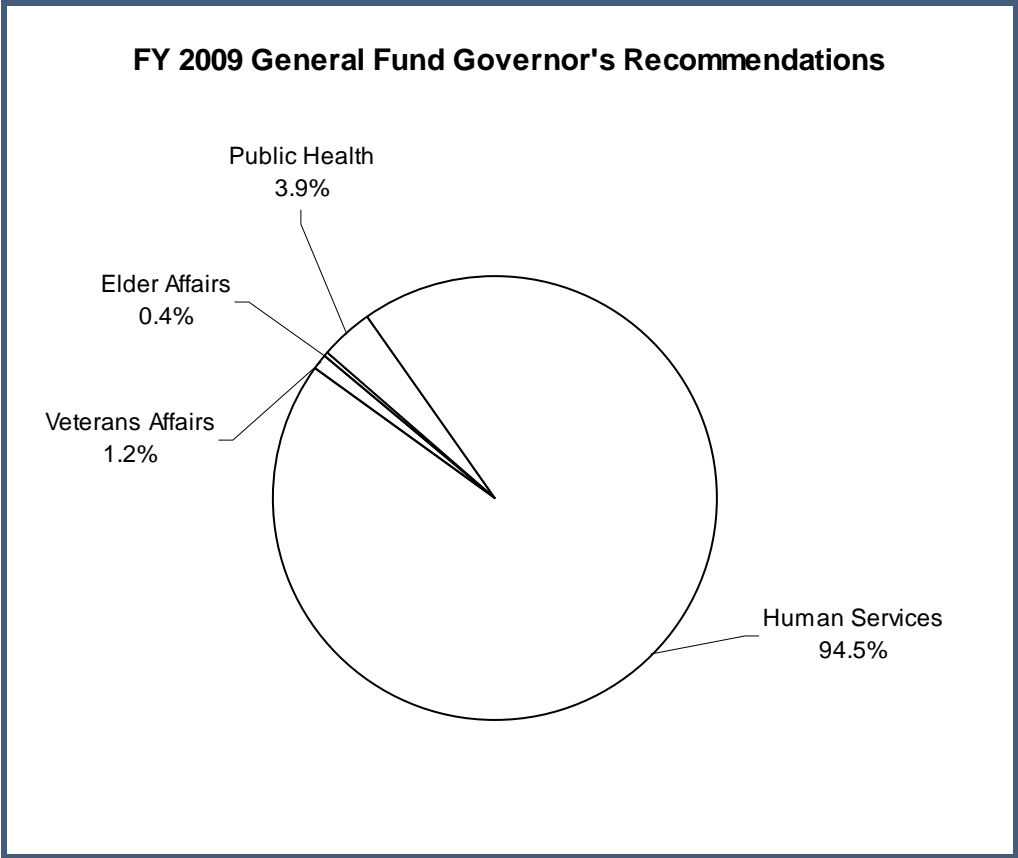
The following publications have been issued by the LSA that relate to the Education Appropriations Subcommittee:

- [Average Teacher Salaries – Impact of Student Achievement and Teacher Quality Legislation](#)
- [Teacher Retention and the Student Achievement and Teacher Quality Program](#)
- [Iowa College Student Debt](#)
- [Property Tax Adjustment Aid](#) (a component of the School Foundation Formula)
- [Impact of School Budget Components on Foundation Property Tax Rates](#)

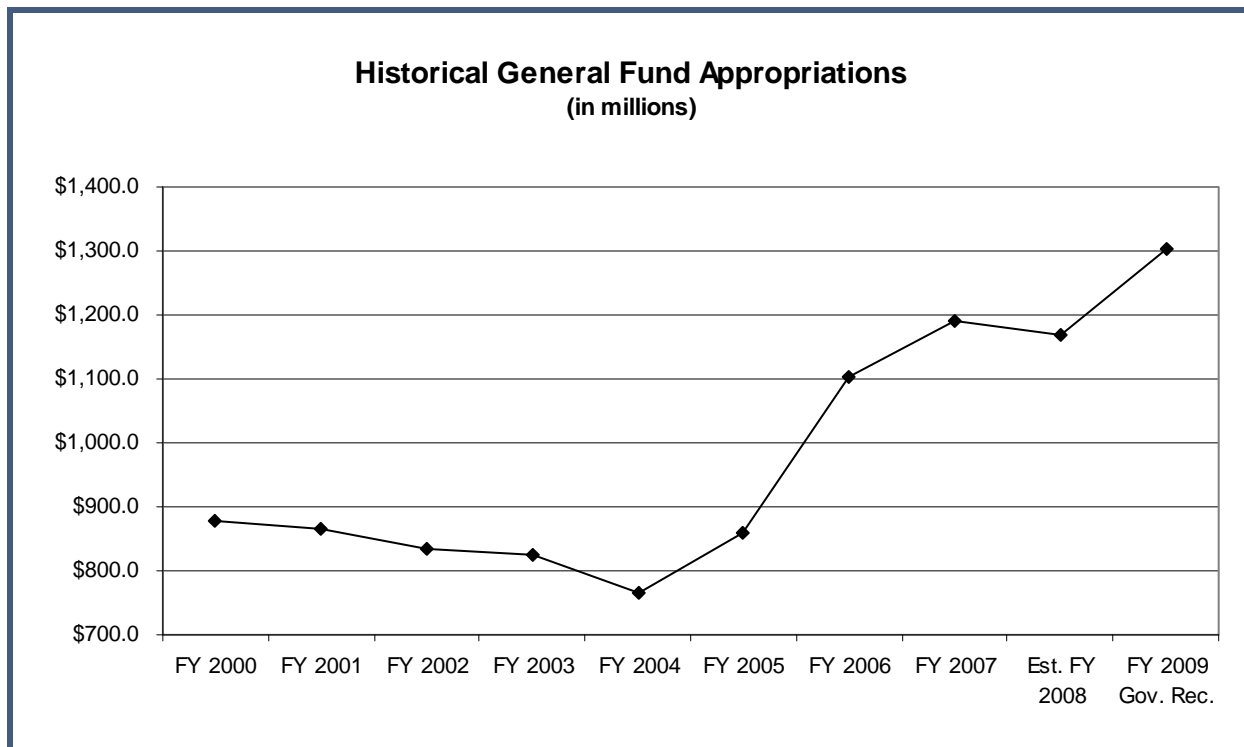
Staff Contacts: Dwayne Ferguson (1-6561) (dwayne.ferguson@legis.state.ia.us)
Robin Madison (1-5270) (robin.madison@legis.state.ia.us)

Subcommittee Web Site: <http://www3.legis.state.ia.us/ga/committee.do?id=35>

**HEALTH AND HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**



Elder Affairs	\$	4,866,698
Public Health		50,338,681
Human Services		1,231,518,596
Veterans Affairs		16,084,611
	\$	<u>1,302,808,586</u>



FY 2009 GOVERNOR'S RECOMMENDATIONS

Department of Elder Affairs

The Department of Elder Affairs is designated as the State Unit on Aging. The Department advocates for elder Iowans age 60 and older and is responsible for developing a comprehensive and coordinated system of services and activities for older Iowans through the 13 local Area Agencies on Aging (AAAs) across the State.

The Governor is recommending an FY 2009 General Fund appropriation of \$4.9 million. This is no change compared to estimated FY 2008. The Governor is also recommending an FY 2009 other funds appropriation of \$8.4 million. This is no change compared to estimated FY 2008.

General Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Elder Affairs, Department of</u> Aging Programs	\$ 4,866,698	\$ 4,866,698	\$ 0
Total Elder Affairs, Department of	<u>\$ 4,866,698</u>	<u>\$ 4,866,698</u>	<u>\$ 0</u>

Other Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Elder Affairs, Department of</u>			
Elder Affairs Operations-SLTF	\$ 8,442,707	\$ 8,442,707	\$ 0
Total Elder Affairs, Department of	\$ 8,442,707	\$ 8,442,707	\$ 0

Department of Public Health

The Department of Public Health works with local public health agencies to ensure quality health services in Iowa communities through contracts with all 99 counties to provide population-based health services and a limited number of personal health services. The Department assists in the prevention of epidemics and the spread of disease; protection against environmental hazards; preventing injuries; promoting and encouraging healthy behaviors and mental health; preparing for and responding to public health emergencies and assisting communities in recovery; and assuring the quality and accessibility of health services.

The Governor is recommending FY 2009 General Fund appropriations totaling \$50.3 million. This is an increase of \$26.3 million compared to estimated FY 2008. The Governor is also recommending FY 2009 other fund appropriations totaling \$18.2 million. This is a decrease of \$24.8 million compared to estimated FY 2008. The majority of these changes result from a recommendation by the Governor to deposit the balance of the Healthy Iowans Tobacco Trust (HITT) Fund into the General Fund for FY 2009. Under the Governor’s recommendation, budget units that received HITT Fund appropriations for FY 2008 are shifted to the General Fund for FY 2009 with no change in the total funding level. Reallocations occur within the General Fund and the Health Care Trust Fund to result in a total of \$900,000 for the enhanced healthy communities initiative.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Public Health, Department of</u>			
Addictive Disorders	\$ 2,002,149	\$ 22,780,614	\$ 20,778,465
Healthy Children and Families	2,536,913	3,536,913	1,000,000
Chronic Conditions	1,842,840	2,243,840	401,000
Community Capacity	1,760,532	3,303,014	1,542,482
Elderly Wellness	9,233,985	9,233,985	0
Environmental Hazards	747,960	1,113,118	365,158
Infectious Diseases	1,658,286	2,658,286	1,000,000
Public Protection	2,845,658	4,262,978	1,417,320
Resource Management	1,205,933	1,205,933	0
211 Call Centers	200,000	0	-200,000
Total Public Health, Department of	\$ 24,034,256	\$ 50,338,681	\$ 26,304,425

Significant changes include:

Addictive Disorders – An increase of \$20.8 million to reflect the funding shift from the HITT Fund to the General Fund. This includes reallocations from Substance Abuse Prevention for Kids, Substance Abuse Treatment, and Tobacco Use Prevention and Control HITT allocations.

Healthy Children and Families – An increase of \$1.0 million for a Family Planning Grant Program.

Chronic Conditions – An increase of \$401,000 to reflect the funding shift from the HITT Fund to the General Fund. This includes reallocations from the Phenyleketonuria (PKU) Assistance, the Stillbirth Evaluation, and the Aids Drug Assistance Program (ADAP) HITT allocations.

Community Capacity – An increase of \$1.5 million. This includes:

- In FY 2008, \$210,000 was appropriated to the Department for 211 Call Centers, including \$200,000 in SF 601 (FY 2008 Standing Appropriations Act) as a separate appropriation and \$10,000 under Public Protection in HF 909 (FY 2008 Health and Human Services Appropriations Act).

For FY 2009, the Governor is recommending the \$210,000 in funds for 211 Call Centers be consolidated under the Community Capacity appropriation and reallocated for the enhanced healthy communities initiative. The Governor recommends several of these reallocations for the enhanced healthy communities initiative for a total of \$900,000.

- An increase of \$75,000 for the Governor's Physical Fitness Challenge.
- An increase of \$1.2 million to reflect the funding shift from the HITT Fund to the General Fund. This includes reallocations from the Epilepsy Education Program that would be utilized for the enhanced healthy communities initiative, and the Local Public Health Services Program within the Healthy Iowans 2010 HITT allocation.
- No change in funding, but a change in an allocation of \$100,000 from the Child Vision Screening Program to the enhanced healthy communities initiative.

Environmental Hazards – An increase of \$365,000 to reflect the funding shift from the HITT Fund to the General Fund. This includes reallocations from the Childhood Lead Program within the Healthy Iowans 2010 allocation and the Environmental Epidemiology Program within the Healthy Iowans 2010 HITT allocations.

Infectious Diseases – An increase of \$1.0 million for additional and increased cost of vaccines.

Public Protection – An increase of \$1.4 million. This includes:

- A decrease of \$10,000 for the 211 Call Center funds reallocated to the enhanced healthy communities initiative.
- An increase of \$400,000 for start-up costs for the Plumbing and Mechanical Contractor Licensing Program.
- An increase of \$1.0 million to reflect the funding shift from the HITT Fund to the General Fund. This includes reallocations from the Automated External Defibrillator Program within the Healthy Iowans 2010 allocation, the Trauma and Emergency Medical Services Program within the Healthy Iowans 2010 allocation, and the Poison Control Center Program within the Healthy Iowans 2010 HITT allocation.

Other Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Public Health, Department of			
Ad. Dis.-Substance Abuse Treatment-GTF	\$ 2,215,000	\$ 2,215,000	\$ 0
Ad. Dis.-Gambling Treatment Program-GTF	5,255,285	4,310,000	-945,285
Ad. Dis.-Tobacco Use Prevention/Control-HITT	5,928,465	0	-5,928,465
Ad. Dis.-Substance Abuse Treatment-HITT	13,800,000	0	-13,800,000
Ad. Dis.-Sub. Abuse Prevention for Kids-HITT	1,050,000	0	-1,050,000
Chr. Con-PKU Assistance-HITT	100,000	0	-100,000
Chr. Con.-Iowa Stillbirth Evaluation Project-HITT	26,000	0	-26,000
Chr. Con.-AIDS Drug Assistance Program-HITT	275,000	0	-275,000
Pub. Pro.-External Defibrillator Grant-HITT	40,000	0	-40,000
Healthy Iowans 2010-HITT	2,509,960	0	-2,509,960
Epilepsy Education-HITT	100,000	0	-100,000
Addictive Disorders-HCTF	6,993,754	6,993,754	0
Healthy Children and Families-HCTF	687,500	657,500	-30,000
Chronic Conditions-HCTF	1,188,981	1,178,981	-10,000
Community Capacity-HCTF	2,790,000	2,830,000	40,000
Total Public Health, Department of	\$ 42,959,945	\$ 18,185,235	\$ -24,774,710

Significant changes include:

- **Gambling Treatment Fund** – The Governor is recommending \$6.5 million for FY 2009, a decrease of \$945,000 compared to estimated FY 2008. The one-time carryforward available in FY 2008 may not be available in FY 2009.

The General Assembly allocated \$2.2 million for substance abuse treatment from the Fund for FY 2008. This included \$525,000 in carryforward funds that were directed to be used for Adult Drug Court Programs under the Department of Corrections, and the Family Development and Self-Sufficiency (FADSS) Program and the Energy Utility Assessment and Resolution Program under the Department of Human Rights. The Governor item-vetoed the use of the carryforward funds for the directed initiatives.

- **Healthy Iowans Tobacco Trust (HITT)** – The Governor is recommending the deposit of the funds from the HITT fund to the General Fund. This is a decrease of \$23.8 million compared to FY 2008. The Governor is recommending consolidating the existing nine HITT appropriations into five of the General Fund budget units that are delineated above. The Governor is recommending a reallocation of \$100,000 currently used for epilepsy education to the enhanced healthy communities initiative.
- **Health Care Trust Fund (HCTF)** – The Governor is recommending \$11.7 million for FY 2009. This is no change compared to estimated FY 2008. The Governor’s recommendation includes transferring \$40,000 in existing funds between HCTF appropriations that results in no net change for FY 2009. The Governor’s recommendation also reallocates \$490,000 used for current services to the enhanced healthy communities initiative. The changes include:

- **Healthy Children and Families** – A decrease of \$30,000. This includes:
 - A decrease of \$20,000 to transfer funding for the Postnatal Tissue and Fluid Bank Task Force to the Community Capacity appropriation. The funds would be utilized for the enhanced healthy communities initiative in FY 2009.
 - A decrease of \$10,000 to transfer funding for children’s vision initiatives (InfantSee) to the Community Capacity appropriation. The funds would be utilized for the enhanced healthy communities initiative in FY 2009.
- **Chronic Conditions** – A decrease of \$10,000 to transfer funding for extracorporeal support to the Community Capacity appropriation. The funds would be utilized for the enhanced healthy communities initiative in FY 2009.
- **Community Capacity** – An increase of \$40,000. This includes:
 - An increase of \$20,000 to transfer funding from the Postnatal Tissue and Fluid Bank Task Force from the Healthy Children and Families appropriation. The Governor’s recommendation reallocates these funds for the enhanced healthy communities initiative.
 - An increase of \$10,000 to transfer funding for children’s vision initiatives (InfantSee) from the Healthy Children and Families appropriation. The Governor’s recommendation reallocated these funds for the enhanced healthy communities initiative.
 - An increase of \$10,000 to transfer funding for extracorporeal support from the Chronic Conditions appropriation. The Governor’s recommendation reallocates these funds for the enhanced healthy communities initiative.
 - The Governor’s recommendation also includes reallocation of the following funds within Community Capacity for the enhanced healthy communities initiative in FY 2009:
 - \$300,000 for the Iowa Collaborative Safety Net in FY 2008.
 - \$75,000 for local public health redesign in FY 2008.
 - \$75,000 for the Direct Care Worker Task Force in FY 2008.

Issues

Brain Injury Program – The Brain Injury Program administered by the Department transfers funds to the Department of Human Services (DHS) to pay the State share for those receiving services through the Brain Injury Waiver. There was a delay in the number of waivers being utilized which results in a carryforward projection for FY 2009.

Healthy Communities Initiative – The Governor’s recommendation for FY 2009 includes the reallocation of \$900,000, including \$310,000 from the General Fund; \$490,000 from the Health Care Trust Fund; and \$100,000 from funds that were allocated within an FY 2008 HITT appropriation to be used for the enhanced healthy communities initiative in FY 2009. The Subcommittee may wish to review the programs and services that will be eliminated if the reallocation recommendation is enacted.

Health Care Tax Check Off – The Governor’s recommendation for FY 2009 includes a tax check off provision for health care that will be provided to the Department of Public Health for wellness activities or to counties for low-income Iowans to receive various health care services.

Department of Human Services

The Department of Human Services (DHS) is responsible for administering cash assistance for needy families (Family Investment Program), food assistance, Medicaid, child support enforcement, subsidized adoption, child abuse assessments, dependent adult abuse assessments, foster care, various family preservation and strengthening programs, child care registration and subsidy, two institutions for juveniles, refugee services, and services for the mentally ill and developmentally disabled, including the operation of four mental health institutes, and two resource centers for people with mental retardation.

The Governor is recommending FY 2009 General Fund appropriations totaling \$1.231 billion. This is an increase of \$110.1 million compared to estimated FY 2008. The Governor is also recommending FY 2009 other fund appropriations totaling \$376.4 million. This is a decrease of \$60.4 million compared to estimated FY 2008. A portion of these changes result from a recommendation by the Governor to deposit the balance of the Healthy Iowans Tobacco Trust (HITT) Fund into the General Fund for FY 2009. Under the Governor’s recommendation, budget units that received HITT Fund appropriations for FY 2008 are shifted to the General Fund for FY 2009 with no change in total funding level.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Human Services, Department of</u>			
Human Services - General Administration			
General Administration	\$ 16,782,706	\$ 17,063,966	\$ 281,260
Human Services - Field Operations			
Child Support Recoveries	\$ 10,469,844	\$ 15,316,323	\$ 4,846,479
Field Operations	66,555,087	71,505,340	4,950,253
Total Human Services - Field Operations	<u>\$ 77,024,931</u>	<u>\$ 86,821,663</u>	<u>\$ 9,796,732</u>
Human Services - Toledo Juvenile Home			
Toledo Juvenile Home	\$ 7,579,484	\$ 7,579,484	\$ 0
Human Services - Eldora Training School			
Eldora Training School	\$ 11,948,327	\$ 11,948,327	\$ 0
Human Services - Cherokee CCUSO			
Civil Commit. Unit for Sex Offenders	\$ 6,523,524	\$ 6,720,268	\$ 196,744
Human Services - Cherokee			
Cherokee MHI	\$ 5,727,743	\$ 5,727,743	\$ 0
Human Services - Clarinda			
Clarinda MHI	\$ 7,023,073	\$ 7,023,073	\$ 0
Human Services - Independence			
Independence MHI	\$ 10,489,724	\$ 10,495,879	\$ 6,155
Human Services - Mt Pleasant			
Mt Pleasant MHI	\$ 1,877,099	\$ 1,874,721	\$ -2,378
Human Services - Glenwood			
Glenwood Resource Center	\$ 19,002,377	\$ 17,383,372	\$ -1,619,005

Health and Human Services Appropriations Subcommittee

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Human Services, Department of, cont.</u>			
Human Services - Woodward			
Woodward Resource Center	\$ 13,038,833	\$ 11,547,207	\$ -1,491,626
Human Services - Assistance			
Family Investment Program/JOBS	\$ 42,675,127	\$ 42,368,632	\$ -306,495
Medical Assistance	616,771,820	695,858,450	79,086,630
Health Insurance Premium Payment	673,598	566,338	-107,260
Medical Contracts	13,790,558	14,796,616	1,006,058
State Children's Health Insurance (hawk-i)	14,871,052	11,768,175	-3,102,877
State Supplementary Assistance	17,210,335	18,793,766	1,583,431
Child Care Assistance	37,875,701	41,636,097	3,760,396
Child and Family Services	88,520,320	93,141,701	4,621,381
Adoption Subsidy	31,972,681	35,074,772	3,102,091
Family Support Subsidy	1,936,434	1,936,434	0
Connors Training	42,623	42,623	0
MI/MR/DD State Cases	11,067,178	13,067,178	2,000,000
MH/DD Community Services	18,017,890	18,017,890	0
MH/DD Growth Factor	36,888,041	57,154,653	20,266,612
Volunteers	109,568	109,568	0
County Suppl. MH/DD Growth	12,000,000	0	-12,000,000
State Mental Health Systems	0	3,000,000	3,000,000
Total Human Services - Assistance	\$ 944,422,926	\$ 1,047,332,893	\$ 102,909,967
Total Human Services, Department of	\$ 1,121,440,747	\$ 1,231,518,596	\$ 110,077,849

Significant changes include:

- **Economic Assistance** – An increase of \$4.5 million, including:
 - **Family Investment Program** – A net decrease of \$306,000 including:
 - A decrease of \$506,000 to reflect the elimination of Electronic Benefits Transfer (EBT) retailer fees.
 - An increase of \$200,000 for a financial literacy program.
 - **Child Support Recoveries** – A net increase of \$4.8 million, including:
 - An increase of \$5.3 million for federal Deficit Reduction Act (DRA) review and adjustment.
 - An increase of \$205,000 for service costs.
 - An increase of \$160,000 for caseload growth.
 - A decrease of \$522,000 for various technology-related savings.
 - A decrease of \$274,000 to reflect the delay in implementation of medical support changes required by the DRA.
- **Medicaid** – A net increase of \$79.1 million, including:
 - An increase of \$10.4 million for nursing facilities to replace the FY 2007 carryforward.
 - A decrease of \$13.6 million to reflect changes in the Federal Medical Assistance Percentage (FMAP) rate.

- An increase of \$18.9 million for enrollment and utilization increases.
- An increase of \$10.0 million for payments to the federal government for Medicare dual eligibles.
- An increase of \$1.2 million for caseload growth in the Money Follows the Person Program, Health Maintenance Organizations, Targeted Case Management, and Intermediate Care Facility for the Mentally Retarded.
- An increase of \$16.9 million to fully fund the Mental Health Institutes to reflect an expected loss in federal matching funds from the IowaCare Program agreement.
- An increase of \$2.8 million to expand Medicaid coverage to additional uninsured children.
- A decrease of \$3.8 million to recalculate State Maximum Allowable Costs (SMAC) for pharmaceuticals.
- A decrease of \$863,000 to reflect a surcharge added to all claims filed on paper, when electronic filing is available.
- A decrease of \$1.7 million to move behavioral health drugs to the preferred drug lists.
- A decrease of \$425,000 for the collection of rebates for diabetic supplies.
- A decrease of \$100,000 to reduce drug dispensing fees to physicians.
- A decrease of \$1.0 million to reimburse anesthesiologists at 100.0% of Medicare rates.
- A decrease of \$240,000 to create two levels of Targeted Case Management.
- A decrease of \$6.5 million to match the estimates of the Medicaid projections work group.
- A decrease of \$3.0 million to eliminate accountability measure payments for nursing facilities.
- An increase of \$121,000 for a 2.0% rate increase for Consumer Directed Attendant Care (CDAC) providers.
- An increase of \$1.1 million to provide matching funds for the Demonstration for Maintaining Independence (DMIE) grant.
- An increase of \$7.3 million to replace the Psychiatric Hospital Program at SUIHC with the Medicaid Disproportionate Share payment.
- An increase of \$6.6 million for a 1.0% provider rate increase.
- An increase of \$35.3 million to reflect the funding shift from the HITT Fund to the General Fund.
- A decrease of \$500,000 to reflect a funding shift from the General Fund to the Health Care Trust Fund (HCTF).

For further information regarding Medicaid, please see the Statewide section regarding Medicaid in this document.

- **Medical Contracts** – An increase of \$1.0 million, including:
 - An increase of \$381,000 to restore funds from the Pharmaceutical Settlement Account.
 - An increase of \$625,000 for increased contract costs with the Department of Inspections and Appeals.

- **State Children’s Health Insurance Program (*hawk-i*)** – A net decrease of \$3.1 million. The Governor adds funding to provide coverage to additional children and also uses available funds from FY 2008 for a portion of the total cost which results in a net decrease in funding. This includes:
 - A decrease of \$6.5 million to reflect the availability of carryforward funds from FY 2008.
 - An increase of \$3.9 million to reflect enrollment growth and utilization.
 - An increase of \$134,000 to continue a contract with the Department of Public Health for outreach efforts.
 - A decrease of \$663,000 to reflect changes in the FMAP rate.
- **State Supplementary Assistance Program** – An increase of \$1.6 million, including:
 - An increase of \$302,000 to reflect increased costs and growth.
 - An increase of \$1.1 million to restore carryforward funds from FY 2007.
 - An increase of \$182,000 to reflect a funding shift from the HITT Fund to the General Fund.
- **Child Care Assistance** – An increase of \$3.8 million. This includes:
 - A decrease of \$213,000 to transfer funds to Field Operations for additional staff resulting from caseload growth.
 - A decrease of \$149,000 for an increase in the Federal Medical Assistance Percentage (FMAP).
 - An increase of \$1.5 million for a 2.0% reimbursement rate increase starting October 2008.
 - An increase of \$2.6 million to replace the Child Care Tax Credit Fund transfer with an appropriation. Each fiscal year the Department of Human Services receives \$2.6 million in Income Tax Withholding receipts to supplement funding for child care assistance activities. The Governor is recommending ending the withholding diversion in favor of an increase in the General Fund appropriation for Department of Human Services Child Care Assistance of the same amount. There is no change in the amount of funding available for the Child Care Assistance Program as a result of this action.
- **Child and Family Services** – An increase of \$4.6 million. This includes:
 - A decrease of \$3.6 million to reflect the availability of unspent Decategorization funds from prior fiscal years. The savings will be reallocated to maintain other child welfare services.
 - An increase of \$1.3 million for caseload growth in the Preparation for Adult Living Services (PALS) Program.
 - An increase of \$1.2 million for caseload growth in Family Foster Care.
 - An increase of \$757,000 to reflect the transfer of funds for Resource Family Recruitment and Retention from the Adoption Subsidy appropriation.
 - A decrease of \$762,000 for highly structured juvenile program beds (boot camps). There will be additional federal funds available when reallocated for other child welfare services.
 - An increase of \$533,000 to reflect the transfer of funds for Family Safety, Risk, and Permanency from the Adoption Subsidy appropriation.
 - An increase of \$325,000 for family foster care and supervised apartment living maintenance rates.
 - An increase of \$123,000 for changes in the federal reimbursement rates.

- A decrease of \$210,000 to reallocate funds previously transferred to the Mental Health Risk Pool to other child welfare services.
- A decrease of \$203,000 to reallocate funds for two Multidimensional Treatment Level Foster Care Pilot Programs to maintain other child welfare services.
- An increase of \$200,000 to replace carryforward funds utilized in FY 2008 for Juvenile Drug Courts.
- An increase of \$169,000 to reflect the transfer of funds for Relative Home Studies from the Adoption Subsidy appropriation.
- A decrease of \$152,000 to reallocate funds for four Diversion and Mediation Pilot Projects to maintain other child welfare services.
- An increase of \$109,000 for child abuse medical exams.
- A decrease of \$52,000 to reallocate funds for a nine-county family treatment and community education grant to maintain other child welfare services.
- An increase of \$41,000 for Preparation for Adult Living Services (PALS) maintenance rates.
- An increase of \$1.1 million for a 1.0% provider rate reimbursement increase for child welfare providers.
- An increase of \$3.8 million to reflect the funding shift from the HITT Fund to the General Fund.
- **Adoption Subsidy** – An increase of \$3.1 million. This includes:
 - An increase of \$2.5 million for caseload growth.
 - An increase of \$2.0 million to replace carryforward funds utilized in FY 2008.
 - A decrease of \$757,000 to transfer funds for Resource Family Recruitment and Retention to Child and Family Services.
 - A decrease of \$533,000 to transfer funds for Family Safety, Risk, and Permanency to Child and Family Services.
 - An increase of \$378,000 for adoption subsidy maintenance rates.
 - A decrease of \$169,000 to transfer funds for Relative Home Studies to Child and Family Services.
 - A decrease of \$323,000 for changes in the FMAP rate.
- **Mental Health/Mental Retardation/Developmental Disabilities/Brain Injury** – A net increase of \$10.4 million, including:
 - An increase of \$6,200 for the Independence MHI to reflect changes in the FMAP rate.
 - A decrease of \$2,400 for the Mt. Pleasant MHI to reflect changes in the FMAP rate.
 - A net decrease of \$1.6 million for the Glenwood Resource Center, including:
 - An increase of \$250,000 to restore carryforward funds from FY 2007.
 - A decrease of \$171,000 to reflect changes in the FMAP rate.
 - A decrease of \$1.9 million for salary adjustment.
 - An increase of \$195,000 to replace revenue from the loss of two homes.

Health and Human Services Appropriations Subcommittee

- A net decrease of \$1.5 million for the Woodward Resource Center, including:
 - An increase of \$250,000 to restore carryforward funds from FY 2007.
 - A decrease of \$123,000 to reflect changes in the FMAP rate.
 - A decrease of \$1.8 million for salary adjustment.
 - An increase of \$205,000 to replace revenue from the loss of two homes.
- An increase of \$2.0 million for the State Cases Program to restore the FY 2007 carryforward.
- An increase of \$291,000 for the Sexual Predator Commitment Program.
- An increase of \$3.0 million for a statewide emergency mental health crisis service system.
- An increase of \$8.3 million for Mental Health Allowed Growth, including:
 - An increase of \$8.1 million for Mental Health Allowed Growth factor.
 - An increase of \$147,000 to reflect a funding shift from the HITT Fund to the General Fund.
- **Field Operations** – An increase of \$5.0 million. This includes:
 - An increase of \$1.8 million for additional Child Welfare Caseworkers, Clinical Consultants, and Supervisors. The Governor’s recommendation for this additional staff would increase the number of foster care children who receive monthly contact from 65.0% to 75.0%.
 - An increase of \$1.5 million to reflect caseload growth in Medicaid, the State Children’s Health Insurance Program (SCHIP), child care, and Food Assistance.
 - An increase of \$1.5 million to replace carryforward funds utilized in FY 2008 to maintain FTE positions.
- **General Administration** – An increase of \$281,000. This includes:
 - An increase of \$107,000 to transfer funding for two Information Technology positions.
 - A decrease of \$100,000 for a one-time payment to the Department of Human Rights.
 - An increase of \$274,000 to reflect the funding shift from the HITT Fund to the General Fund.

Other Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Human Services, Department of</u>			
Human Services - General Administration			
FIP-TANF	\$ 36,890,944	\$ 28,101,513	\$ -8,789,431
Promise Jobs-TANF	14,993,040	14,993,040	0
FaDDS-TANF	2,998,675	2,998,675	0
Field Operations-TANF	17,707,495	17,707,495	0
General Administration-TANF	3,744,000	3,744,000	0
Local Admin. Cost-TANF	2,189,830	2,189,830	0
State Day Care-TANF	18,986,177	18,986,177	0
MH/DD Comm. Services-TANF	4,894,052	4,894,052	0
Child & Family Services-TANF	32,084,430	32,084,430	0
Child Abuse Prevention-TANF	250,000	250,000	0

Health and Human Services Appropriations Subcommittee

	<u>Estimated FY 2008</u>	<u>Gov Rec FY 2009</u>	<u>Gov Rec vs. FY 2008</u>
Human Services, Department of, cont.			
Human Services - General Administration, cont.			
Training & Technology-TANF	1,037,186	1,037,186	0
HOPEs - Transfer to DPH-TANF	200,000	200,000	0
0-5 Children-TANF	7,350,000	7,350,000	0
Child Support Recovery-TANF	200,000	200,000	0
Child Care Direct Assistance-TANF	0	6,900,000	6,900,000
Total Human Services - General Administration	\$ 143,525,829	\$ 141,636,398	\$ -1,889,431
Human Services - Assistance			
Pregnancy Prevention-TANF	\$ 1,930,067	\$ 1,930,067	\$ 0
Medical Supplemental-SLTF	65,000,000	65,000,000	0
Medical Contracts-Pharmceutical Settle.	1,323,833	942,767	-381,066
Broadlawns Hospital-ICA	40,000,000	37,000,000	-3,000,000
State Hospital-Cherokee-ICA	9,098,425	3,164,766	-5,933,659
State Hospital-Clarinda-ICA	1,977,305	687,779	-1,289,526
State Hospital-Independence-ICA	9,045,894	3,146,494	-5,899,400
State Hospital-Mt Pleasant-ICA	5,752,587	2,000,961	-3,751,626
Medical Examinations-HCTA	556,800	556,800	0
Medical Information Hotline-HCTA	150,000	150,000	0
Health Partnership Activities-HCTA	550,000	900,000	350,000
Audits, Perf. Eval., Studies-HCTA	400,000	400,000	0
IowaCare Admin. Costs-HCTA	930,352	1,132,412	202,060
Dental Home for Children-HCTA	1,186,475	500,000	-686,475
Mental Health Trans. Pilot-HCTA	250,000	250,000	0
Children's Health Insurance-HCTF	8,329,570	8,329,570	0
Medical Assistance-HCTF	99,518,096	100,018,096	500,000
MH/MR/DD Growth-HCTF	7,592,099	7,592,099	0
General Administration-HITT	274,000	0	-274,000
POS Provider Increase-HITT	146,750	0	-146,750
Other Service Providers Inc.-HITT	182,381	0	-182,381
Medical Assistance Combined-HITT	35,327,368	0	-35,327,368
Child and Family Services-HITT	3,761,677	0	-3,761,677
MH/DD Workforce Development	0	1,050,000	1,050,000
Total Human Services - Assistance	\$ 293,283,679	\$ 234,751,811	\$ -58,531,868
Total Human Services, Department of	\$ 436,809,508	\$ 376,388,209	\$ -60,421,299

Significant changes include:

- A decrease of \$8.8 million in Family Investment Program (FIP) funding from the Temporary Assistance for Needy Families (TANF) appropriation. This is to reflect decreasing need and a shift of funds to direct child care assistance.
- An increase of \$6.9 million from TANF for the Child Care Assistance Program.
- A decrease of \$381,000 from the Pharmaceutical Settlement Account to reflect the depletion of funds in FY 2008. Medical Contracts would be paid for partially with General Fund dollars.
- A decrease of \$3.0 million to the IowaCare Program appropriation for Broadlawns Medical Center.
- A decrease of \$16.9 million for the four mental health institutes (MHI) from the IowaCare Program appropriation to reflect phasing out of federal funding. Under the federal terms and conditions of

creating the IowaCare Program, the State was required to phase out federal matching funds to the MHIs.

- An increase of \$350,000 from the Health Care Transformation Account (HCTA) for Health Partnership activities to reflect increased smoking cessation programs for Medicaid and the IowaCare Program.
- An increase of 200,000 from the HCTA for additional administrative costs for the IowaCare Program.
- A decrease of \$686,000 from the HCTA to reflect one-time money for the creation of a dental home for children.
- An increase of \$500,000 from the Health Care Trust Fund (HCTF) for the Medicaid program.
- A decrease of \$39.7 million from the HITT Fund to reflect a shift in funding to the General Fund.
- An increase of \$1.1 million from the HCTA for mental health workforce recruitment, training and development programs.

Issues

Dual Eligibility – The Center for Medicare and Medicaid Services (CMS) is retroactively redetermining eligibility for 20 years of dual eligibles for both the Medicare and Medicaid Programs. They are then billing the State for its share of the costs. The Department is looking into this practice and considering what course of action to take. It is unclear at this point how much this practice has cost the State.

Distribution of Mental Health Appropriation – Senate File 601 (FY 2008 Standing Appropriations Act) did not specify how to distribute \$64.6 million for the FY 2009 mental health appropriation. The General Assembly will need to review this and implement the distribution.

Reallocation of Funds for Child and Family Services – *The Governor's recommendation for Child and Family Services includes the reallocation to eliminate funding for some services.* The funds remain in Child and Family Services but are used to maintain other child welfare services. The Subcommittee may wish to review the programs and services that would be eliminated, and receive clarification on the other services that would be maintained or enhanced if the reallocation occurs.

Shelter Care Beds – The Subcommittee may wish to review the policy of paying for a guaranteed number of shelter care beds regardless of use against the statewide shelter care bed census. The State currently pays for 273 guaranteed beds. For the first quarter of FY 2008, the statewide average daily shelter census was 215. In FY 2007, the State paid an estimated \$1.2 million for unused shelter care beds.

Department of Veterans Affairs

The Department of Veteran Affairs includes the Department and the Iowa Veterans Home. The Department provides services to veterans regarding federal pension applications, identifying services to reimburse from the Veterans Trust Fund interest revenues, establishing the Veterans Cemetery, and providing assistance for the County Grant Program, the Injured Veterans Grant Program, and the Vietnam Veterans Bonus Program. The Iowa Veterans Home provides services to veterans at the Home in Marshalltown, including domiciliary, residential, and pharmaceutical.

The Governor is recommending FY 2009 General Fund appropriations totaling \$16.1 million. This is a decrease of \$2.8 million compared to estimated FY 2008. The Governor is also recommending no FY 2009 other fund appropriations. This is a decrease of \$700,000 compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Veterans Affairs, Department of</u>			
General Administration	\$ 863,457	\$ 1,163,457	\$ 300,000
Iowa Veterans Home	16,728,256	12,694,154	-4,034,102
Veterans Trust Fund	500,000	0	-500,000
Veterans County Grants	750,000	600,000	-150,000
War Orphans Educational Assistance	27,000	27,000	0
Home Ownership Assist. Prog.	0	1,600,000	1,600,000
Total Veterans Affairs, Department of	\$ 18,868,713	\$ 16,084,611	\$ -2,784,102

- **Iowa Veterans Home** – This is a decrease of \$4.0 million. This includes:
 - A decrease of \$1.0 million available from additional outside revenue as a result of the FY 2008 salary adjustment funds.
 - A decrease of \$3.0 million to eliminate the historical carryforward into the Construction Account from the General Operating budget. Any additional carryforward is to be carried forward for the General Operating budget.
- **Department of Veteran Affairs** – This is an increase of \$1.3 million. This includes:
 - An increase of \$300,000 for General Administration. This includes:
 - An increase of \$150,000 to replace one-time FY 2007 funds for 2.0 FTE positions used in FY 2008.
 - An increase of \$150,000 and 3.0 FTE positions for the Veterans Cemetery.
 - A decrease of \$500,000 to eliminate the appropriation for the Veterans Trust Fund and permit the Department to retain the \$5.0 million balance.
 - A decrease of \$150,000 for the Veterans County Grant Program.
 - An increase of \$1.6 million for the Veteran Home Ownership Assistance Program. An appropriation of \$1.0 million from the Rebuild Iowa Infrastructure Fund (RIIF) occurred for FY 2008.

Other Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Veterans Affairs, Department of</u>			
Vets Home Ownership Prog.-VTF	\$ 200,000	\$ 0	\$ -200,000
Vietnam Veterans Bonus-VTF	500,000	0	-500,000
Total Veterans Affairs, Department of	\$ 700,000	\$ 0	\$ -700,000

Significant changes include:

- A decrease of \$200,000 from the Veterans Trust Fund remaining funds to the Veterans Home Ownership Assistance Program. This Program was funded from multiple sources in FY 2008. As of

November 30, 2007, there is a remaining balance of \$1.4 million with an estimated \$900,000 encumbered by applications in process. The Governor is recommending a General Fund appropriation of \$1.6 million for the Program in FY 2009.

- A decrease of \$500,000 from the Veterans Trust Fund to the Vietnam Veterans Bonus Program. The Governor is recommending the carryforward of remaining funds in FY 2008 to FY 2009. As of November 30, 2007, \$119,000 of the \$500,000 has been expended or committed for the bonuses.
- A decrease of \$1.0 million from the Rebuild Iowa Infrastructure Fund (RIIF) for the Veterans Home Ownership Assistance Program. From the creation of the Program in April 2005, a total of \$6.0 million has been appropriated from multiple sources, with contingent appropriations of an additional \$500,000. As of November 30, 2007, there is a remaining balance of \$1.4 million with an estimated \$900,000 encumbered by applications in process. The Governor is recommending a General Fund appropriation of \$1.6 million for the Program.
- A recommendation to issue bonds for \$20.6 million to provide the State match for Phases 2, 3, and 4 for the Veterans Home Master Plan. These funds would provide the required commitment to the federal Veterans Administration to place these three construction projects on the federal Veteran Construction Project list that may provide an estimated 60.0% federal match (\$58.7 million) once the projects are funded with federal funds. The estimated years of funding from the federal Veterans Administration are not available. The Governor's recommendation does not include using State funds to replace the requested federal funding for Phase 1 to initiate construction.

Issues

Veterans Cemetery – The Subcommittee may want to review the FY 2009 and FY 2010 expenditure commitments for the Veterans Cemetery. The expected opening ceremony is Memorial Day 2008. Utilization is expected to begin in the late summer of 2008.

Expenditure Review – The Subcommittee may want to review first half FY 2008 expenditures of the Veterans Home Ownership Assistance Program, the Injured Veterans Grant Program, and the County Grant Program; the expenditures of the Vietnam Veterans Bonus Program; and the expenditures from the interest and donations to the Veterans Trust Fund for services approved by the Veterans Affairs Commission.

Construction Funds – The Subcommittee may want to review the amount of funds within the Iowa Veterans Home Construction Account and the availability of the Federal Veterans Construction funds to match. The Iowa Veterans Home has a \$100.0 million multi-year Master Plan construction project. An estimated 60.0% of funds for certain construction projects may be available from the federal government. The estimated year of receipt of those funds from the federal government is not available. *The Governor is recommending the issuance of bonds to make available the State funds required to place Phases 2, 3, and 4 on the federal Veteran Construction Project list.*

Board of Regents

The Board of Regents oversees the University of Iowa Hospitals and Clinics (UIHC) and receives funding for IowaCare through the Health and Human Services Appropriations Subcommittee.

The Governor is recommending FY 2009 other fund appropriations totaling \$63.3 million. This is an increase of \$26.0 million compared to estimated FY 2008.

Other Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Regents, Board of			
BOR UIHC - IowaCares Expansion Population	\$ 10,000,000	\$ 35,969,365	\$ 25,969,365
BOR UIHC - IowaCares	27,284,584	27,284,584	0
Total Regents, Board of	\$ 37,284,584	\$ 63,253,949	\$ 25,969,365

The Governor is recommending an increase of \$26.0 million from the IowaCare account to reflect increased utilization of the IowaCare Program at the UIHC and an increased federal match for indigent psychiatric patient care.

Iowa Finance Authority

The Iowa Finance Authority assists eligible Iowans with financial assistance for rental costs.

The Governor is recommending an FY 2009 appropriation of \$700,000 from the Senior Living Trust Fund. This is no change compared to estimated FY 2008.

Other Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Iowa Finance Authority</u>			
Rent Subsidy Program-SLTF	\$ 700,000	\$ 700,000	\$ 0
Total Iowa Finance Authority	\$ 700,000	\$ 700,000	\$ 0

Department of Inspections and Appeals

The Department of Inspections and Appeals is a regulatory agency which inspects and licenses various health care providers.

The Governor is recommending an FY 2009 appropriation of \$1.2 million from the Senior Living Trust Fund. This is no change compared to estimated FY 2008.

Other Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Inspections & Appeals, Department of</u>			
Assisted Living/Adult Day Care-SLTF	\$ 1,183,303	\$ 1,183,303	\$ 0
Total Inspections & Appeals, Department of	\$ 1,183,303	\$ 1,183,303	\$ 0

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Early Care Best Practices Interim Study Committee

See the Education Appropriations Subcommittee section of this document.

Home-Based Child Care Interim Study Committee

The Home-Based Child Care Interim Study Committee met on July 31, October 10, and November 21, 2007, to receive information and consider options for increasing the number of registered home-based child care providers. At the November 21 meeting, the Committee made the following recommendations for proposed legislation during the 2008 Legislative Session:

- Eliminate corporal punishment in non-registered child care homes.
- Require all provider homes to post whether they are registered and to post that corporal punishment is not allowed in non-registered homes.
- Prevent registered sex offenders from interacting with children in registered or non-registered child care facilities.
- Create a workgroup with various goals, including the establishment of a mandatory registration system as resources become available.

Additional information regarding the Committee's work is available on the web site at <http://www.legis.state.ia.us/asp/Committees/Committee.aspx?id=218>.

Commission on Affordable Health Care Plans for Small Businesses and Families

The Legislative Commission on Affordable Health Care Plans for Small Business and Families has met nine times across the State working to make health care more affordable for Iowans. The Commission set guiding principles as a framework for recommended changes. The principles include:

- Coverage and care should be universal or near universal.
- Coverage should be affordable and take into account all health care costs.
- Everyone should have a medical home.
- Health care should be accessible.
- Financing should be a shared responsibility.
- Reforms should drive quality improvements and contain costs.
- Reforms should do no harm.
- Reforms must be sustainable and doable.

A final report has been completed and is available at: <http://www.legis.state.ia.us/asp/Committees/Committee.aspx?id=208>.

Mental Health System Redesign

In FY 2008, the General Assembly enacted the State's Mental Health Systems Improvement Act that required the Division of Mental Health and Disability Services (MHDS) of the DHS to form planning workgroups to make recommendations to the MH/MR/DD/BI Commission, the DHS Director, and the General Assembly regarding major changes for improved mental health services in the State. Major recommendations include:

- Increasing the role of the State Mental Health Authority.
- Delineating the role of Community Mental Health Centers as the safety net.
- Emergency Mental Health Crisis Services.
- Children's Mental Health Services.
- Acute Mental Health Systems improvements.
- Information Systems/Data Infrastructure.
- Behavioral Health Workforce Development.
- Revision of Code, statute, and regulatory documents.

A report is required to the General Assembly by January 31, 2008.

LSA Publications

The following publication has been issued by the LSA that relate to the Health and Human Services Appropriations Subcommittee:

- [Education Benefits for Children of Deceased Veterans](#)

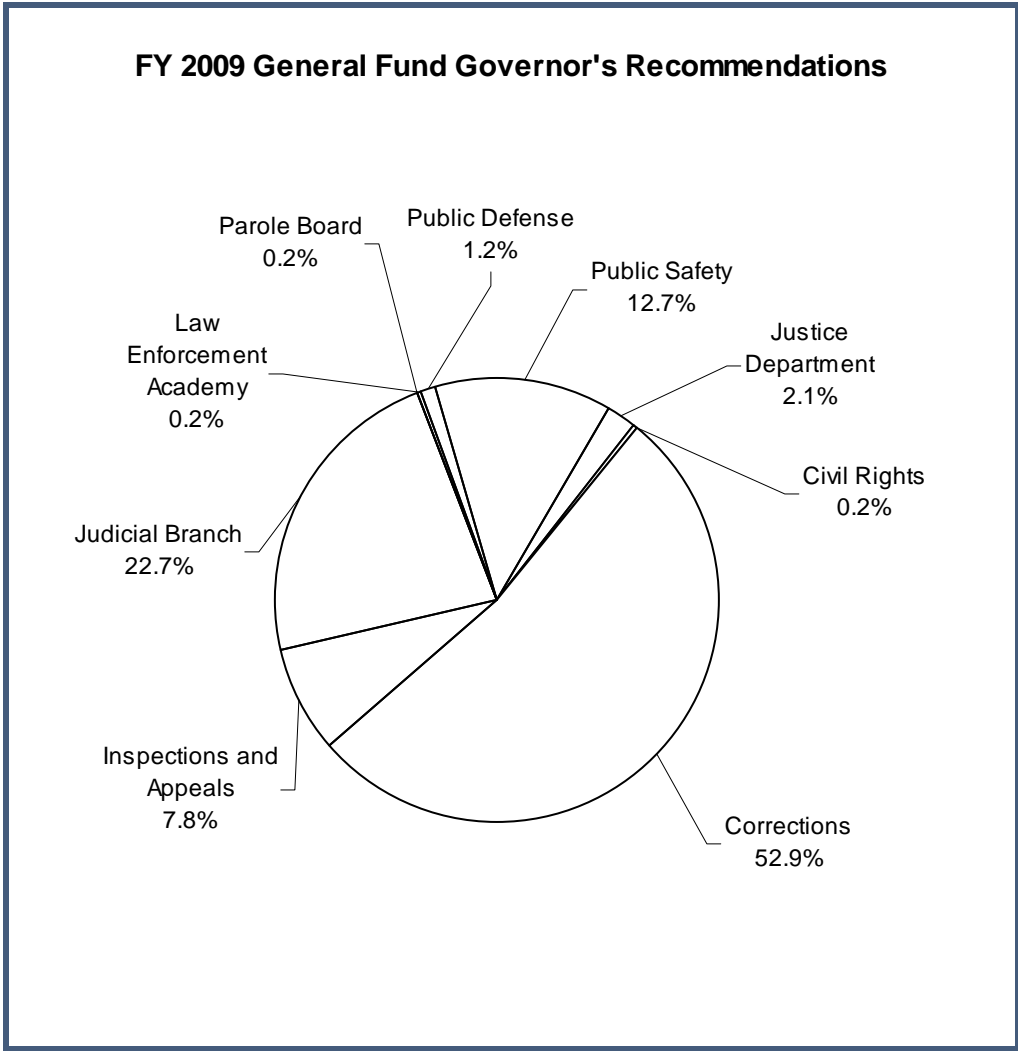
Staff Contacts: Jess Benson (1-4611) (jess.benson@legis.state.ia.us)

Sue Lerdal (1-7794) (sue.lerdal@legis.state.ia.us)

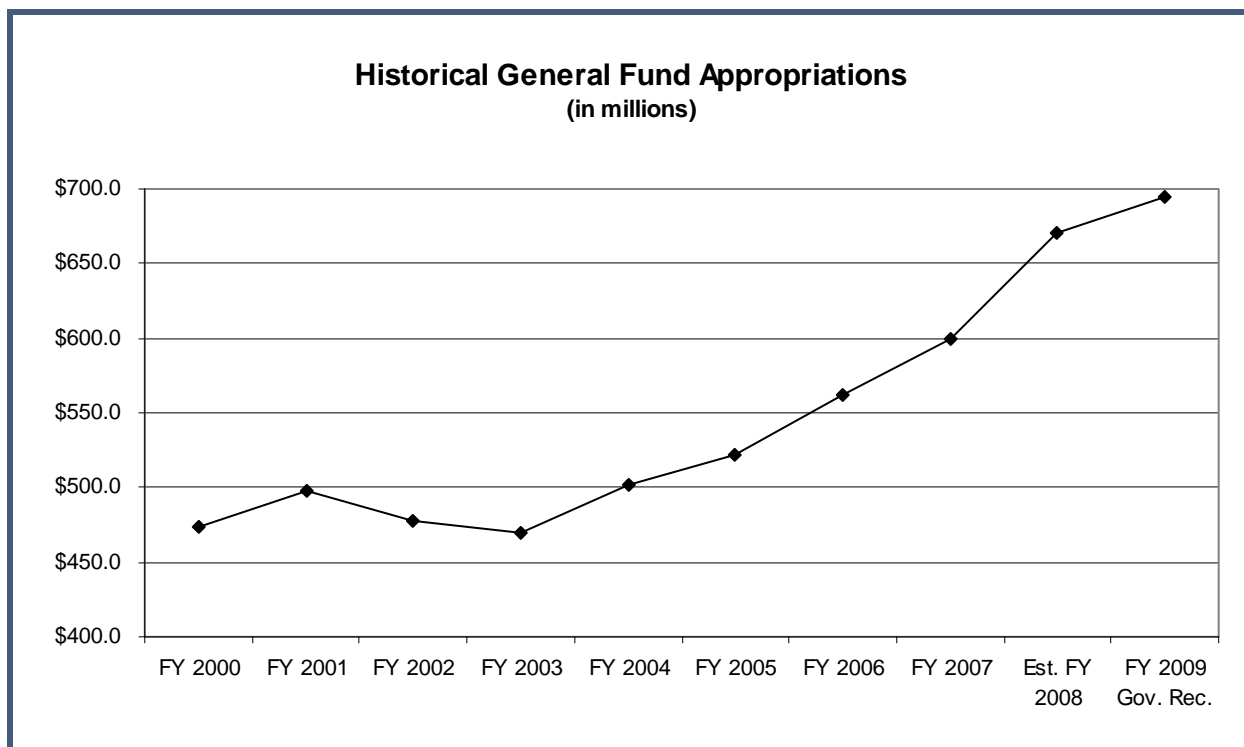
Mary Shipman (1-4617) (mary.shipman@legis.state.ia.us)

Subcommittee Web Site: <http://www3.legis.state.ia.us/ga/committee.do?id=37> .

JUSTICE SYSTEM APPROPRIATIONS SUBCOMMITTEE



Justice Department	\$ 14,989,604
Civil Rights	1,504,036
Corrections	367,511,223
Inspections and Appeals	53,031,834
Judicial Branch	157,885,796
Law Enforcement Academy	1,283,115
Parole Board	1,249,992
Public Defense	8,676,379
Public Safety	87,934,027
	<u>\$ 694,066,006</u>



FY 2009 GOVERNOR’S RECOMMENDATIONS

Department of Justice

The Attorney General is the head of the Department and is elected by popular vote every four years. The Department is composed of the Attorney General’s Office, Prosecuting Attorney Training Coordinator, and the Consumer Advocate’s Office. The Department represents the State in all litigation, issues formal and informal opinions and advice to State agencies, prosecutes some criminal offenders and handles all criminal appeals, and administers the following programs: Farm Mediation, Victim Services Grants, and Legal Services Poverty Grants.

The Governor is recommending FY 2009 General Fund appropriations totaling \$15.0 million. This is a decrease of \$113,000 compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Justice, Department of</u>			
Justice, Department of			
General Office A.G.	\$ 9,485,145	\$ 9,437,720	\$ -47,425
Victim Assistance Grants	150,000	150,000	0
Legal Services Poverty Grants	2,000,000	2,000,000	0
Farm Mediation Services	300,000	300,000	0
Children in Dissolution Proceedings Pilot Project	50,000	0	-50,000
Total Justice, Department of	\$ 11,985,145	\$ 11,887,720	\$ -97,425
Consumer Advocate			
Consumer Advocate	\$ 3,117,471	\$ 3,101,884	\$ -15,587
Total Justice, Department of	\$ 15,102,616	\$ 14,989,604	\$ -113,012

Significant changes include:

- A decrease of \$47,000 in the Office of the Attorney General for a general budget reduction.
- A decrease of \$16,000 in the Office of the Consumer Advocate for a general budget reduction. The Office bills utility companies for costs associated with its operation. The utility companies' payments are deposited into the General Fund. Any decrease in the General Fund appropriation will cause the same decrease in General Fund receipts.
- A decrease of \$50,000 to eliminate funding for the Children in Dissolution Proceedings Pilot Project. This was a new appropriation in FY 2008.

Issues

Charities Unit – The Department is proposing legislation to impose fees on biennial reports filed by domestic non-profit organizations. The Department intends to use the fee revenue to fund a Charities Unit for \$215,000 and 2.0 FTE positions. The Subcommittee may want to review the number of complaints filed annually with the Attorney General's Office, regarding non-profit organizations.

Children in Dissolution Proceedings Pilot Project – The Subcommittee may want to review the number of children and families served by the Pilot Project, and any other measures used to determine success of the project during its first year. *The Governor is recommending that the \$50,000 for the Children in Dissolution Proceedings Pilot Project be eliminated.*

Victim Assistance Grants – The Crime Victim Assistance Division provides grants to service providers for victims of domestic abuse, rape, and sexual assaults. A State General Fund appropriation, combined with federal grants and the Victim Compensation Fund, are used for community crime victim service programs. This combination of funding results in approximately \$9.5 million being distributed to 27 domestic abuse programs, 27 sexual abuse programs, the Iowa Domestic Abuse Hotline, and the Sexual Abuse Hotline. Approximately \$3.7 million of the funds are from the Victims Of Crime Act (VOCA), which is expected to decrease by 10.0% to 15.0% due to federal budget reductions. The Justice System Appropriations Subcommittee first started appropriating General Fund money in FY 1990 for the grants. This funding peaked in FY 2001 at \$1.9 million; the FY 2007 General Fund appropriation is \$150,000. The

General Fund appropriation has been combined with federal funds and transfers from the Victim Compensation Fund, plus funding at the local level. However, seven shelters have closed in the last four years.

Civil Rights Commission

The Commission exists to protect the civil rights of all persons throughout Iowa. The Commission’s primary function is to enforce the law through judicial review, investigate discrimination complaints as a neutral fact finder, advocate for compliance with civil rights laws, and educate Iowans to recognize and prevent discrimination.

The Governor is recommending an FY 2009 General Fund appropriation of \$1.5 million. This is no change compared to estimated FY 2008.

General Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Civil Rights Commission</u>			
Civil Rights Commission	\$ 1,504,036	\$ 1,504,036	\$ 0
Total Civil Rights Commission	\$ 1,504,036	\$ 1,504,036	\$ 0

Issues

Federal Funds – The Commission receives approximately 43.5% of its budget from the federal government. The Commission receives federal funds from the Equal Employment Opportunity Commission (EEOC) and the Department of Housing and Urban Development (HUD). Federal funding to the Commission is in the form of performance-based contracts. The amount of federal funding received in a given federal fiscal year is based on the number of civil rights complaints resolved during the previous federal fiscal year. The Commission closed 2,331 cases in FY 2006, resulting in increased federal funds for FY 2007. The increase in case closures was primarily due to instituting a major effort to close old cases. Case closures decreased by 25.4% in FY 2007; therefore, federal funds may decrease in FY 2008.

Department of Corrections

The Department’s mission is to protect the public, employees, and offenders from victimization. The Department operates nine prisons to incarcerate legally-committed adult offenders; partners with eight Community-Based Corrections (CBC) District Departments to provide supervision for offenders on parole, probation, work release, and Operating While Intoxicated (OWI) offenses; provides opportunities for offenders to make improvements through various educational, skill development, and counseling programs; trains professional staff; operates Iowa Prison Industries; and provides oversight of local jails.

The Governor is recommending FY 2009 General Fund appropriations totaling \$367.5 million. This is an increase of \$14.2 million compared to estimated FY 2008. The increase includes transferring \$4.0 million in operational expenditures from the Healthy Iowans Tobacco Trust (HITT) Fund to the General Fund.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Corrections, Department of			
Community Based Corrections District 1			
CBC District I	\$ 12,706,033	\$ 13,965,618	\$ 1,259,585
Community Based Corrections District 2			
CBC District II	\$ 10,080,108	\$ 11,398,603	\$ 1,318,495
Community Based Corrections District 3			
CBC District III	\$ 5,903,401	\$ 6,114,983	\$ 211,582
Community Based Corrections District 4			
CBC District IV	\$ 5,419,406	\$ 5,726,971	\$ 307,565
Community Based Corrections District 5			
CBC District V	\$ 18,401,003	\$ 20,627,443	\$ 2,226,440
Community Based Corrections District 6			
CBC District VI	\$ 12,675,246	\$ 13,107,929	\$ 432,683
Community Based Corrections District 7			
CBC District VII	\$ 7,020,794	\$ 7,285,892	\$ 265,098
Community Based Corrections District 8			
CBC District VIII	\$ 6,998,544	\$ 7,482,936	\$ 484,392
Corrections-Central Office			
County Confinement	\$ 1,199,954	\$ 967,983	\$ -231,971
Federal Prisoners/ Contractual	241,293	241,293	0
Corrections Administration	5,050,732	5,050,732	0
Corrections Education	1,570,358	1,570,358	0
Iowa Corrections Offender Network	427,700	427,700	0
Hepatitis Treatment and Education	188,000	188,000	0
Transitional Housing - Comm. Based	30,000	30,000	0
Mental Health/Substance Abuse	25,000	25,000	0
Security Audits-GF	0	2,000,000	2,000,000
Total Corrections-Central Office	<u>\$ 8,733,037</u>	<u>\$ 10,501,066</u>	<u>\$ 1,768,029</u>
Corrections - Fort Madison			
Ft. Madison Institution	\$ 44,512,509	\$ 46,253,871	\$ 1,741,362
Corrections - Anamosa			
Anamosa Institution	\$ 30,656,614	\$ 31,178,054	\$ 521,440
Corrections - Oakdale			
Oakdale Institution	\$ 56,204,468	\$ 58,128,271	\$ 1,923,803
Corrections - Newton			
Newton Institution	\$ 27,841,158	\$ 27,978,941	\$ 137,783
Corrections - Mt Pleasant			
Mt. Pleasant Inst.	\$ 26,331,092	\$ 27,390,452	\$ 1,059,360
Corrections - Rockwell City			
Rockwell City Institution	\$ 9,108,454	\$ 9,262,685	\$ 154,231

Justice System Appropriations Subcommittee

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Corrections, Department of, cont.</u>			
Corrections - Clarinda			
Clarinda Institution	\$ 25,078,365	\$ 25,207,465	\$ 129,100
Corrections - Mitchellville			
Mitchellville Institution	\$ 15,878,663	\$ 15,935,768	\$ 57,105
Corrections - Fort Dodge			
Ft. Dodge Institution	\$ 29,773,151	\$ 29,964,275	\$ 191,124
Total Corrections, Department of	\$ 353,322,046	\$ 367,511,223	\$ 14,189,177

Significant changes include:

- An increase of \$3.5 million for food, fuel, treatment contracts, and pharmacy cost increases.
- An increase of \$1.9 million to electronically monitor, supervise, and treat sex offenders. Funding provides a real-time response resulting from the notification from Global Positioning System (GPS) bracelets.
- An increase of \$2.0 million to fund one-stop community-based re-entry and recovery programs in Polk and Black Hawk counties and a Therapeutic Community Program at the Fort Dodge Correctional Facility.
- An increase of \$734,000 to fund increased operational costs of the new Community-Based Corrections (CBC) residential facility in Fort Dodge.
- An increase of \$444,000 to replace expired federal funds for a drug court and dual diagnosis program in the First CBC District Department and a Therapeutic Community Program at the Anamosa State Penitentiary.
- An increase of \$2.0 million to fund security audits and improvements in the corrections system.
- An increase of \$4.0 million to transfer operational expenditures from the HITT Fund to the General Fund.
- A decrease of \$232,000 to the County Confinement Account. The Account reimburses counties for holding alleged violators on parole, work release, and Operating While Intoxicated (OWI) supervision.
- A decrease of \$200,000 to eliminate FY 2008 one-time costs associated with opening a new residential facility in Cedar Rapids.
- A transfer of \$58,000 and 1.0 FTE position for a correctional officer from the Fort Dodge Correctional Facility to the North Central Correctional Facility at Rockwell City. This recommendation is revenue neutral.

Other Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Corrections, Department of</u>			
Community Based Corrections District 1			
CBC District I - HITT	\$ 228,216	\$ 0	\$ -228,216
Community Based Corrections District 2			
CBC District II - HITT	\$ 406,217	\$ 0	\$ -406,217
Community Based Corrections District 3			
CBC District III - HITT	\$ 200,359	\$ 0	\$ -200,359
Community Based Corrections District 4			
CBC District IV - HITT	\$ 291,731	\$ 0	\$ -291,731
Community Based Corrections District 5			
CBC District V - HITT	\$ 355,693	\$ 0	\$ -355,693
Community Based Corrections District 6			
CBC District VI - HITT	\$ 494,741	\$ 0	\$ -494,741
Community Based Corrections District 7			
CBC District VII - HITT	\$ 232,232	\$ 0	\$ -232,232
Community Based Corrections District 8			
CBC District VIII - HITT	\$ 300,000	\$ 0	\$ -300,000
Corrections - Fort Madison			
Ft. Madison CCU - HITT	\$ 1,497,285	\$ 0	\$ -1,497,285
Total Corrections, Department of	\$ 4,006,474	\$ 0	\$ -4,006,474

The Governor is also recommending \$256.2 million for the Department of Corrections infrastructure needs. For more detail, see the State Prison System Planning Committee discussion at the end of this section and the Issues section of the Transportation and Infrastructure Appropriations Subcommittee section.

Issues

Healthy Iowans Tobacco Trust (HITT) Fund – The DOC receives \$4.0 million from the HITT Fund. These appropriations are used to fund drug courts in the CBC District Departments, and to fund operating costs of the District Departments and the Clinical Care Unit at Fort Madison. Due to declining funding in the HITT Fund, the Subcommittee may wish to consider other funding sources for these programs. *The Governor is recommending the transfer of \$4.0 million in operational expenditures from the HITT Fund to the General Fund in FY 2009.*

Inmate Education – The General Fund appropriation for inmate education peaked in FY 2001 at \$3.3 million. The FY 2008 General Fund appropriation is \$1.6 million, a decrease of \$1.7 million (52.3%) compared to FY 2001. Since FY 2001, the DOC has relied on other funding sources, such as carryover funding from the previous year's appropriation, Institution Canteen receipts, and the Telephone Rebate Fund to provide adult basic education, a high school equivalency course, and vocational courses through the community college system. Literacy is a significant problem that limits employment for the inmate population, and the Department has focused resources on literacy for the past several years. Research suggests inmate education increases employability of released inmates and reduces recidivism.

Vocational education is provided primarily in conjunction with Prison Industries. *The Governor is recommending \$1.6 million from the General Fund for corrections education in FY 2009. This is no change compared to estimated FY 2008. The Governor is recommending an increase of \$375,000 to place workforce advisors at Newton, Mitchellville, and Rockwell City Correctional Facilities. The positions will provide work readiness plus career and skills assessments for parolees to address offender employment and the State's workforce shortage. This recommendation is included in the Iowa Workforce Development Department budget.*

Chronic Mental Illness – Approximately 40.0% of the prison population has a chronic or major mental illness. Most will be released to CBC supervision. The DOC operates the largest single mental health facility in the State – the Clinical Care Unit at Fort Madison. The DOC is the largest single provider of mental health treatment in the State. *The Governor is recommending \$3.0 million from the Health Care Transformation Account to the Department of Human Services (DHS) to create emergency response teams to work with local law enforcement and emergency response providers to help stabilize situations. The Governor is also recommending a General Fund appropriation of \$8.0 million to the DHS for a 3.0% increase to counties for mental health allowable growth. The Governor is also recommending a General Fund appropriation of \$1.1 million to the DHS to implement the Demonstration to Maintain Independence and Employment (DMIE) waiver to allow parolees to obtain mental health care. This program would provide Medicaid coverage, employment assistance, and specialized mental health care and comprehensive community support to parolees to reduce recidivism.*

Offender Re-Entry – The General Assembly appropriated \$850,000 and 16.0 FTE positions to the DOC and CBC District Departments in FY 2007 to provide enhanced services to parolees as they re-enter society. The Subcommittee may want to review the DOC's results with the current offender re-entry program. *The Governor is recommending an increase of \$2.0 million to fund one-stop community-based re-entry and recovery programs in Polk and Black Hawk counties and a Therapeutic Community Program at the Fort Dodge Correctional Facility. The Governor is recommending an additional \$10.0 million in the Capitals Budget to create Community Resource Centers in Polk and Black Hawk counties.*

Sex Offender Supervision – House File 619 (2005 Sex Offender Act) relates to the supervision and treatment of sex offenders. The Subcommittee may want to review with the DOC the current budgets, filled positions, and supervision standards for sex offenders. *The Governor is recommending an additional \$1.9 million to supervise, treat, and electronically monitor convicted sex offenders living in the community.*

Federal Grant Replacement – The Subcommittee may want to review outcome data and success measures of these programs. *The Governor is recommending an increase of \$444,000 to replace expired federal funds for a drug court and dual diagnosis program in the First CBC District Department and a Therapeutic Community Program at the Anamosa State Penitentiary.*

Fort Dodge CBC Facility – The facility is currently under construction. The Subcommittee may want to review the construction time line with the Department. *The Governor is recommending an increase of \$734,000 to operate the new facility in Fort Dodge in FY 2009.*

County Confinement Account – The Subcommittee may want to review recent expenditures from this Account. *The Governor is recommending a decrease of \$232,000 in this Account, which reimburses counties for holding alleged violators of conditions of parole, work release, or OWI release.*

Operating Budgets – The Institutions and CBC District Departments have experienced cost increases for food, fuel, and pharmacy. The General Assembly transferred \$6.9 million in FY 2008 to create a centralized pharmacy at Oakdale, by transferring funds from the other correctional facilities. The Subcommittee may want to review the implementation of the centralized pharmacy, and any cost savings that have been achieved. *The Governor is recommending an increase of \$3.5 million for food, fuel, treatment contracts, and pharmacy cost increases in FY 2009.*

Security Improvements – The General Assembly added \$115,000 and 1.0 FTE position in FY 2008 for a Director of Security. The position has been filled. The Subcommittee may want to review results of any security audits that may have been conducted, and any specific improvements that have been recommended. *The Governor is recommending an increase of \$2.0 million to fund security audits and improvements in the corrections system.*

Department of Inspections and Appeals – State Public Defender

General Fund appropriations for the Department of Inspections and Appeals are the responsibility of the Administration and Regulation Subcommittee, except for the State Public Defender’s Office and indigent defense. The State Public Defender’s Office administers local public defender’s offices; provides legal counsel to indigent convicted criminals on appeals and for post-conviction relief proceedings; is responsible for indigent juvenile cases; and reviews all expense claim reimbursements from private attorneys for indigent defense cases. In FY 1988, the costs of providing legal counsel to indigent criminal defendants and juveniles (indigent defense) were transferred to the State as part of court reorganization. Before FY 1988, these costs were paid by the counties.

The Governor is recommending FY 2009 General Fund appropriations totaling \$53.0 million for the State Public Defender and Indigent Defense. This is no change in funding compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Inspections & Appeals, Department of</u>			
Public Defender			
Public Defender	\$ 21,749,296	\$ 21,749,296	\$ 0
Indigent Defense Appropriation	31,282,538	31,282,538	0
Total Inspections & Appeals, Department of	\$ 53,031,834	\$ 53,031,834	\$ 0

Issues

State Public Defender’s Office –The State Public Defender’s Office expended \$48.8 million in total funds during FY 2007, an increase of \$2.6 million (5.7%) compared to FY 2006. Costs for this constitutionally mandated program have been steadily increasing due to the increase in cases and claims. Since FY 1997, the average annual increase in spending has been 7.5%. From FY 1997 to FY 2007, the number of attorney claims for reimbursement from the Indigent Defense Fund increased by 11.0%, while the number of cases handled by the State Public Defender’s Office increased by 2.0%. Senate File 575 (FY 2008 Justice System Appropriations Act) increased the hourly reimbursement rate for court-appointed counsel for staffing certain cases. This was estimated to cost an additional \$300,000 in FY 2009. The FY 2007 reversion of \$1.3 million remains in the current budget, and may be used to offset projected increases in expenditures in FY 2009.

Judicial Branch

Iowa has a unified trial court system known as the Iowa District Court that has general jurisdiction over all civil, criminal, juvenile, and probate matters in the State. The Iowa District Court is composed of different kinds of judicial officers with varying amounts of jurisdiction including judicial magistrates,

Justice System Appropriations Subcommittee

associate juvenile judges, associate probate judges, district associate judges, and district court judges. There are two appellate courts in Iowa's judicial system—the Iowa Supreme Court and the Iowa Court of Appeals. Seven justices sit on the Supreme Court and nine judges form the Court of Appeals.

The Judicial Branch is requesting FY 2009 General Fund appropriations totaling \$157.9 million. This includes both the operating budget and Judicial Retirement. This is an increase of \$9.5 million compared to estimated FY 2008. This is in addition to the \$3.0 million the Judicial Branch is requesting in the salary bill to implement Phase 3 of the Blue Ribbon Commission Report. The Judicial Branch is not requesting an FY 2009 other fund appropriation. This is a decrease of \$2.0 million compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Judicial Branch			
Judicial Branch	\$ 144,945,322	\$ 150,260,170	\$ 5,314,848
Judicial Retirement	3,450,963	7,625,626	4,174,663
Total Judicial Branch	\$ 148,396,285	\$ 157,885,796	\$ 9,489,511

Significant changes include:

- An increase of \$1.0 million and 16.8 FTE positions for Juvenile Court Services, including a District Associate Judge and staff, for the Sixth Judicial District.
- An increase of \$231,000 and 2.8 FTE positions for a District Court Judge and staff for the Fourth Judicial District.
- An increase of \$431,000 for 7.0 FTE positions for Iowa Court Information System (ICIS) staff for the Electronic Document Management System (EDMS) Project.
- An increase of \$225,000 and 1.0 FTE position for education and training.
- An increase of \$132,000 and 2.0 FTE positions for assistant counsel to the Supreme Court.
- An increase of \$990,000 and 23.3 FTE positions for support personnel for the First, Third, Fifth, and Eighth Judicial Districts, and the Court of Appeals.
- An increase of \$775,000 for furniture and equipment for the Third, Fifth, and Eighth Judicial Districts.
- An increase of \$550,000 for a records management consultant and to archive records in the Clerks' Offices.
- An increase of \$967,000 and 1.0 FTE position for an interpreter in the Fifth Judicial District and to provide sound and recording systems for Americans with Disabilities (ADA) and Interpreter Compliance.
- An increase of \$4.2 million for Judicial Retirement. This increases the total General Fund appropriation for Judicial Retirement to \$7.6 million, putting the State's contribution rate at 30.6%. If the Judges contribute the required 6.0% or \$1.5 million, the total contribution rate will be 36.6% or \$9.1 million. This matches the most recent actuarial report.

Other Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Judicial Branch			
Judicial Retirement-Jury Witness Fund	\$ 2,000,000	\$ 0	\$ -2,000,000
Total Judicial Branch	\$ 2,000,000	\$ 0	\$ -2,000,000

In FY 2008, the General Assembly appropriated \$2.0 million in one-time carry forward money from the Jury Witness Fee Revolving Fund to the Judicial Retirement Fund. This appropriation was in addition to the \$3.5 million General Fund appropriation for Judicial Retirement. This action increased the employer's contribution amount to \$5.5 million.

Issues

Electronic Document Management System (EDMS) – The Judicial Branch has initiated discussions with the second vendor from the original Request for Proposal (RFP) process. The first vendor's proposal was rejected on material breach over limitation liability. If negotiations are not successful with the second vendor, then the RFP will be modified and reissued. If that occurs, it will extend the project approximately six months. The original cost of the project remains at \$18.0 million and the pilot project counties are still planned for Plymouth and Story in addition to the Court of Appeals. The EDMS project will take approximately four years to be implemented Statewide. The project will be funded from the Enhanced Court Collections Fund.

Mileage Reimbursement Rate Increase – In August 2007, the Judicial Branch increased the mileage reimbursement rate to \$0.40 per mile. This includes mileage reimbursements for jurors and witnesses. As part of the budget request above, the Judicial Branch is requesting \$104,000 for the juvenile court mileage reimbursement increase.

Law Enforcement Academy

The Iowa Law Enforcement Academy (ILEA) provides training for law enforcement officers, jailers, and telecommunicators in the State. The Academy also administers a program of psychological testing for applicants for law enforcement positions, approves regional training programs, establishes hiring standards for peace officers, and provides audio-visual resources for law enforcement training and educational institutions.

The Governor is recommending an FY 2009 General Fund appropriation of \$1.3 million. This is a decrease of \$6,000 compared to estimated FY 2008 for a general budget reduction.

General Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Law Enforcement Academy			
Law Enforcement Academy	\$ 1,289,562	\$ 1,283,115	\$ -6,447
Total Law Enforcement Academy	\$ 1,289,562	\$ 1,283,115	\$ -6,447

Issues

Law Enforcement Academy Class Sizes and Appropriations – In FY 2008, language was included in SF 575 (FY 2008 Justice System Appropriations Act) that allowed the ILEA to charge more than 50.0% of the cost of tuition to help offset a potential revenue shortfall in the operating budget resulting from a decrease in attendees to the Basic Academy. The General Fund appropriation to the Academy for FY 2008 was \$1.3 million. The amount recommended for FY 2009 is \$1.3 million, but was reduced by \$6,000 due to a general budget reduction, which could be offset when the Council approves the fees for FY 2009. The total cost to attend the Basic Academy in FY 2008 is \$5,957 per person. Tuition for FY 2008 will be 60.0% of the cost to attend or \$3,575 per person. The Academy is requesting continued authority to charge more than 50.0% of the cost of tuition to offset potential revenue shortfalls in FY 2009.

Board of Parole

The Board’s mission is to reintegrate offenders into the community. There are offenders that the Board has determined can be released from prison without detriment to the public or themselves. The Board performs risk evaluations for inmates, reviews eligible parole cases, holds parole hearings for eligible inmates, and selects inmates for conditional release on parole and work release. The Board revokes conditional releases and returns to prison those offenders that have failed. The Board also notifies victims of relevant information before a parole hearing, and advises the Governor on matters of executive clemency.

The Governor is recommending an FY 2009 General Fund appropriation of \$1.2 million. This is a decrease of \$6,000 compared to estimated FY 2008 for a general budget reduction.

General Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Parole, Board of</u>			
Parole Board	\$ 1,256,273	\$ 1,249,992	\$ -6,281
Total Parole, Board of	<u>\$ 1,256,273</u>	<u>\$ 1,249,992</u>	<u>\$ -6,281</u>

Issues

Paroles Granted – The Board’s mission is to reintegrate offenders into the community while protecting public safety. The Board screens offenders for release from prison. The Board may grant a parole or work release to offenders to provide transitional release back to their communities, commensurate with public safety. The number of paroles granted in FY 2007 decreased by 679, or 16.6%, compared to FY 2006. The number of work releases granted increased by 8.4% (102 cases) over the same period, but not enough to offset the decrease in paroles. According to the Criminal and Juvenile Justice Planning Division of the Department of Human Rights, if FY 2007 parole grants had been similar to FY 2006, the year-end prison population may have been reduced by 232 offenders, less those returned for violations. The Subcommittee may wish to review release criteria with the Board. Factors may include, but are not limited to, the Board’s desire to incapacitate certain offenders, offenders’ refusal of parole, previous failures on parole, and resources for treatment and supervision in the community.

Department of Public Defense

Two Divisions make up the Department of Public Defense. The Military Division (Iowa National Guard) provides units and equipment to protect life and property, to preserve peace and order, and to ensure public safety for the citizens of Iowa. The Homeland Security and Emergency Management Division manages risks and hazards with local and federal entities through mitigation, preparedness, response, and recovery initiatives.

The Governor is recommending FY 2009 General Fund appropriations totaling \$8.7 million. This is a decrease of \$27,000 compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Public Defense, Department of</u>			
Public Defense, Department of			
Public Defense, Department of	\$ 6,311,985	\$ 6,404,798	\$ 92,813
Civil Air Patrol	120,000	0	-120,000
Total Public Defense, Department of	\$ 6,431,985	\$ 6,404,798	\$ -27,187
<u>Public Defense - Emergency Management Division</u>			
Homeland Security & Emer. Mgmt.	\$ 2,271,581	\$ 2,271,581	\$ 0
Total Public Defense, Department of	\$ 8,703,566	\$ 8,676,379	\$ -27,187

Significant changes include:

- An increase of \$93,000 for the Military Division of the Department of Public Defense for FY 2009 costs to open the Camp Dodge Readiness Center.
- A decrease of \$120,000 to eliminate the General Fund appropriation for the Civil Air Patrol. The money had been used for ongoing training, education, and uniform expenses.

Other Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Public Defense, Department of</u>			
<u>Public Defense - Emergency Management Division</u>			
Surcharge to Answering Points-E911	\$ 496,000	\$ 0	\$ -496,000
Total Public Defense, Department of	\$ 496,000	\$ 0	\$ -496,000

The Governor is not recommending an FY 2009 other fund appropriation. This is a decrease of \$496,000 compared to estimated FY 2008. The decrease reflects one-time funds that were appropriated in FY 2008 from the E911 Wireless Fund for the purchase of Phase 2 communications equipment and upgrades.

Issues

Temporary Negative Cash Balance – The Military Division is requesting language for the Homeland Security and Emergency Management Division (HSEMD) to allow a negative cash balance as long as there are federal reimbursable expenses. This would allow the Division to borrow State funds to cover expenses until federal funds are received. The Military Division is in charge of the accounting and payroll system for the HSEMD. The Military Division is trying to eliminate special funds that do not draw interest and move the accounting to one appropriation. This may cause a cash flow problem. Homeland Security can draw funds quickly and they do not have to process claims until federal funds are received, but funds do not always arrive in time to meet the payroll expenses for federally-funded employees.

Department of Public Safety

The Department of Public Safety (DPS) is the State law enforcement agency. The Department includes: Administrative Services Division, Division of Criminal Investigation, Division of Narcotics Enforcement, Fire Marshal’s Office, and the State Patrol Division.

The Governor is recommending FY 2009 General Fund appropriations totaling \$87.9 million. This is a decrease of \$148,000 compared to estimated FY 2008.

General Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Public Safety, Department of</u>			
Public Safety Administration	\$ 4,180,033	\$ 4,455,581	\$ 275,548
Public Safety DCI	21,729,482	21,245,742	-483,740
Narcotics Enforcement	6,315,289	6,335,522	20,233
Public Safety Undercover Funds	123,343	123,343	0
DPS Fire Marshal	3,328,952	4,182,548	853,596
Fire Service	836,508	0	-836,508
Iowa State Patrol	50,210,762	50,233,525	22,763
DPS/SPOC Sick Leave Payout	316,179	316,179	0
Fire Fighter Training	699,587	699,587	0
DCI - Crime Lab Equipment/Training	342,000	342,000	0
Total Public Safety, Department of	\$ 88,082,135	\$ 87,934,027	\$ -148,108

The Governor is recommending the following shifts in General Fund funding:

- Reallocate \$83,000 and 1.0 FTE position for the Commission for the Accreditation of Law Enforcement Agencies (CALEA) Accreditation Coordinator from the Division of Criminal Investigation to the Commissioner’s Office within the Administration Division.
- Reallocate \$127,000 from the enforcement divisions to the Finance Bureau within the Administration Division for support of the Finance Bureau Chief.
- Reallocate \$65,000 and 1.0 FTE position for a new position in the Technology Services Bureau within the Administration Division dedicated to the creation and maintenance of database applications in the Department.

- Reallocate \$123,000 in resources from the Division of Criminal Investigation to the Administrative Services Division.
- Reallocate \$13,000 in resources from the Division of Narcotics Enforcement to the Administrative Services Division.
- Reallocate \$132,000 in resources from the Iowa State Patrol to the Administrative Services Division.
- Reallocate \$7,000 in resources from the State Fire Marshal's Office to the Administrative Services Division.
- Merge the \$837,000 General Fund appropriation for the Fire Service Training Bureau into the State Fire Marshal's Office to provide fiscal flexibility.

The Governor is recommending a reduction of \$425,000 in General Fund money to the Division of Criminal Investigation to reflect the closure of the Fort Madison Riverboat and one-time reductions to reflect the FY 2008 facility expansion at Burlington.

The Governor is recommending a General Fund increase of \$227,000 for fuel to budget all Divisions within the Department of Public Safety at \$2.13 per gallon (net of taxes). The increases are as follows:

- Division of Criminal Investigation - \$65,000
- Narcotics Enforcement - \$33,000
- Fire Marshal's Office - \$24,000
- Iowa State Patrol - \$105,0000

The Governor is recommending a one-time General Fund reduction of \$300,000 to the Iowa State Patrol for the purchase of an airplane in FY 2008.

The Governor is recommending a General Fund increase of \$350,000 for overtime for the Iowa State Patrol.

Other Fund Recommendations

The Governor is recommending \$108,000 and 1.0 FTE position in receipts to the Department of Public Safety from Native American Tribes to provide for audit, inspection, and enforcement services to assist in assuring Class III gaming and compliance with the Tribal-State Compacts, Gaming Ordinances, Regulations, and other applicable law on tribal lands. An annual assessment of each Tribe and other Compact provisions defray actual State regulatory costs.

The Governor is recommending \$194,000 and 2.0 FTE positions to establish a Cold Case Unit with one Criminalist and one Special Agent to be dedicated full-time to cold case investigation and to be funded with federal funds.

The Governor is recommending \$65,000 and 1.0 FTE position for an additional Criminalist to be added to the Internet Crimes Against Children Task Force and will be funded through federal funds.

The Governor is recommending \$98,000 and 1.0 FTE position to provide for one new Fire Inspector dedicated to the inspection of aboveground storage tanks for flammable liquids. The resources are contingent on an increase in the Aboveground Storage Tank Registration Fee from \$10 to \$25.

The Governor is recommending \$118,000 and 1.0 FTE position to transfer the Assisted Living plan review and inspection function from the Department of Inspection and Appeals to the State Fire Marshal's Office. The FTE position associated with the plan reviews and the State Building Code will

conduct the compliance inspections and the costs will be reimbursed by the Department of Inspection and Appeals.

The Governor is recommending \$126,000 and 1.0 FTE position to transfer the nursing home plan review and inspection function from the Department of Inspections and Appeals to the State Fire Marshal's Office. The FTE position associated with the plan review will conduct the compliance inspections and the costs will be reimbursed by the Department of Inspection and Appeals.

Issues

Division of Criminal Investigation – The Fort Madison casino riverboat is closed November 15, 2008. The Racing and Gaming Commission is currently billing the gaming industry \$445,000 annually to offset the cost of DPS Gaming Enforcement Officers and Special Agents at that facility. The revenues are deposited into the General Fund to offset the cost of the appropriation for riverboat enforcement. *The Governor is recommending a reduction of \$425,000 in General Fund money to the Division of Criminal Investigation to reflect the closure of the Fort Madison Riverboat and one-time reductions to reflect the FY 2008 facility expansion at Burlington.*

Division of Criminal Investigation (DCI) Crime Lab – In FY 2008, the DCI Crime Lab is anticipating a budget shortfall; however, the Department plans to offset this deficit with savings from departmental staff vacancies. The vacancy factor funding will not be available in FY 2009. In FY 2009, the DCI anticipates the need for an additional \$200,000 to maintain the regular case activities and the Convicted Offender Program.

Fire Marshal – House File 897 (Electricians Licensure Act) established a statewide licensure and certification program for electricians and installers and required inspections, established fees, and provided penalties. The Department is estimating hiring between 37.0 and 70.0 FTE positions. The Subcommittee would need to authorize these FTE positions. The Program is funded through fees paid into the Electrician and Installer Licensing and Inspection Fund. The licensing program begins January 1, 2008, and the inspection program begins January 1, 2009. The Program is currently being funded through the Fire Marshal's budget. If revenues from this Program are not sufficient to offset costs by April, the Program may need a supplemental appropriation.

Fuel – Currently, fuel is budgeted for the State Patrol at \$2.00 per gallon (net of taxes) and for the rest of the Department of Public Safety at \$1.70 per gallon (net of taxes). The DPS is not required to pay the \$0.37 tax per gallon. The average cost per gallon for the entire Department in FY 2007 was \$2.11 per gallon (net of taxes). If gas remains at or above \$3.00 per gallon, supplemental funding may be required. *The Governor is recommending \$227,000 to allow the Department of Public Safety to budget fuel for all Divisions at \$2.13 per gallon (net of taxes).*

Notice of Allocation Transfer Language – The Department utilized allocation transfer language for the first time in FY 2008 to transfer \$6,800 from the Fire Marshal's Office to the Fire Service Training Bureau. The proposed merger of the Fire Service Training Bureau into the Fire Marshal's Office should alleviate cash flow issues in the future.

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

State Prison System Planning Study Committee

The State Prison System Planning Study Committee met on September 19, October 10, and November 14, 2007. The Committee toured the Iowa State Penitentiary in Fort Madison and the Iowa

Corrections Institution for Women at Mitchellville. The Committee also discussed recommendations from the Durrant Report. The Durrant Group is the consultant hired to lead the correctional system study.

The Committee reached the following conclusions:

- Construct a new maximum-security prison for men. The approximate 2007 costs with inflation are \$121.2 million. *The Governor is recommending \$130.7 million in the Capitals Budget to build a new maximum security prison at Fort Madison to replace the current facility. Funding is from a new issue of prison revenue bonds secured by current court fees and fines. The proposed facility is expected to open in FY 2014.*
- Expand the Iowa Corrections Institution for Women at Mitchellville. The approximate 2007 costs with inflation are \$51.4 million. *The Governor is recommending \$68.0 million in the Capitals Budget to expand and upgrade the facility. Funding is from proposed securitization of tobacco receipts.*
- Expand the Newton Correctional Facility. The approximate 2007 costs with inflation are \$25.3 million.
- Expand bed capacity at CBC District Departments. The approximate 2007 costs with inflation are \$41.5 million. *The Governor is recommending \$33.5 million in the Capitals Budget for additional residential facility capacity in Sioux City, Ottumwa, Waterloo, and Des Moines. Funding is from proposed securitization of tobacco receipts.*
- Limit the need for prison beds by the adoption of policies that will promote more efficient use of State resources, keep Iowans safe, and reduce recidivism rates after release. *The Governor is recommending an additional \$10.0 million in the Capitals Budget to create Community Resource Centers in Polk and Black Hawk counties. The Governor's Capitals Budget also includes \$12.5 million to renovate the kitchens at the Mount Pleasant and Rockwell City Correctional Facilities. Funding is from proposed securitization of tobacco receipts.*
- *The Governor is also recommending \$1.5 million in the Capitals Budget for initial funding of architectural and engineering costs, plus project management, for all DOC construction projects. Funding is from the Rebuild Iowa Infrastructure Fund.*

The Committee requested the DOC and the Durrant Group to further explore possible future uses of buildings remaining within the walls at the Iowa State Penitentiary. Additional information is available on the web site at <http://www.legis.state.ia.us/asp/Committees/Committee.aspx?id=214>.

Criminal Code Reorganization Study Committee

The Criminal Code Reorganization Study Committee met on September 24 and October 30, 2007. The Committee heard presentations on sentencing, drug courts, and the Code of Iowa. The Committee plans to meet in 2008 and has agreed to divide future work into four distinct subcommittees. The first subcommittee will work on foundational issues such as definitions, culpability, defenses, and inchoate crimes. The second subcommittee will review proposals reorganizing the Criminal Code. The third subcommittee will work on sentencing classification and the placement of internal references relating to sentencing in the Code of Iowa. The fourth subcommittee will review proposals relating to specific crimes. Additional information is available on the web site at <http://www.legis.state.ia.us/asp/Committees/Committee.aspx?id=211>.

LSA Publications

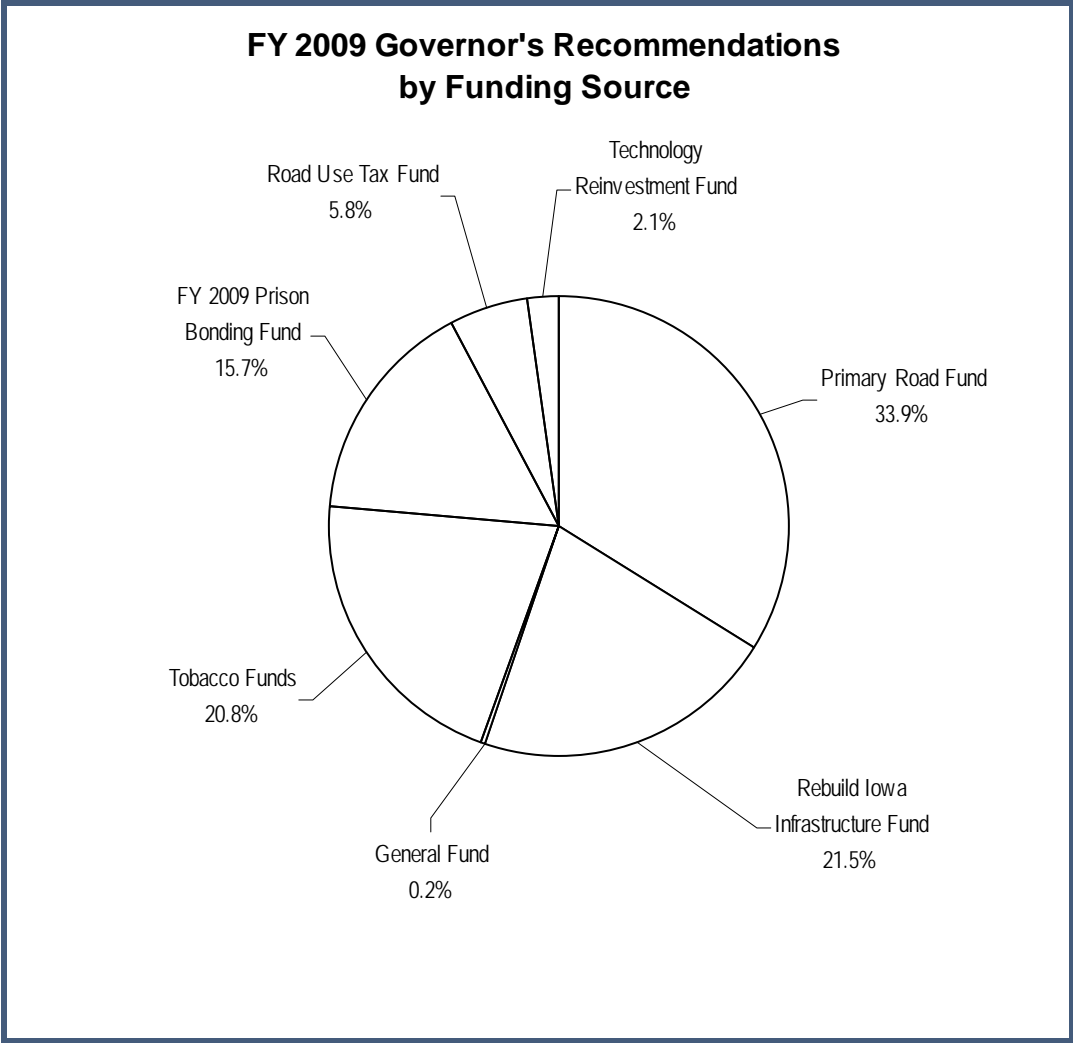
The following publications have been issued by the LSA that relate to the Justice System Appropriations Subcommittee:

- [Adult Drug Courts](#)
- [Outstanding Court Debt](#)
- [State Fire Marshal's Office](#)

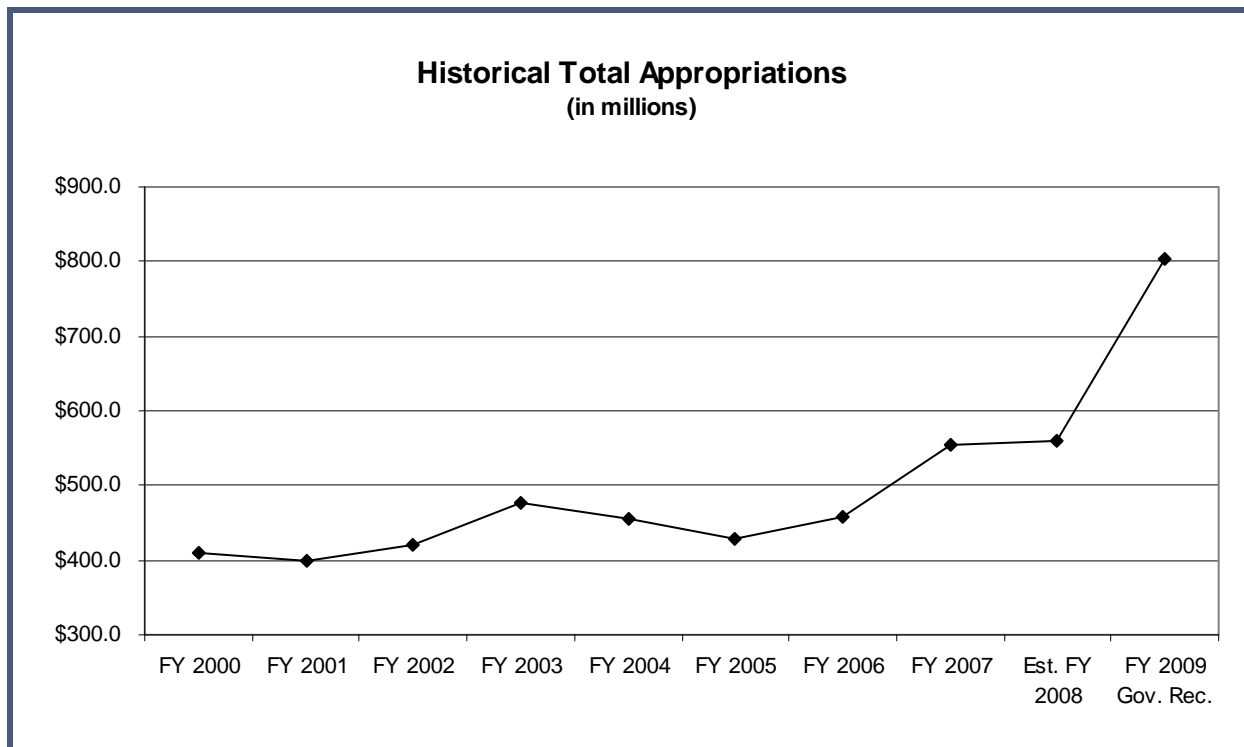
Staff Contacts: Jennifer Acton (1-7846) (jennifer.acton@legis.state.ia.us)
Beth Lenstra (1-6301) (beth.lenstra@legis.state.ia.us)

Subcommittee Web Site: <http://www3.legis.state.ia.us/ga/committee.do?id=38>

TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS APPROPRIATIONS SUBCOMMITTEE



Primary Road Fund	\$	281,244,375
Rebuild Iowa Infrastructure Fund		178,327,948
General Fund		2,000,000
Tobacco Funds		172,560,328
FY 2009 Prison Bonding Fund		130,677,500
Road Use Tax Fund		47,728,730
Technology Reinvestment Fund		17,500,000
Total	\$	830,038,881



FY 2009 GOVERNOR'S RECOMMENDATIONS

Department of Transportation

The Department of Transportation's mission is to serve the public by advocating and delivering transportation service that supports the economic, environmental, and social vitality of Iowa. The Department consists of five operating divisions: Operations and Finance; Planning, Programming, and Modal; Motor Vehicle; Information Technology; and Highway. The four operating budget units that receive appropriations to fund the divisions include: Operations, Planning and Programming, Motor Vehicle, and Highways. In addition to the operating budget units, the DOT receives Special Purpose and Capital appropriations that are not part of the operating divisions, but are essential for operation of the Department.

The Governor is recommending an FY 2009 General Fund appropriation of \$2.0 million to replace an FY 2008 Rebuilding Iowa Infrastructure Fund (RIIF) appropriation. The Governor is recommending FY 2009 other fund appropriations totaling \$329.0 million. This is an increase of \$2.1 million compared to estimated FY 2008. The total request includes \$47.7 million from the Road Use Tax Fund and \$281.2 million from the Primary Road Fund.

General Fund Recommendation

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Transportation, Department of</u>			
Railroad Revolving Loan and Grant Fund Deposit	\$ 0	\$ 2,000,000	\$ 2,000,000
Total Transportation, Department of	\$ 0	\$ 2,000,000	\$ 2,000,000

Road Use Tax Fund and Primary Road Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Transportation, Department of			
Primary Road Fund			
PRF- Highway	\$ 216,812,984	\$ 217,651,984	\$ 839,000
PRF- Operations	39,111,314	39,386,314	275,000
PRF- Planning & Program	9,375,862	9,320,862	-55,000
PRF- DOT Workers' Compensation	2,592,000	2,814,000	222,000
PRF- Waukon Garage	0	2,500,000	2,500,000
PRF- Inventory & Equipment	2,250,000	2,250,000	0
PRF- Motor Vehicle	1,481,497	1,435,497	-46,000
PRF- DAS	1,153,417	1,121,000	-32,417
PRF- Maintenance Garage Improvements	0	1,000,000	1,000,000
PRF- Garage Fuel & Waste Mgmt.	800,000	800,000	0
PRF- Indirect Cost Recoveries	748,000	748,000	0
PRF- Utility Improvements	400,000	400,000	0
PRF- Auditor Reimbursement	376,212	395,218	19,006
PRF- Field Facility Deferred Maint.	351,500	351,500	0
PRF- DOT Unemployment	328,000	328,000	0
PRF- Transportation Maps	242,000	242,000	0
PRF- Garage Roofing Projects	100,000	200,000	100,000
PRF- HVAC Improvements	100,000	100,000	0
PRF- ADA Improvements	200,000	100,000	-100,000
PRF- Ames Elevator Upgrade	100,000	100,000	0
PRF- Clarinda Garage	2,300,000	0	-2,300,000
Subtotal - Primary Road Fund	\$ 278,822,786	\$ 281,244,375	\$ 2,421,589
Road Use Tax Fund			
RUTF- Motor Vehicle	34,530,525	34,443,525	-87,000
RUTF- Operations	6,367,178	6,411,178	44,000
RUTF- Drivers' Licenses	3,047,000	3,047,000	0
RUTF- County Treasurers Support	1,832,000	1,442,000	-390,000
RUTF- Overdimension Permitting System	0	1,000,000	1,000,000
RUTF- Planning & Programs	493,945	490,945	-3,000
RUTF - Scale/MV Facilities Maintenance	100,000	200,000	100,000
RUTF- DAS	188,207	183,000	-5,207
RUTF- Workers' Compensation	108,000	117,000	9,000
RUTF- Indirect Cost Recoveries	102,000	102,000	0
RUTF- Road/Weather Conditions Information	100,000	100,000	0
RUTF- Mississippi River Park. Comm.	40,000	61,000	21,000
RUTF- Auditor Reimbursement	60,988	64,082	3,094
RUTF- North America Super Corridor Coalition	50,000	50,000	0
RUTF- Unemployment Compensation	17,000	17,000	0
RUTF- IRP/IFTA	1,000,000	0	-1,000,000
Subtotal - Road Use Tax Fund	\$ 48,036,843	\$ 47,728,730	\$ -308,113
Total Transportation, Department of	\$ 326,859,629	\$ 328,973,105	\$ 2,113,476

Significant recommendations for the Operations budget unit include:

- An increase of \$133,000 for the transfer of 2.0 FTE positions from the Motor Vehicle budget unit to the Operations budget unit.

Significant recommendations for the Highway budget unit include:

- An increase of \$797,000 for the purchase of salt.
- An increase of \$100,000 to maintain additional lane miles added to the State system.

Significant special purpose recommendations include:

- Overdimension Permitting System – A new request of \$1.0 million for a permitting system designed to automate the process of issuing permits for oversize and overweight vehicles.
- Workers' Compensation Costs – An increase of \$231,000 for an increase in workers' compensation premiums.

Significant capitals recommendations include:

- New Garage – A request of \$2.5 million to construct a new maintenance garage in Waukon. The Department is typically provided an annual appropriation for a new maintenance garage. For FY 2008, \$2.3 million was appropriated for a new garage in Clarinda.
- Maintenance Garage Improvements – A new request of \$1.0 million for improvements to various maintenance garages throughout the State.

Issues

REAL ID – The federal REAL ID Act was enacted on May 11, 2005. The Act creates national standards for the issuance of State driver's licenses and non-operator identification cards, and is to be implemented by May 11, 2008. After that date, the federal government will no longer recognize a state's driver's license or non-operator identification card for federal purposes, including boarding commercial aircraft, unless it meets the new national standards.

The National Governors Association, the National Conference of State Legislatures, and the American Association of Motor Vehicle Administrators issued a report in September 2006 that stated implementation of REAL ID will cost an estimated \$11.0 billion nationwide over the first five years. This includes a one-time initial cost of \$1.0 billion, and \$10.0 billion for on-going costs. The report also stated that the May 11, 2008, deadline was unrealistic, adding that the federal government should provide additional funding to assist states with implementation.

On March 1, 2007, the United States Department of Homeland Security (DHS) released a Notice of Proposed Rulemaking for the REAL ID Act. The Notice is not the final rule, but a draft submitted for public comment. The DHS considered the September 2006 report in drafting the Notice, providing an extension for implementation of REAL ID until December 31, 2009. The Notice requires that states file a request for an extension by February 1, 2008, and inform the DHS of its intention to request an extension by October 1, 2007. States that are granted an extension are to begin issuing compliant licenses and identification cards by January 1, 2010. All licenses and identification cards are to be compliant by May 10, 2013.

Since the Notice was released, the DHS has communicated that states can postpone the decision to request an extension until the final rule is published. The Iowa DOT is delaying the decision to request an extension pending publication of the final rule. The DOT estimates that implementation of REAL ID could cost Iowa a minimum of \$22.0 million annually. The estimate is based on limited information from the DHS, and does not include numerous unknowns that could increase the cost.

Infrastructure and Capital Recommendations

The Governor is recommending a total of \$499.1 million for infrastructure-related projects and programs for FY 2009.

Under current law, primary infrastructure funding sources include the Rebuild Iowa Infrastructure Fund (RIIF), the Vertical Infrastructure Fund, and the Technology Reinvestment Fund. The Governor is recommending a change in infrastructure funding sources to include a new Restricted Capitals Fund (RC3) from the securitization of the remaining tobacco settlement payments, as well as a new FY 2009 Prison Bonding Fund. In addition, the Governor is recommending eliminating the Vertical Infrastructure Fund. Furthermore, the Governor is recommending that \$90.0 million be transferred to the General Fund from RIIF beginning in FY 2009 and continuing indefinitely. While the Governor is recommending shifting \$31.8 million in current RIIF appropriations to the General Fund, this transfer will result in a reduction of \$58.2 million available for infrastructure projects.

Of the \$499.1 million in recommendations, \$178.3 million is being recommended from the RIIF, \$172.6 million is being recommended from all tobacco funds combined, \$17.5 million from the Technology Reinvestment Fund, and \$130.7 million from the new Prison Bonding Fund.

The recommendations include new construction projects, vertical infrastructure projects, major and routine facility maintenance, environmental projects, and technology projects.

Rebuild Iowa Infrastructure Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Administrative Services - Capitals</u>			
Major Maintenance	\$ 0	\$ 32,000,000	\$ 32,000,000
Capitol Interior/Exterior	6,300,000	6,900,000	600,000
Complex Utility Tunnel	260,000	5,309,200	5,049,200
Cap Comp Elect Dist Upgrade	3,460,960	4,470,000	1,009,040
Routine Maintenance	5,000,000	3,000,000	-2,000,000
Hoover Bldg HVAC Improvements	1,320,000	1,500,000	180,000
Property Acquisition	1,000,000	1,000,000	0
Terrace Hill Maintenance	0	956,000	956,000
Civil Commit. Unit Sexual Offenders - Facility Renov.	0	829,000	829,000
Energy Plant & Additions	998,000	623,000	-375,000
Capitol Complex Master Plan Update	0	250,000	250,000
Hoover Security/Fire Walls Protection	0	165,000	165,000
New State Office Bldg	3,600,000	0	-3,600,000
Workforce Bldg Asbestos Removal	1,000,000	0	-1,000,000
Replace Court Ave Bridge	0	0	0
East Parking Lot Restoration	0	0	0
Capitol Complex Fire Protection for Central Energy Plant	0	0	0
Leases/Assistance	1,824,500	0	-1,824,500

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Administrative Services - Capitals, cont.</u>			
West Capitol Terrace	1,600,000	0	-1,600,000
Statewide Demolition Funding	0	0	0
Grimes Office Bldg Planning	0	0	0
Install Pre-Heat Piping in Lucas Building Air Handlers	0	0	0
Cap Comp Alternative Energy	0	0	0
American Disabled Veterans Memorial	50,000	0	-50,000
Civil Commitment Unit for Sexual Offenders Facility	750,000	0	-750,000
Sidewalk & Parking Lot Repairs	1,650,000	0	-1,650,000
Toledo Education & Infirmary	3,100,000	0	-3,100,000
Vehicle Dispatch Fleet Relocation	350,000	0	-350,000
Workers' Monument	200,000	0	-200,000
DAS Distribution Account	2,000,000	0	-2,000,000
Enterprise Resource Planning-I/3	1,500,000	0	-1,500,000
Total Administrative Services - Capitals	\$ 35,963,460	\$ 57,002,200	\$ 21,038,740
<u>Agriculture and Land Stewardship</u>			
Weights & Measures Scale Trucks	\$ 0	\$ 0	\$ 0
Total Agriculture and Land Stewardship	\$ 0	\$ 0	\$ 0
<u>Blind Capitals</u>			
Blind Building Renovation	\$ 0	\$ 869,748	\$ 869,748
Total Blind Capitals	\$ 0	\$ 869,748	\$ 869,748
<u>Corrections Capital</u>			
A&E Funding	\$ 0	\$ 1,000,000	\$ 1,000,000
Project Manager	0	500,000	500,000
Iowa State Penitentiary (ISP)	0	0	0
Iowa Correctional Institution for Women-ICIW Expansion	0	0	0
Major Maintenance	0	0	0
Newton Institution (NCF) Bed Expansion	0	0	0
CBC Des Moines Bed Expansion	0	0	0
Mt. Pleasant/Rockwell City Kitchen Renovations	0	0	0
CBC Waterloo Bed Expansion	0	0	0
CBC Ottumwa Bed Expansion	0	0	0
CBC Sioux City Bed Expansion	0	0	0
Security Audit Improvements	0	0	0
Anamosa Boiler-additional amount	25,000	0	-25,000
Capitals Request	5,495,000	0	-5,495,000
CBC 6th Cedar Rapids Mental Health Facility	1,300,000	0	-1,300,000
Prison Infrastructure Construction Planning	500,000	0	-500,000
Fort Dodge CBC Facility	2,450,000	0	-2,450,000
ISP Electrical Lease	333,168	0	-333,168
Total Corrections Capital	\$ 10,103,168	\$ 1,500,000	\$ -8,603,168

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Cultural Affairs Capital</u>			
Great Places Capitals	\$ 3,000,000	\$ 2,000,000	\$ -1,000,000
Historic Preservation	1,000,000	0	-1,000,000
Battle Flags	220,000	0	-220,000
Kimball Organ Restoration	0	0	0
Total Cultural Affairs Capital	\$ 4,220,000	\$ 2,000,000	\$ -2,220,000
<u>Economic Development Capitals</u>			
ACE Infrastructure	\$ 5,500,000	\$ 5,500,000	\$ 0
Community & Tourism Grant Appropriation	5,000,000	5,000,000	0
Workforce Training and Economic Development Fund	2,000,000	0	-2,000,000
Targeted Industries Infrastructure	900,000	0	-900,000
Regional Sports Authorities	500,000	0	-500,000
Total Economic Development Capitals	\$ 13,900,000	\$ 10,500,000	\$ -3,400,000
<u>Education Capital</u>			
Community College Infrastructure	\$ 2,000,000	\$ 2,000,000	\$ 0
IPTV Capitals	1,275,000	0	-1,275,000
Enrich Iowa	1,000,000	0	-1,000,000
NIECC - Ag Safety	35,000	0	-35,000
Total Education Capital	\$ 4,310,000	\$ 2,000,000	\$ -2,310,000
<u>Human Services Capital</u>			
Major Projects	\$ 0	\$ 0	\$ 0
Health/Safety/Loss	0	0	0
Maintenance	0	0	0
Nursing Facility Financial Assistance	\$ 1,000,000	\$ 0	\$ -1,000,000
Total Human Services Capital	\$ 1,000,000	\$ 0	\$ -1,000,000
<u>Iowa Finance Authority</u>			
IFA Water Quality Grants	\$ 4,000,000	\$ 0	\$ -4,000,000
State Housing Trust Fund	2,500,000	0	-2,500,000
Total Iowa Finance Authority	\$ 6,500,000	\$ 0	\$ -6,500,000
<u>Department of Management</u>			
Standing Appropriation - Environment First Fund	\$ 40,000,000	\$ 24,500,000	\$ -15,500,000
Total Department of Management	\$ 40,000,000	\$ 24,500,000	\$ -15,500,000
<u>Natural Resources Capital</u>			
Honey Creek Resort State Park	0	\$ 4,900,000	4,900,000
Volga Lake Recreation Area	750,000	750,000	0
Carter Lake Improvements	500,000	500,000	0
Lakes Restoration & Water Quality	8,600,000	0	-8,600,000
State Parks Infrastructure Renovation	2,500,000	0	-2,500,000
Lewis & Clark	0	0	0
Regional Center	0	0	0
Green Valley	0	0	0

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Natural Resources Capital, cont.</u>			
Lake Delhi Improvements	100,000	0	-100,000
Mines of Spain Park	100,000	0	-100,000
Total Natural Resources Capital	\$ 12,550,000	\$ 6,150,000	\$ -6,400,000
<u>Public Defense Capital</u>			
Gold Star Museum	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000
STARCOMM	2,000,000	1,600,000	-400,000
Camp Dodge Water Project - Phase 3	400,000	410,000	10,000
Facility/Armory Maintenance	1,500,000	0	-1,500,000
Davenport Aviation Readiness Center Renovation	0	0	0
Camp Dodge Storm Shelter & Office Space	0	0	0
Audubon Readiness Center Addition/Alteration	0	0	0
Charles City Readiness Center Addition/Alteration	0	0	0
Iowa Falls Readiness Center Addition/Alteration	0	0	0
Knoxville Readiness Center Addition/Alteration	0	0	0
Mount Pleasant Readiness Center Addition/Alteration	0	0	0
Oelwein Readiness Center Addition/Alteration	0	0	0
Perry Readiness Center Addition/Alteration	0	0	0
Shenandoah Readiness Center Addition/Alteration	0	0	0
Newton Readiness Center Construction Design (Phase I)	0	0	0
Camp Dodge Electrical Distribution System Upgrade/Modernize	0	0	0
Camp Dodge Swimming Pool Pavilion	0	0	0
Ottumwa Armory	1,000,000	0	-1,000,000
Cedar Rapids Armed Forces Readiness Center	0	0	0
Middleton Armed Forces Readiness Center	0	0	0
Muscatine Armed Forces Readiness Center	0	0	0
Camp Dodge Readiness Center	50,000	0	-50,000
Eagle Grove Readiness Center	400,000	0	-400,000
Iowa City Readiness Center - Phase 4	1,200,000	0	-1,200,000
Law Enf./Natl Guard Shoot House	500,000	0	-500,000
Newton Readiness Center	400,000	0	-400,000
Waterloo Aviation Readiness Center - Phase 2	500,000	0	-500,000
Total Public Defense Capital	\$ 8,950,000	\$ 4,010,000	\$ -4,940,000
<u>Public Safety Capital</u>			
Ottumwa Post 14	\$ 0	\$ 0	\$ 0
ISP Garage Land Acquisition	0	0	0
State Emergency Response Training Facility	\$ 2,000,000	\$ 0	\$ -2,000,000
Regional Fire Training Facility	1,400,000	0	-1,400,000
Mason City Patrol Post	2,400,000	0	-2,400,000
Capitol Complex Upgrades	0	0	0
Total Public Safety Capital	\$ 5,800,000	\$ 0	\$ -5,800,000

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Regents Capital</u>			
ISU - Renewable Fuels Building	\$ 5,647,000	\$ 14,756,000	\$ 9,109,000
SUI Hygienic Laboratory	15,650,000	12,000,000	-3,650,000
Fire Safety and Deferred Maintenance	0	10,000,000	10,000,000
SUI - Iowa Institute for Biomedical Discovery	10,000,000	10,000,000	0
Tuition Replacement	10,329,981	0	-10,329,981
Total Regents Capital	\$ 41,626,981	\$ 46,756,000	\$ 5,129,019
<u>Revenue, Dept of</u>			
SAVE Appropriation	\$ 10,000,000	\$ 10,000,000	\$ 0
Total Department of Revenue	\$ 10,000,000	\$ 10,000,000	\$ 0
<u>Secretary of State</u>			
Voting Machine Reimbursement	\$ 2,000,000	\$ 0	\$ -2,000,000
Total Secretary of State	\$ 2,000,000	\$ 0	\$ -2,000,000
<u>State Fair Authority Capital</u>			
Agri. Exhibition Center	\$ 3,000,000	\$ 5,000,000	\$ 2,000,000
Total State Fair Authority Capital	\$ 3,000,000	\$ 5,000,000	\$ 2,000,000
<u>Transportation, Department of</u>			
Public Transit Infrastructure	\$ 2,200,000	\$ 2,200,000	\$ 0
Recreational Trails	2,000,000	2,000,000	0
Commercial Air Service	1,500,000	1,500,000	0
General Aviation Grants	750,000	750,000	0
Rail Revolving Loan & Grant Fund	2,000,000	0	-2,000,000
Total Transportation, Department of	\$ 8,450,000	\$ 6,450,000	\$ -2,000,000
<u>Treasurer of State</u>			
County Fair Improvements	\$ 1,590,000	\$ 1,590,000	\$ 0
Total Treasurer of State	\$ 1,590,000	\$ 1,590,000	\$ 0
<u>Veterans Affairs</u>			
Veterans Home Infrastructure Improve. & Construction	\$ 532,000	\$ 0	\$ -532,000
Veterans Home Ownership Assistance	1,000,000	0	-1,000,000
Total Veterans Affairs	\$ 1,532,000	\$ 0	\$ -1,532,000
Total Rebuild Iowa Infrastructure Fund Recommendations	\$ 211,495,609	\$ 178,327,948	\$ -33,167,661

Significant RIIF recommendations include:

- \$32.0 million for major maintenance for State facilities under the management of the Department of Administrative Services. This recommendation requires a change in current law because the appropriation of \$40.0 million for major maintenance was enacted in HF 875 (FY 2006 Infrastructure Appropriations Act) from the Vertical Infrastructure Fund.
- \$14.8 million for construction of a Renewable Fuels Building at Iowa State University. This appropriation was enacted in HF 911 (FY 2008 Infrastructure Appropriations Act).

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

- \$12.0 million for renovation of the University of Iowa Hygienic Laboratory. This appropriation was enacted in HF 2782 (FY 2007 Infrastructure Appropriations Act).
- \$10.0 million for fire safety and deferred maintenance projects at Board of Regents institutions.

The Governor is recommending funding \$31.8 million projects from the General Fund that were previously funded through RIIF. They are the following:

- \$10.3 million for Board of Regents Tuition Replacement
- \$8.6 million for Lake Restoration
- \$2.5 million for the State Housing Trust Fund
- \$2.0 million for workforce training and economic development
- \$2.0 million for the Railroad Revolving Loan & Grant Fund
- \$1.6 million for the Veterans Home Ownership Assistance
- \$1.0 million for Historic Preservation
- \$1.0 million for Enrich Iowa Libraries Program
- \$500,000 for Regional Sports Authorities
- \$220,000 for Battle Flag preservation

In addition, the Governor is recommending using tobacco funds to fund several projects previously funded under RIIF. This includes the new State office building and additional funds necessary for the Honey Creek Resort State Park.

Tobacco Funds and Prison Bonding Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
Restricted Capital Fund (RCF)			
DNR - Honey Creek Resort State Park	\$ 0	\$ 3,100,000	\$ 3,100,000
Total Restricted Capital Fund	\$ 0	\$ 3,100,000	\$ 3,100,000
Endowment for Iowa's Health Restricted Capital Fund (RC2)			
DAS - Mercy Capitol Building Purchase	\$ 0	\$ 3,400,000	\$ 3,400,000
DAS - Install Pre-Heat Piping for Lucas Building	0	300,000	300,000
DAS - Capitol Complex Alternative Energy System	0	200,000	200,000
DOC - Anamosa Dietary Renovation	1,400,000	0	-1,400,000
DPD - Ottumwa Readiness Center	0	500,000	500,000
DPD - Camp Dodge Electrical Distribution System Upgrade	0	526,000	526,000
Total Endowment For Iowa's Health Restricted Capital Fund	\$ 0	\$ 4,926,000	\$ 3,526,000
FY 2009 Restricted Capital Fund (RC3)			
DOC - ICIW Expansion	\$ 0	\$ 67,979,000	\$ 67,979,000
DVA - Iowa Veterans Home	0	20,555,329	20,555,329
DAS - New State Office Building	0	20,000,000	20,000,000
DOC - CBC #5 Des Moines Residential Expansion	0	16,000,000	16,000,000
DOC - Mt. Pleasant/Rockwell City Kitchen Remodeling	0	12,500,000	12,500,000
DOC - Community Treatment Resource Center	0	10,000,000	10,000,000
DOC - CBC #1 Waterloo Residential Expansion	0	5,833,333	5,833,333

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>FY 2009 Restricted Capital Fund (RC3), cont.</u>			
DOC - CBC #3 Sioux City Residential Expansion	0	5,833,333	5,833,333
DOC - CBC #8 Ottumwa Residential Expansion	0	5,833,333	5,833,333
Total FY 2009 Restricted Capital Fund		\$ 164,534,328	\$ 164,534,328
Total Tobacco Funds	\$ 0	\$ 172,560,328	\$ 171,160,328
<u>FY 2009 Prison Bonding Fund</u>			
DOC - Iowa State Penitentiary	\$ 0	\$ 130,677,500	\$ 130,677,500
Total FY 2009 Prison Bonding Fund	\$ 0	\$ 130,677,500	\$ 130,677,500

Significant recommendations include:

- \$130.7 million in prison bonding to replace and add maximum security beds at the Iowa State Penitentiary at Ford Madison.
- \$68.0 million to replace and add beds at the Iowa Correctional Institution for Women at Mitchellville.
- \$20.6 million for the State portion of Phases 2, 3, and 4 of the construction and renovation of the Iowa Veterans Home.
- \$20.0 million for a new State office building to replace the Wallace State Office Building. This recommendation requires a change in current law because the appropriation was enacted in HF 911 (FY 2008 Infrastructure Appropriations Act) from RIIF.
- \$16.0 million to add beds and increase capacity of the CBC residential facility in Des Moines.
- \$3.4 million for the acquisition of Mercy Capitol Hospital.

Issues

Honey Creek Resort Park – House File 875 (FY 2006 Infrastructure Appropriations Act) created the Honey Creek Premier Destination Park Authority and the Honey Creek Premier Destination Park Bond Fund. The Authority was authorized to issue bonds to provide net proceeds of up to \$28.0 million for the development and expansion of the Honey Creek Destination Park located near Lake Rathbun. The bond indenture requires construction of the Park to include a 105-room lodge, a restaurant, an aquatic center and conference facility, an 18-hole golf course, family and group cabins, a sewer facility, a boat ramp, and docking facilities. As of September 2007, the project faces cost overruns of approximately \$9.0 million. *In order to meet the requirements in the indenture, the Governor is recommending \$8.0 million in infrastructure appropriations for FY 2009 to construct the cabins.*

Prison Construction – The Governor is recommending \$256.2 million for the Department of Corrections infrastructure needs for FY 2009. The majority of the recommendation is for the construction and renovation of several correctional facilities around the State. Budget requests were based on recommendations made by the Durrant Group, Inc., as required by HF 2782 (FY 2007 Infrastructure Appropriations Act). *The Governor is recommending funding the bulk of the prison construction projects from a new Restricted Capitals Fund (RC3) from the securitization of the remaining tobacco settlement payments as well as a new FY 2009 Prison Bonding Fund.* Debt service on the new Prison Bonding Fund would be paid as payments for the current certificates of participation (COP) and current debt service for prison

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

construction bonds are completed. An estimate on the debt service of a bond issuance netting \$131.0 million in proceeds would be approximately \$11.0 million for 20 years.

Veterans Home – *The Governor is recommending \$20.6 million for FY 2009 for construction and renovation of the Iowa Veterans Home.* The Iowa Veterans Home Master Plan estimates that construction and renovation of the facilities at the Veterans Home will cost \$100.0 million over a 13-year period from FY 2009 to FY 2021. Preliminary discussions on funding possibilities include issuing bonds to provide capital for the multi-year project. This \$20.6 million represents the State portion for Phases 2, 3, and 4, which allows these projects to be included on the 2009 Federal Capitals Construction List.

Mercy Capitol Building Acquisition – The Department of Administrative Services (DAS) negotiated with Catholic Health Initiatives – Iowa, Corp. for the purchase of the Mercy Capitol Hospital property, located north of the Capitol Complex. The Department proposed the Mercy Hospital purchase for several reasons including providing land for parking for a new State office building and additional work space to relocate employees. The total parcel to be purchased includes 4.7 acres for a price of \$4.5 million. The proposed purchase includes the exchange of parking lots between the State and Mercy Capitol to allow DAS access for staging of construction vehicles for the new State office building. The traded parking lot would become part of the purchase from Mercy Capitol. During the 2007 Legislative Session, HF 911 authorized DAS to use up to \$750,000 of the funds appropriated for the construction of the new office building as an earnest money deposit on the property purchase, as well as for parking lot improvements required for the exchange of parking lots and the potential demolition or renovation of the existing buildings. The Department's discussions regarding the use of the facility are still ongoing, but plans are moving forward for relocating some off-campus employees into the building. *The Governor is recommending using \$3.4 million in remaining funds in the Endowment for Iowa's Health Restricted Capital Fund for the purchase of Mercy Capitol.* The Department of Management advised the Legislative Services Agency that the remaining amount needed to meet the purchase price, \$1.1 million, is expected to come from existing appropriations to the Department of Administrative Services.

Major Maintenance Assessment – The Department of Administrative Services has advised the Legislative Services Agency that a new survey and assessment of major maintenance needs of State facilities will be undertaken this year, with a goal of completing it in time for the FY 2010 budget requests. The assessment completed in 1999 has been used to assist the Department and the Vertical Infrastructure Advisory Committee in prioritizing major maintenance projects throughout the State. For FY 2009, the Governor is recommending \$40.0 million for major maintenance.

Technology Reinvestment Fund Recommendations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Administrative Services - Capitals</u>			
ITE Pooled Technology	\$ 3,810,375	\$ 4,059,088	\$ 248,713
Service Oriented Architecture	254,992	0	-254,992
I3 Technology Operations	0	1,000,000	1,000,000
Total Administrative Services - Capitals	\$ 4,065,367	\$ 5,059,088	\$ 993,721
<u>Corrections, Department of</u>			
Iowa Corrections Offender Network	\$ 500,000	\$ 500,000	\$ 0
Total Corrections, Department of	\$ 500,000	\$ 500,000	\$ 0

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Education</u>			
ICN Part III Leases & Maintenance Network	\$ 2,727,000	\$ 2,727,000	\$ 0
IPTV Generators	0	1,602,437	1,602,437
IPTV Digital Translator	0	701,500	701,500
Iowa Learning Technologies	500,000	0	-500,000
Statewide Education Data Warehouse	600,000	0	-600,000
Digital TV Conversion	2,300,000	0	-2,300,000
Analog Transmission	1,425,000	0	-1,425,000
Uninterruptible Power Supply	315,000	0	-315,000
Total Education	\$ 2,727,000	\$ 5,030,937	\$ 2,303,937
<u>Human Rights, Department of</u>			
Infrastructure for Integrating Justice Data Systems	\$ 2,881,466	\$ 1,839,852	\$ -1,041,614
Total Human Rights, Department of	\$ 2,881,466	\$ 1,839,852	\$ -1,041,614
<u>Human Services Capital</u>			
CSRU Payment Processing Equip.	\$ 272,000	\$ 0	\$ -272,000
Total Human Services Capital	\$ 272,000	\$ 0	\$ -272,000
<u>Iowa Telecommunications & Technology Commission</u>			
ICN Voice Platform Redundancy	\$ 0	\$ 2,320,000	\$ 2,320,000
ICN Equipment Replacement	2,067,000	2,190,123	123,123
Total Iowa Telecommunications & Technology Commission	\$ 2,067,000	\$ 4,510,123	\$ 2,443,123
<u>Iowa Workforce Development</u>			
Automated worker's compensation appeal processing system	\$ 500,000	\$ 0	\$ -500,000
Outcome Tracking System	580,000	0	-580,000
Total Iowa Workforce Development	\$ 1,080,000	\$ 0	\$ -1,080,000
<u>Public Defense Capital</u>			
Technology Upgrades	\$ 111,000	\$ 0	\$ -111,000
Total Public Defense Capital	\$ 111,000	\$ 0	\$ -111,000
<u>Public Safety Capital</u>			
AFIS Lease Purchase	\$ 560,000	\$ 560,000	\$ 0
Technology Projects	1,900,000	0	-1,900,000
Total Public Safety Capital	\$ 2,460,000	\$ 560,000	\$ -1,900,000
<u>Regents Capital</u>			
UNI - MyEntreNet	\$ 235,000	\$ 0	\$ -235,000
Total Regents Capital	\$ 235,000	\$ 0	\$ -235,000
Total Technology Reinvestment Fund Recommendations	\$ 16,398,833	\$ 17,500,000	\$ 1,101,167

Significant recommendations include:

- \$4.1 million for Information Technology Enterprise pooled technology for the Department of Administrative Services.
- \$2.7 million leases and maintenance of the Iowa Communications Network (ICN) Part III Network.
- \$2.3 million for the ICN Voice Platform Redundancy for the Iowa Telecommunications & Technology Commission. This is a new recommendation to provide a second voice switch at another location on the Capitol Complex.

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

TIME-21 Interim Study Committee

The TIME-21 Interim Study Committee met on October 17, November 19, and December 19, 2007. The Committee was charged with addressing the revenue needs of the Transportation Investment Moves the Economy in the 21st Century (TIME-21) Fund created in HF 932 (FY 2008 TIME-21 Fund Act) for funding of roads and highways. The Committee made the following recommendations:

- The General Assembly should establish legislation to change the motor vehicle use tax to a registration fee.
- The Committee will continue to consider all revenue sources for generating revenue for the TIME-21 Fund, with the exception of increasing the fuel tax.
- The Department of Transportation (DOT) will research the authority of the Governor and Executive Council to utilize or spend State General Funds for road and bridge purposes in emergency situations.

Additional information is available on the web site at
<http://www.legis.state.ia.us/asp/Committees/Committee.aspx?id=210>.

LSA Publications

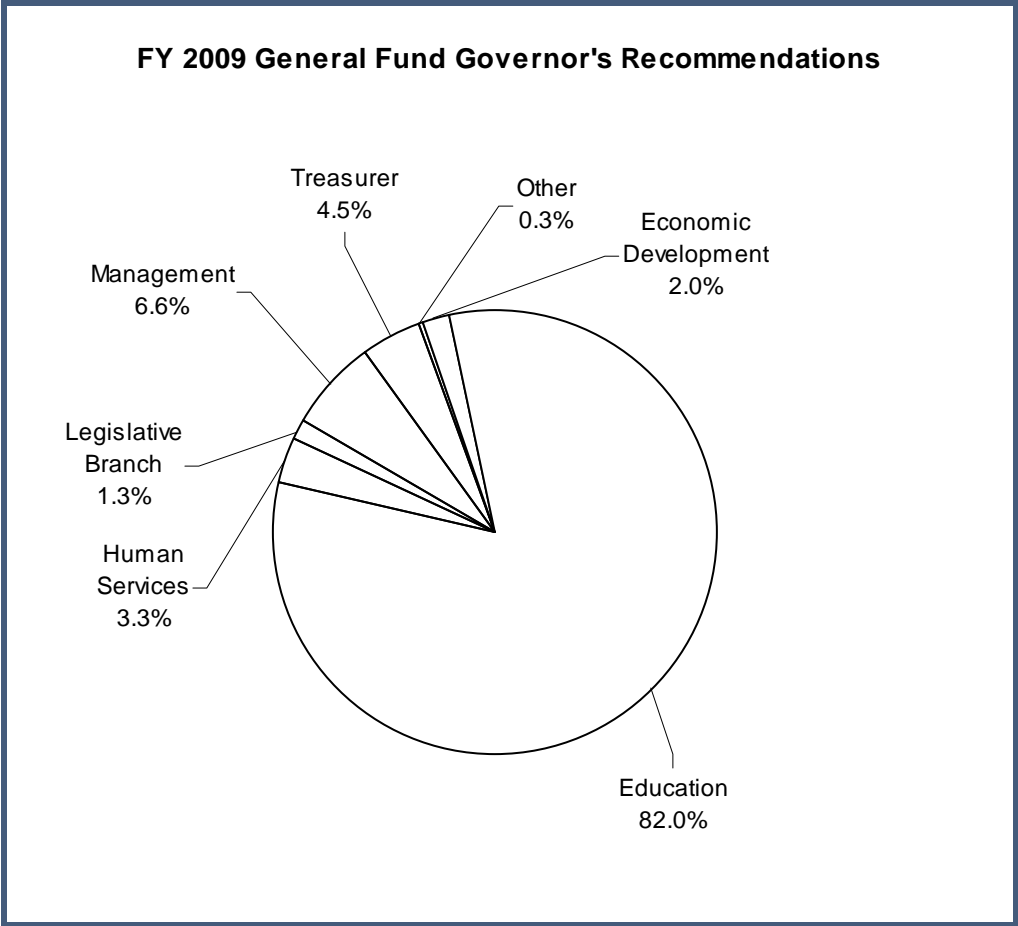
The following publications have been issued by the LSA that relate to the Transportation, Infrastructure, and Capitals Appropriations Subcommittee:

- [Revitalize Iowa's Sound Economy \(RISE\) Program](#)
- Vehicle Registration Fees in Iowa
- [Outstanding Obligations of Selected State Debt](#)

Staff Contacts: Mary Beth Mellick (1-8223) (marybeth.mellick@legis.state.ia.us)
Marcia Tannian (1-7942) (marcia.tannian@legis.state.ia.us)

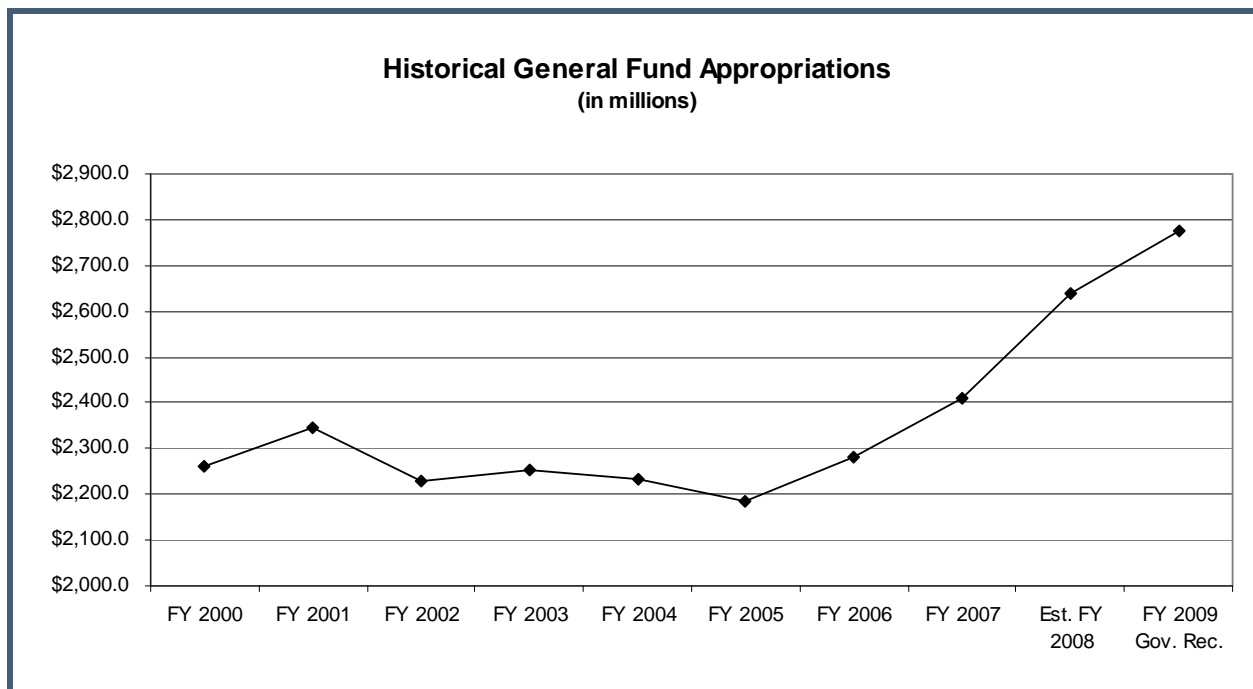
Subcommittee Web Site: <http://www3.legis.state.ia.us/ga/committee.do?id=40>

UNASSIGNED STANDING APPROPRIATIONS



Administrative Services	\$	3,720,784
Public Health		200,000
Corrections		66,370
Economic Development		57,000,000
Education		2,346,908,234
Human Services		95,416,492
Executive Council		2,225,750
Legislative Branch		38,196,841
Governor		3,710
Public Defense		421,639
Management		188,812,500
Revenue		2,177,500
Treasurer		127,600,000
	\$	<u>2,862,749,820</u>

Unassigned Standing Appropriations



FY 2009 UNASSIGNED STANDING APPROPRIATION ESTIMATES

Unassigned Standing Appropriations

A significant portion of the General Fund budget is appropriated automatically by statute. These appropriations do not fall under the purview of a specific appropriations committee. There are two types of standing appropriations:

- **Standing Limited Appropriations.** These are appropriations of a specific dollar amount. An example is the Indian Settlement Officer pursuant to Section 331.660, Code of Iowa, that states, "There is appropriated annually from the General Fund of the State to the County of Tama the sum of twenty-five thousand dollars to be used by the County only for the payment of the salary and expenses of an additional deputy sheriff for the County."
- **Standing Unlimited Appropriations.** These are appropriations of an unspecified dollar amount. An example is State aid for public schools pursuant to Section 257.16, Code of Iowa, that states, "There is appropriated each year from the General Fund of the State an amount necessary to pay the foundation aid, supplementary aid under section 257.4, subsection 2, and adjusted additional property tax levy aid under section 257.15, subsection 4."

General Fund Standing Appropriations by Department

Illustrated below are the General Fund standing appropriations for FY 2009. These are the amounts specified in statute for the limited appropriations and the estimated need for the unlimited appropriations.

General Fund Requests

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Administrative Services, Dept. of</u>			
State Accounting Trust Accounts			
Federal Cash Management Standing	\$ 436,250	\$ 436,250	\$ 0
Unemployment Compensation-State Standing	538,750	538,750	0
Municipal Fire & Police Retirement	2,745,784	2,745,784	0
Total Administrative Services, Dept. of	\$ 3,720,784	\$ 3,720,784	\$ 0
<u>Corrections, Department of</u>			
Corrections-Central Office			
State Cases Court Costs	\$ 66,370	\$ 66,370	\$ 0
Total Corrections, Department of	\$ 66,370	\$ 66,370	\$ 0
<u>Economic Development, Dept. of</u>			
Community Attraction & Tourism	\$ 7,000,000	\$ 7,000,000	\$ 0
Grow Iowa Values Fund	50,000,000	50,000,000	0
Total Economic Development, Dept. of	\$ 57,000,000	\$ 57,000,000	\$ 0
<u>Education, Department of</u>			
State Foundation School Aid	\$ 2,145,614,028	\$ 2,226,550,000	\$ 80,935,972
Child Development	12,606,196	12,606,196	0
Instructional Support	14,428,271	14,428,271	0
Transportation Of Nonpublic Pu	8,604,714	8,604,714	0
Early Intervention Block Grant	29,250,000	29,250,000	0
Teacher Excellence Program	55,469,053	55,469,053	0
Total Education, Department of	\$ 2,265,972,262	\$ 2,346,908,234	\$ 80,935,972
<u>Executive Council</u>			
Performance of Duty	\$ 2,079,500	\$ 2,079,500	\$ 0
Court Costs	73,125	73,125	0
Drainage Assessment	24,375	24,375	0
Public Improvements	48,750	48,750	0
Total Executive Council	\$ 2,225,750	\$ 2,225,750	\$ 0
<u>Legislative Branch</u>			
Legislative Branch	35,521,091	38,196,841	2,675,750
Total Legislative Branch	\$ 35,521,091	\$ 38,196,841	\$ 2,675,750
<u>Governor</u>			
Interstate Extradition	\$ 3,710	\$ 3,710	\$ 0
Total Governor	\$ 3,710	\$ 3,710	\$ 0
<u>Public Health, Department of</u>			
Iowa Registry for Congenital & Inherited Disorders	\$ 200,000	\$ 200,000	\$ 0
Total Public Health, Department of	\$ 200,000	\$ 200,000	\$ 0

Unassigned Standing Appropriations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Human Services, Department of</u>			
Human Services - General Administration			
Commission Of Inquiry	\$ 1,706	\$ 1,706	\$ 0
Non Residents Transfers	82	82	0
Non Resident Commitment M.III	174,704	174,704	0
Total Human Services - General Administration	\$ 176,492	\$ 176,492	\$ 0
Human Services - Assistance			
MH Property Tax Relief	\$ 95,000,000	\$ 95,000,000	\$ 0
Child Abuse Prevention	240,000	240,000	0
Total Human Services - Assistance	\$ 95,240,000	\$ 95,240,000	\$ 0
Total Human Services, Department of	\$ 95,416,492	\$ 95,416,492	\$ 0
<u>Management, Department of</u>			
Special Olympics Fund	\$ 50,000	\$ 30,000	\$ -20,000
Indian Settlement Officer	25,000	0	-25,000
Appeal Board Claims	4,387,500	4,387,500	0
Technology Reinvestment Fund	17,500,000	17,500,000	0
Salary Adjustment Fund	13,937,263	88,695,000	74,757,737
Property Tax Credit Fund	28,000,000	78,200,000	50,200,000
Total Management, Department of	\$ 49,962,500	\$ 188,812,500	\$ 124,912,737
<u>Public Defense, Department of</u>			
Compensation and Expense	\$ 421,639	\$ 421,639	\$ 0
Total Public Defense, Department of	\$ 421,639	\$ 421,639	\$ 0
<u>Revenue, Dept. of</u>			
Printing Cigarette Stamps	\$ 152,500	\$ 152,500	\$ 0
Livestock Producers Credit	2,000,000	2,000,000	0
Tobacco Reporting Requirements	25,000	25,000	0
Total Revenue, Dept. of	\$ 2,177,500	\$ 2,177,500	\$ 0
<u>Treasurer of State</u>			
Health Care Trust Fund Transfer	\$ 127,600,000	\$ 127,600,000	\$ 0
Total Treasurer of State	\$ 127,600,000	\$ 127,600,000	\$ 0
Total Unassigned Standing	\$ 2,640,288,098	\$ 2,862,749,820	\$ 208,524,459

Other Fund Requests

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Economic Development, Dept. of</u>			
Endow Iowa Admin - County Endowment Fund	\$ 70,000	\$ 70,000	\$ 0
Total Economic Development, Dept. of	\$ 70,000	\$ 70,000	\$ 0

Unassigned Standing Appropriations

	Estimated FY 2008	Gov Rec FY 2009	Gov Rec vs. FY 2008
<u>Legislative Branch</u>			
Legislative Services Agency			
LSA - Affordable Health Care	\$ 500,000	\$ 500,000	\$ 0
Total Legislative Branch	\$ 500,000	\$ 500,000	\$ 0
<u>Human Services, Department of</u>			
Human Services - Assistance			
MH Costs for Children under 18	\$ 6,600,000	\$ 6,600,000	\$ 0
Total Human Services, Department of	\$ 6,600,000	\$ 6,600,000	\$ 0
<u>Management, Department of</u>			
Environment First Fund-RIIF	\$ 40,000,000	\$ 24,500,000	\$ -15,500,000
Environment First Balance Adj	-40,000,000	-24,500,000	15,500,000
Vertical Infrastructure Fund-RIIF	50,000,000	0	-50,000,000
Vertical Infrastructure Fund Bal. Adj.	-50,000,000	0	50,000,000
Total Management, Department of	\$ 0	\$ 0	\$ 0
<u>Revenue, Dept. of</u>			
Homestead Property Tax Credit - PTCF	\$ 99,254,781	\$ 99,254,781	\$ 0
Ag. Land/Family Farm Tax Credits-PTCF	34,610,183	34,610,183	0
Military Service Tax Credit - PTCF	2,800,000	2,800,000	0
Elderly & Disabled Tax Credit-PTCF	23,204,000	23,204,000	0
Total Revenue, Dept. of	\$ 159,868,964	\$ 159,868,964	\$ 0
<u>Transportation, Department of</u>			
Personal Delivery of Services-RUTF	\$ 225,000	\$ 225,000	\$ 0
County Treasurer Equipment-RUTF	650,000	650,000	0
Total Transportation, Department of	\$ 875,000	\$ 875,000	\$ 0
<u>Treasurer of State</u>			
Healthy Iowans Tobacco Trust-ENDW	\$ 60,139,379	\$ 0	\$ -60,139,379
Healthy Iowans Tobacco Trust Bal Adj	-60,139,379	0	60,139,379
Total Treasurer of State	\$ 0	\$ 0	\$ 0
Total Unassigned Standing	\$ 167,913,964	\$ 167,913,964	\$ 0

School Aid Allowable Growth for FY 2009 and FY 2010

Please see the detailed discussion in the Iowa School Foundation Aid section of this document.

Property Tax Credits for FY 2009

For the past several years the standing appropriations for the Homestead Property Tax Credit, Agricultural Land and Family Farm Tax Credit, Military Service Tax Credit, and Elderly and Disabled Tax Credit and Reimbursement have been capped. In FY 2007 and FY 2008, the appropriations totaled \$159.9 million. The tax credits have been funded from the Property Tax Credit Fund. This Fund received an FY 2008 appropriation of \$131.9 million from the year-end General Fund surplus prior to its

Unassigned Standing Appropriations

appropriation and distribution to the Senior Living Trust Fund and the Cash Reserve Fund and a \$28.0 million appropriation from the General Fund. Legislative action will be required to make appropriations to the Fund for FY 2009. This item is included in the Projected FY 2009 Built-in and Anticipated General Fund Expenditures (**Appendix B**).

The Governor is recommending FY 2009 funding of the four property tax credits from the Property Tax Credit Fund at the same level as in FY 2008. The recommendation funds the property tax credits as follows:

- \$99.3 million for the Homestead Property Tax Credit. The projected demand for Homestead Property Tax Credit claims is \$139.0 million, which is \$39.7 million more than the amount being requested.
- \$34.6 million for the Agricultural Land and Family Farm Tax Credit. The statutory funding for Agricultural Land and Family Farm Tax Credit is \$39.1 million, which is \$4.5 million more than the amount being requested.
- \$2.8 million for the Military Service Tax Credit, which fully funds the projected demand.
- \$23.2 million for the Elderly and Disabled Tax Credit and Reimbursement, which fully funds the projected demand.

The Governor is recommending \$81.8 million from the FY 2008 year-end General Fund surplus prior to its appropriation and distribution to the Senior Living Trust Fund and the Cash Reserve Fund and an FY 2009 General Fund appropriation of \$78.2 million. This is an increase of \$50.2 million from the General Fund for FY 2009, but funds the tax credits at the same level as FY 2008.

Staff Contacts: Mary Shipman (1-4617) (mary.shipman@legis.state.ia.us)
Dwayne Ferguson (1-6561) (dwayne.ferguson@legis.state.ia.us)
Shawn Snyder (1-7799) (shawn.snyder@legis.state.ia.us)

APPROPRIATIONS TRACKING

**COMMON ACRONYMS
USED IN THE APPROPRIATIONS TABLES**

- CPB = Corporation for Public Broadcasting
- CSG = Community Service Grant
- DE = Department of Education
- EFF = Environment First Fund
- ENDW = Endowment for Iowa Health Account (Tobacco Settlement Trust Fund)
- ESCF = Employment Security Contingency Fund
- ESEA = Elementary and Secondary Education Act
- FES = Federal Economic Stimulus Fund
- GIVF = Grow Iowa Values Fund
- GTF = Gamblers Treatment Fund
- GWF = Ground Water Fund
- HCTF = Health Care Trust Fund
- HITT = Healthy Iowans Tobacco Trust Fund
- ICA = Iowa Care Account
- ISU = Iowa State University
- LSTA = Library Service and Technology Act
- MHI = Mental Health Institute
- NAEP = National Assessment of Educational Progress
- NCES = National Center for Education Statistics

Appendix A – Appropriations Tracking

NTIA =	National Telecommunications and Information Administration
PRF =	Primary Road Fund
PTRF =	Property Tax Relief Fund
PTCF =	Property Tax Credit Fund
RC2 =	Endowment for Iowa Health Restricted Capitals Fund (Tobacco Settlement Trust Fund)
RC3 =	FY 2009 Tax-Exempt Restricted Capital Fund (Tobacco Settlement Trust Fund)
RCF =	Restricted Capital Fund (Tobacco Settlement Trust Fund)
RIIF =	Rebuild Iowa Infrastructure Fund
RUTF =	Road Use Tax Fund
SAF =	State Aviation Fund
SLTF =	Senior Living Trust Fund
SUI =	University of Iowa
TANF =	Temporary Assistance for Needy Families
TRF =	Technology Reinvestment Fund
TSB =	Targeted Small Business
UNI =	University of Northern Iowa
UST =	Underground Storage Tank Fund
VIF =	Vertical Infrastructure Fund
VTF =	Veterans Trust Fund

Summary Data General Fund

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	Gov Rec FY 2009	Gov Rec vs. Est. FY 2008	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)
Administration and Regulation	\$ 87,986,492	\$ 96,299,847	\$ 94,889,609	\$ 97,266,103	\$ 966,256	1.0%
Agriculture and Natural Resources	39,614,264	43,638,037	41,559,331	75,759,331	32,121,294	73.6%
Economic Development	65,975,308	42,656,535	72,056,536	83,995,195	41,338,660	96.9%
Education	1,005,922,486	1,182,758,943	1,335,709,926	1,280,947,266	98,188,323	8.3%
Health and Human Services	1,189,136,354	1,169,210,414	1,255,305,405	1,302,808,586	133,598,172	11.4%
Justice System	594,482,031	670,688,353	680,157,864	694,066,006	23,377,653	3.5%
Transportation, Infrastructure, and Capitals	1,000,000	0	0	2,000,000	2,000,000	0.0%
Unassigned Standing	<u>2,408,774,160</u>	<u>2,654,225,361</u>	<u>2,755,749,820</u>	<u>2,862,749,820</u>	<u>208,524,459</u>	<u>7.9%</u>
Grand Total	<u><u>\$ 5,392,891,095</u></u>	<u><u>\$ 5,859,477,490</u></u>	<u><u>\$ 6,235,428,491</u></u>	<u><u>\$ 6,399,592,307</u></u>	<u><u>\$ 540,114,817</u></u>	<u><u>9.2%</u></u>

Administration and Regulation General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Administrative Services, Dept. of</u>						
Administrative Services						
Administrative Services, Dept.	\$ 6,096,632	\$ 6,469,186	\$ 6,469,186	\$ 6,389,186	\$ -80,000	-1.2%
Utilities	4,080,865	3,824,800	3,824,800	3,824,800	0	0.0%
DAS Distribution Account	0	0	0	1,000,000	1,000,000	0.0%
Financial Administration	200,000	0	0	0	0	0.0%
Shuttle Service	0	120,000	120,000	0	-120,000	-100.0%
HR Payroll System	0	0	0	427,000	427,000	0.0%
Total Administrative Services, Dept. of	\$ 10,377,497	\$ 10,413,986	\$ 10,413,986	\$ 11,640,986	\$ 1,227,000	11.8%
<u>Auditor of State</u>						
Auditor Of State						
Auditor of State - General Office	\$ 1,211,873	\$ 1,249,178	\$ 1,348,940	\$ 1,249,178	\$ 0	0.0%
Total Auditor of State	\$ 1,211,873	\$ 1,249,178	\$ 1,348,940	\$ 1,249,178	\$ 0	0.0%
<u>Ethics and Campaign Disclosure</u>						
Campaign Finance Disclosure Commission						
Ethics & Campaign Disclosure Board	\$ 512,669	\$ 532,122	\$ 527,122	\$ 527,122	\$ -5,000	-0.9%
Total Ethics and Campaign Disclosure	\$ 512,669	\$ 532,122	\$ 527,122	\$ 527,122	\$ -5,000	-0.9%
<u>Commerce, Department of</u>						
Alcoholic Beverages						
Alcoholic Beverages Operations	\$ 2,057,289	\$ 2,079,509	\$ 2,079,509	\$ 2,079,509	\$ 0	0.0%
Banking Division						
Banking Division	\$ 7,594,741	\$ 8,200,316	\$ 8,200,316	\$ 8,200,316	\$ 0	0.0%
Professional Licensing and Regulation						
Professional Licensing Bureau	\$ 898,343	\$ 945,982	\$ 945,982	\$ 945,982	\$ 0	0.0%
Credit Union Division						
Credit Union Division	\$ 1,517,726	\$ 1,671,740	\$ 1,631,740	\$ 1,631,740	\$ -40,000	-2.4%
Insurance Division						
Insurance Division	\$ 4,655,809	\$ 4,857,123	\$ 4,857,123	\$ 4,857,123	\$ 0	0.0%

Administration and Regulation General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	Gov Rec FY 2009 (4)	Gov Rec vs. Est. FY 2008 (5)	Percent Change (6)
Utilities Division						
Utilities Division	\$ 7,266,919	\$ 7,573,402	\$ 7,573,402	\$ 7,573,402	\$ 0	0.0%
Total Commerce, Department of	\$ 23,990,827	\$ 25,328,072	\$ 25,288,072	\$ 25,288,072	\$ -40,000	-0.2%
<u>Governor</u>						
Governor's Office						
Governor/Lt. Governor's Office	\$ 1,945,326	\$ 2,224,462	\$ 2,224,462	\$ 2,674,462	\$ 450,000	20.2%
Terrace Hill Quarters	506,310	492,593	492,593	492,593	0	0.0%
Administrative Rules Coordinator	154,755	158,873	158,873	158,873	0	0.0%
National Governor's Association	80,600	80,600	80,600	80,600	0	0.0%
State-Federal Relations	123,927	131,222	131,222	131,222	0	0.0%
Total Governor	\$ 2,810,918	\$ 3,087,750	\$ 3,087,750	\$ 3,537,750	\$ 450,000	14.6%
<u>Governor's Office of Drug Control Policy</u>						
Office of Drug Control Policy						
Drug Policy Coordinator	\$ 309,048	\$ 346,731	\$ 346,731	\$ 346,731	\$ 0	0.0%
Drug Task Forces	0	1,400,000	0	1,400,000	0	0.0%
Total Governor's Office of Drug Control Policy	\$ 309,048	\$ 1,746,731	\$ 346,731	\$ 1,746,731	\$ 0	0.0%
<u>Human Rights, Department of</u>						
Human Rights, Department of						
Human Rights Administration	\$ 326,425	\$ 356,535	\$ 341,535	\$ 356,535	\$ 0	0.0%
Deaf Services	390,315	413,700	413,700	421,700	8,000	1.9%
Asian and Pacific Islanders	86,000	127,093	127,093	153,093	26,000	20.5%
Persons with Disabilities	194,212	206,221	206,221	217,221	11,000	5.3%
Latino Affairs	179,433	191,035	191,035	207,035	16,000	8.4%
Status of Women	343,555	353,203	353,203	367,203	14,000	4.0%
Status of African Americans	134,725	372,066	172,066	187,066	-185,000	-49.7%
Criminal & Juvenile Justice	1,098,026	1,587,333	1,587,333	1,587,333	0	0.0%
Development, Assessment & Resolution Program (DARP)	0	0	0	10,000	10,000	0.0%
Commission on the Status of Native Americans	0	0	0	6,000	6,000	0.0%
Total Human Rights, Department of	\$ 2,752,691	\$ 3,607,186	\$ 3,392,186	\$ 3,513,186	\$ -94,000	-2.6%

Administration and Regulation General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	Gov Rec FY 2009 (4)	Gov Rec vs. Est. FY 2008 (5)	Percent Change (6)
<u>Inspections & Appeals, Department of</u>						
Inspections and Appeals, Department of						
Administration Division	\$ 1,711,675	\$ 2,209,075	\$ 2,209,075	\$ 2,087,331	\$ -121,744	-5.5%
Administrative Hearings Division	680,533	708,962	708,962	708,962	0	0.0%
Investigations Division	1,526,415	1,599,591	1,599,591	1,599,591	0	0.0%
Health Facilities Division	2,412,647	2,498,437	2,498,437	2,498,437	0	0.0%
Employment Appeal Board	56,294	58,117	58,117	58,117	0	0.0%
Child Advocacy Board	2,218,308	2,751,058	2,751,058	2,751,058	0	0.0%
Targeted Small Business Cert.	150,000	0	0	0	0	0.0%
Total Inspections and Appeals, Department of	\$ 8,755,872	\$ 9,825,240	\$ 9,825,240	\$ 9,703,496	\$ -121,744	-1.2%
Racing Commission						
Pari-Mutuel Regulation	\$ 2,671,410	\$ 2,790,551	\$ 2,827,266	\$ 2,827,266	\$ 36,715	1.3%
Riverboat Regulation	3,199,440	3,207,944	3,171,229	3,171,229	-36,715	-1.1%
Total Racing Commission	\$ 5,870,850	\$ 5,998,495	\$ 5,998,495	\$ 5,998,495	\$ 0	0.0%
Total Inspections & Appeals, Department of	\$ 14,626,722	\$ 15,823,735	\$ 15,823,735	\$ 15,701,991	\$ -121,744	-0.8%
<u>Management, Department of</u>						
Management, Department of						
Department Operations	\$ 2,313,941	\$ 3,178,337	\$ 3,178,337	\$ 3,178,337	\$ 0	0.0%
Enterprise Resource Planning	119,435	0	0	0	0	0.0%
Salary Model Administrator	131,792	0	0	0	0	0.0%
Local Government Innovation Fund	300,000	300,000	300,000	0	-300,000	-100.0%
Performance Audits	108,000	0	0	0	0	0.0%
DOM - LEAN/Process Improvement	108,000	0	0	0	0	0.0%
Total Management, Department of	\$ 3,081,168	\$ 3,478,337	\$ 3,478,337	\$ 3,178,337	\$ -300,000	-8.6%
<u>Revenue, Dept. of</u>						
Revenue, Department of						
Revenue, Department of	\$ 24,460,828	\$ 26,472,699	\$ 26,472,699	\$ 26,472,699	\$ 0	0.0%
Tax Amnesty-Auditing and Enforcement	0	150,000	0	0	-150,000	-100.0%
Total Revenue, Dept. of	\$ 24,460,828	\$ 26,622,699	\$ 26,472,699	\$ 26,472,699	\$ -150,000	-0.6%

Administration and Regulation General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Secretary of State</u>						
Secretary of State						
Admin/Elections/Voter Reg	\$ 734,580	\$ 1,370,063	\$ 1,670,063	\$ 1,370,063	\$ 0	0.0%
Secretary of State-Business Services	<u>2,155,151</u>	<u>2,012,018</u>	<u>2,012,018</u>	<u>2,012,018</u>	<u>0</u>	<u>0.0%</u>
Total Secretary of State	<u>\$ 2,889,731</u>	<u>\$ 3,382,081</u>	<u>\$ 3,682,081</u>	<u>\$ 3,382,081</u>	<u>\$ 0</u>	<u>0.0%</u>
<u>Treasurer of State</u>						
Treasurer of State						
Treasurer - General Office	<u>\$ 962,520</u>	<u>\$ 1,027,970</u>	<u>\$ 1,027,970</u>	<u>\$ 1,027,970</u>	<u>\$ 0</u>	<u>0.0%</u>
Total Treasurer of State	<u>\$ 962,520</u>	<u>\$ 1,027,970</u>	<u>\$ 1,027,970</u>	<u>\$ 1,027,970</u>	<u>\$ 0</u>	<u>0.0%</u>
Total Administration and Regulation	<u><u>\$ 87,986,492</u></u>	<u><u>\$ 96,299,847</u></u>	<u><u>\$ 94,889,609</u></u>	<u><u>\$ 97,266,103</u></u>	<u><u>\$ 966,256</u></u>	<u><u>1.0%</u></u>

Agriculture and Natural Resources

General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Agriculture and Land Stewardship</u>						
Agriculture and Land Stewardship						
Administrative Division	\$ 18,456,595	\$ 19,278,172	\$ 19,278,172	\$ 19,278,172	\$ 0	0.0%
Chronic Wasting Disease	100,000	100,000	100,000	100,000	0	0.0%
Regulatory Dairy Products	693,166	951,666	951,666	951,666	0	0.0%
Avian Influenza	50,000	50,000	50,000	50,000	0	0.0%
Apiary Program	40,000	40,000	40,000	40,000	0	0.0%
Soil Commissioners Expense	250,000	250,000	250,000	250,000	0	0.0%
Sr. Farmers Market Program	77,000	77,000	77,000	77,000	0	0.0%
Missouri River Authority	9,535	0	0	0	0	0.0%
Gypsy Moth Control - GF	0	50,000	50,000	50,000	0	0.0%
Emerald Ash Borer Public Awareness Project	0	50,000	50,000	50,000	0	0.0%
Emergency Veterinarian Rapid Response Services	0	130,000	130,000	130,000	0	0.0%
Organic Agricultural Products	0	54,671	54,671	54,671	0	0.0%
Grape & Wine Development Fund	0	283,000	283,000	108,000	-175,000	-61.8%
IA Jr. Angus Program	0	10,000	0	0	-10,000	-100.0%
Total Agriculture and Land Stewardship	\$ 19,676,296	\$ 21,324,509	\$ 21,314,509	\$ 21,139,509	\$ -185,000	-0.9%
<u>Natural Resources, Department of</u>						
Natural Resources						
Natural Resources Operations	\$ 18,937,968	\$ 20,244,822	\$ 20,244,822	\$ 20,019,822	\$ -225,000	-1.1%
Total Natural Resources, Department of	\$ 18,937,968	\$ 20,244,822	\$ 20,244,822	\$ 20,019,822	\$ -225,000	-1.1%
<u>Natural Resources Capital</u>						
Natural Resources Capital						
Lake Restoration Program	\$ 0	\$ 0	\$ 0	\$ 8,600,000	\$ 8,600,000	0.0%
REAP	0	0	0	20,000,000	20,000,000	0.0%
Odor Mitigation	0	0	0	1,000,000	1,000,000	0.0%
Total Natural Resources Capital	\$ 0	\$ 0	\$ 0	\$ 29,600,000	\$ 29,600,000	0.0%
<u>Regents, Board of</u>						
Regents, Board of						
ISU Veterinary Diagnostic Laboratory	\$ 1,000,000	\$ 2,068,706	\$ 0	\$ 0	\$ -2,068,706	-100.0%
Total Regents, Board of	\$ 1,000,000	\$ 2,068,706	\$ 0	\$ 0	\$ -2,068,706	-100.0%

Agriculture and Natural Resources

General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Treasurer of State</u>						
Treasurer of State						
Watershed Protection-Water Quality	\$ 0	\$ 0	\$ 0	\$ 5,000,000	\$ 5,000,000	0.0%
Total Treasurer of State	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>	<u>0.0%</u>
Total Agriculture and Natural Resources	<u>\$ 39,614,264</u>	<u>\$ 43,638,037</u>	<u>\$ 41,559,331</u>	<u>\$ 75,759,331</u>	<u>\$ 32,121,294</u>	<u>73.6%</u>

Economic Development General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
Cultural Affairs, Department of						
Cultural Affairs, Department of						
Administration Division	\$ 245,101	\$ 255,418	\$ 255,418	\$ 255,418	\$ 0	0.0%
Community Cultural Grants	299,240	299,240	299,240	299,240	0	0.0%
Historical Division	3,392,865	3,763,782	3,763,782	3,763,782	0	0.0%
Historic Sites	554,166	576,395	576,395	576,395	0	0.0%
Arts Division	1,207,611	1,246,392	1,246,392	1,246,392	0	0.0%
Great Places	305,794	322,231	322,231	322,231	0	0.0%
Archiving Former Governor's Papers	77,348	82,171	82,171	82,171	0	0.0%
Records Center Rent	0	185,768	185,768	185,768	0	0.0%
Arts Ed. and Enrichment Prog.	5,000	0	0	0	0	0.0%
African-American Hist. Museum	160,000	0	0	0	0	0.0%
Hist. Resource Dev. Emerg. Grants	250,000	0	0	0	0	0.0%
County Endowment Funding - DCA Grants	0	520,000	520,000	520,000	0	0.0%
Battle Flag Stabilization	0	0	0	220,000	220,000	0.0%
Iowa Caucus Project	500,000	0	0	0	0	0.0%
Historic Preservation	0	0	0	1,000,000	1,000,000	0.0%
Kimball Organ Restoration	0	0	0	80,000	80,000	0.0%
Total Cultural Affairs, Department of	\$ 6,997,125	\$ 7,251,397	\$ 7,251,397	\$ 8,551,397	\$ 1,300,000	17.9%
Economic Development, Dept. of						
Economic Development, Department of						
Economic Dev. Administration	\$ 2,044,530	\$ 2,125,661	\$ 2,125,661	\$ 0	\$ -2,125,661	-100.0%
Business Development	6,300,160	6,611,963	6,611,964	0	-6,611,963	-100.0%
Community Development Division	5,798,640	6,448,716	6,448,716	0	-6,448,716	-100.0%
World Food Prize	400,000	450,000	450,000	450,000	0	0.0%
Endow Iowa Grants	50,000	50,000	50,000	0	-50,000	-100.0%
Tourism Marketing - AGR	0	1,100,000	1,100,000	1,100,000	0	0.0%
Regional Sports Authorities GF	0	0	0	500,000	500,000	0.0%
TSB Financial Assistance	2,500,000	0	0	0	0	0.0%
TSB Marketing and Compliance	225,000	0	0	0	0	0.0%
TSB Process Improvement & Admin.	225,000	0	0	0	0	0.0%
TSB Advocacy Centers	900,000	0	0	0	0	0.0%
Workforce Training & Econ. Dev.	0	0	0	2,000,000	2,000,000	0.0%
Workforce Development Appr	0	0	0	4,000,000	4,000,000	0.0%
Economic Development Operations	0	0	0	18,075,000	18,075,000	0.0%
Total Economic Development, Dept. of	\$ 18,443,330	\$ 16,786,340	\$ 16,786,341	\$ 26,125,000	\$ 9,338,660	55.6%

Economic Development General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Iowa Finance Authority</u>						
Iowa Finance Authority						
Entrepreneurs with Disabilities	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 0	0.0%
State Housing Trust Fund GF	0	0	0	2,500,000	2,500,000	0.0%
Total Iowa Finance Authority	\$ 200,000	\$ 200,000	\$ 200,000	\$ 2,700,000	\$ 2,500,000	1250.0%
<u>Energy Independence</u>						
Office of Energy Independence						
Iowa Power Fund	\$ 24,670,000	\$ 0	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	0.0%
Total Energy Independence	\$ 24,670,000	\$ 0	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000	0.0%
<u>Iowa Workforce Development</u>						
Iowa Workforce Development						
IWD General Fund - Operations	\$ 5,568,762	\$ 6,341,284	\$ 6,341,284	\$ 8,041,284	\$ 1,700,000	26.8%
Workforce Development Field Offices	5,951,014	7,216,792	7,216,792	7,716,792	500,000	6.9%
Statewide Standard Skills Assessment	0	0	0	500,000	500,000	0.0%
Integrated Basic Ed. & Skills Training	0	0	0	500,000	500,000	0.0%
Total Iowa Workforce Development	\$ 11,519,776	\$ 13,558,076	\$ 13,558,076	\$ 16,758,076	\$ 3,200,000	23.6%
<u>Public Employment Relations Board</u>						
Public Employment Relations Board						
PER Board - General Office	\$ 1,073,224	\$ 1,233,283	\$ 1,233,283	\$ 1,233,283	\$ 0	0.0%
Total Public Employment Relations Board	\$ 1,073,224	\$ 1,233,283	\$ 1,233,283	\$ 1,233,283	\$ 0	0.0%
<u>Regents, Board of</u>						
Regents, Board of						
ISU - Economic Development	\$ 2,463,557	\$ 2,789,625	\$ 0	\$ 0	\$ -2,789,625	-100.0%
SUI - Economic Development	247,005	259,206	0	0	-259,206	-100.0%
UNI - Economic Development	361,291	578,608	0	0	-578,608	-100.0%
BOR Economic Development	0	0	8,027,439	3,627,439	3,627,439	0.0%
Total Regents, Board of	\$ 3,071,853	\$ 3,627,439	\$ 8,027,439	\$ 3,627,439	\$ 0	0.0%
Total Economic Development	\$ 65,975,308	\$ 42,656,535	\$ 72,056,536	\$ 83,995,195	\$ 41,338,660	96.9%

Education General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Blind, Iowa Commission for the</u>						
Blind, Department of						
Department for the Blind	\$ 2,004,747	\$ 2,484,953	\$ 2,484,953	\$ 2,484,953	\$ 0	0.0%
Total Blind, Iowa Commission for the	\$ 2,004,747	\$ 2,484,953	\$ 2,484,953	\$ 2,484,953	\$ 0	0.0%
<u>College Aid Commission</u>						
College Student Aid Commission						
College Aid Commission	\$ 376,053	\$ 390,685	\$ 390,685	\$ 450,685	\$ 60,000	15.4%
Iowa Grants	1,029,784	1,070,976	1,070,976	1,070,976	0	0.0%
DSM University-Osteopathic Loans	100,000	100,000	100,000	100,000	0	0.0%
DSM University-Physician Recruit.	346,451	346,451	346,451	346,451	0	0.0%
National Guard Benefits Program	3,725,000	3,800,000	3,800,000	3,800,000	0	0.0%
Teacher Shortage Loan Forgiveness	285,000	485,400	485,400	485,400	0	0.0%
All Iowa Opportunity Scholarships	0	1,500,000	1,500,000	4,000,000	2,500,000	166.7%
College Work Study	140,000	295,600	295,600	1,000,000	704,400	238.3%
Tuition Grant Program-Standing	46,506,218	48,373,718	48,373,718	48,373,718	0	0.0%
Vocational Technical Tuition Grant	2,533,115	2,783,115	2,783,115	2,783,115	0	0.0%
Tuition Grant - For-Profit	5,167,358	5,374,858	5,374,858	5,374,858	0	0.0%
Total College Aid Commission	\$ 60,208,979	\$ 64,520,803	\$ 64,520,803	\$ 67,785,203	\$ 3,264,400	5.1%
<u>Education, Department of</u>						
Education, Department of						
Administration	\$ 5,919,382	\$ 8,320,341	\$ 9,370,341	\$ 9,370,341	\$ 1,050,000	12.6%
Administrator Mentoring	0	250,000	250,000	250,000	0	0.0%
Advanced Placement Belin & Blank Ctr	0	400,000	0	0	-400,000	-100.0%
Before/After School Grants	0	695,000	695,000	1,000,000	305,000	43.9%
Data Warehouse	0	400,000	0	0	-400,000	-100.0%
District Sharing & Efficiencies	0	400,000	0	0	-400,000	-100.0%
Early Child - Comm. Empowerment	23,781,594	23,781,594	23,781,594	25,934,844	2,153,250	9.1%
Early Child - Early Care, Health & Ed.	10,000,000	10,000,000	10,000,000	10,000,000	0	0.0%
Early Child - Family Support & Parent Ed.	5,000,000	5,000,000	5,000,000	5,000,000	0	0.0%
Early Child - Voluntary Preschool	0	15,000,000	15,000,000	15,000,000	0	0.0%
Early Child - Spec. Ed. Services Birth to 3	0	1,721,400	1,721,400	1,721,400	0	0.0%
Early Head Start Pilot Projects	0	400,000	0	0	-400,000	-100.0%
Food Service	2,509,683	2,509,683	2,509,683	2,509,683	0	0.0%
Graduation Requirements	130,000	0	0	0	0	0.0%
Jobs For America's Grads	600,000	600,000	600,000	600,000	0	0.0%
Math & Science Educ Impr Grant Pilots	200,000	0	0	0	0	0.0%
Model Core Curriculum	270,000	0	2,590,000	2,590,000	2,590,000	0.0%
Nonpublic Textbook Services	638,620	664,165	664,165	664,165	0	0.0%
Parent Liaison Pilot Project	44,000	0	0	0	0	0.0%

Education General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Education, Department of, cont.</u>						
Education, Department of, cont.						
Project Lead the Way	0	0	660,000	660,000	660,000	0.0%
Reading Instruction Pilot Project Grant	250,000	0	0	0	0	0.0%
Senior Year Plus	0	0	0	3,500,000	3,500,000	0.0%
Skills Iowa Technology Grant	3,000,000	0	0	0	0	0.0%
Student Achievement Strategies	0	2,500,000	0	0	-2,500,000	-100.0%
Student Achievement/Teacher Quality	104,343,894	173,943,894	248,943,894	248,943,894	75,000,000	43.1%
Vocational Agric. Youth Org	50,000	50,000	50,000	50,000	0	0.0%
Vocational Education Administration	553,758	576,613	576,613	576,613	0	0.0%
Vocational Education Secondary	2,936,904	2,936,904	2,936,904	2,936,904	0	0.0%
Merged Area Schools-General Aid	159,579,244	171,962,414	184,866,657	177,462,414	5,500,000	3.2%
Comm College Interpreters for Deaf	0	200,000	0	0	-200,000	-100.0%
Community College Salaries	0	2,000,000	2,000,000	0	-2,000,000	-100.0%
State Library	1,466,761	1,879,827	1,879,827	1,744,827	-135,000	-7.2%
State Library - Enrich Iowa	1,698,432	1,823,432	1,823,432	2,048,432	225,000	12.3%
State Library - Library Service Areas	1,376,558	1,586,000	1,586,000	1,376,558	-209,442	-13.2%
Administrator Mentoring	250,000	0	0	0	0	0.0%
Workbased Learning Network	0	0	0	600,000	600,000	0.0%
Total Education, Department of	\$ 324,598,830	\$ 429,601,267	\$ 517,505,510	\$ 514,540,075	\$ 84,938,808	19.8%
Iowa Public Television						
Iowa Public Television	\$ 8,174,649	\$ 8,804,620	\$ 8,804,620	\$ 8,530,620	\$ -274,000	-3.1%
Regional Telecom. Councils	1,240,478	1,364,525	1,364,525	1,240,478	-124,047	-9.1%
Total Iowa Public Television	\$ 9,415,127	\$ 10,169,145	\$ 10,169,145	\$ 9,771,098	\$ -398,047	-3.9%
Vocational Rehabilitation						
Vocational Rehabilitation	\$ 5,216,185	\$ 5,667,575	\$ 5,667,575	\$ 5,667,575	\$ 0	0.0%
Independent Living	54,709	55,145	55,145	55,145	0	0.0%
Assistive Technology Loans	500,000	0	0	0	0	0.0%
Farmers with Disabilities	130,000	0	0	0	0	0.0%
Total Vocational Rehabilitation	\$ 5,900,894	\$ 5,722,720	\$ 5,722,720	\$ 5,722,720	\$ 0	0.0%
Total Education, Department of	\$ 339,914,851	\$ 445,493,132	\$ 533,397,375	\$ 530,033,893	\$ 84,540,761	19.0%
<u>Regents, Board of</u>						
Regents, Board of						
BOR - Universities	\$ 0	\$ 0	\$ 603,273,346	\$ 560,352,838	\$ 560,352,838	0.0%
BOR - Higher Education Legis. Special Purposes	0	0	116,266,286	104,523,216	104,523,216	0.0%
BOR - Special Schools	0	0	15,767,163	15,767,163	15,767,163	0.0%
Regent Board Office	1,167,137	1,263,437	0	0	-1,263,437	-100.0%
Tuition Replacement (Bond Debt Ser.)	13,975,431	13,975,431	0	0	-13,975,431	-100.0%
Southwest Iowa Resource Center	105,956	108,698	0	0	-108,698	-100.0%
Tri State Graduate Center	77,941	80,467	0	0	-80,467	-100.0%

Education General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
Regents, Board of, cont.						
Regents, Board of, cont.						
Quad Cities Graduate Center	157,144	160,806	0	0	-160,806	-100.0%
Midwestern Higher Ed Consortium	90,000	90,000	0	0	-90,000	-100.0%
University of Iowa - General	230,843,903	258,011,947	0	0	-258,011,947	-100.0%
University of Iowa - Psychiatric Hospital	7,043,056	7,321,954	0	0	-7,321,954	-100.0%
Center for Disabilities and Development	6,363,265	6,726,227	0	0	-6,726,227	-100.0%
University of Iowa - Oakdale Campus	2,657,335	2,726,485	0	0	-2,726,485	-100.0%
University of Iowa - Hygienic Laboratory	3,849,461	4,182,151	0	0	-4,182,151	-100.0%
Family Practice Program	2,075,948	2,179,043	0	0	-2,179,043	-100.0%
SCHS - Spec. Child Health	649,066	732,388	0	0	-732,388	-100.0%
State of Iowa Cancer Registry	178,739	184,578	0	0	-184,578	-100.0%
SUI - Substance Abuse Consortium	64,871	67,877	0	0	-67,877	-100.0%
Biocatalysis	881,384	902,687	0	0	-902,687	-100.0%
Primary Health Care	759,875	793,920	0	0	-793,920	-100.0%
Iowa Birth Defects Registry	44,636	46,685	0	0	-46,685	-100.0%
SUI - Iowa Nonprofit Resource Center	0	200,000	0	0	-200,000	-100.0%
SUI - Ag Health & Safety	0	130,000	0	0	-130,000	-100.0%
Iowa State University - General	180,198,164	205,145,406	0	0	-205,145,406	-100.0%
ISU - Ag Experiment Station	32,984,653	34,493,006	0	0	-34,493,006	-100.0%
ISU - Cooperative Extension	21,232,579	21,900,084	0	0	-21,900,084	-100.0%
ISU - Leopold Center	464,319	490,572	0	0	-490,572	-100.0%
Livestock Disease Research	220,708	220,708	0	0	-220,708	-100.0%
University of Northern Iowa - General	82,701,063	92,495,485	0	0	-92,495,485	-100.0%
Recycling and Reuse Center	211,858	219,279	0	0	-219,279	-100.0%
UNI - Real Estate Education Program	160,000	0	0	0	0	0.0%
UNI - Biomass Production Project	330,000	0	0	0	0	0.0%
Iowa School for the Deaf	9,162,890	9,689,607	0	0	-9,689,607	-100.0%
Iowa Braille and Sight Saving	5,127,507	5,456,107	0	0	-5,456,107	-100.0%
Tuition and Transportation	15,020	15,020	0	0	-15,020	-100.0%
ISU - George Washington Carver Endowed Chair	0	250,000	0	0	-250,000	-100.0%
Total Regents, Board of	\$ 603,793,909	\$ 670,260,055	\$ 735,306,795	\$ 680,643,217	\$ 10,383,162	1.5%
Total Education	\$ 1,005,922,486	\$ 1,182,758,943	\$ 1,335,709,926	\$ 1,280,947,266	\$ 98,188,323	8.3%

Health and Human Services General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Elder Affairs, Department of</u>						
Elder Affairs, Department of Aging Programs	\$ 4,328,306	\$ 4,866,698	\$ 4,866,698	\$ 4,866,698	\$ 0	0.0%
Total Elder Affairs, Department of	\$ 4,328,306	\$ 4,866,698	\$ 4,866,698	\$ 4,866,698	\$ 0	0.0%
<u>Public Health, Department of</u>						
Public Health, Department of						
Addictive Disorders	\$ 2,453,890	\$ 2,002,149	\$ 2,002,149	\$ 22,780,614	\$ 20,778,465	1037.8%
Healthy Children and Families	2,369,438	2,536,913	2,536,913	3,536,913	1,000,000	39.4%
Chronic Conditions	1,742,840	1,842,840	1,842,840	2,243,840	401,000	21.8%
Community Capacity	1,758,147	1,760,532	1,970,532	3,303,014	1,542,482	87.6%
Elderly Wellness	9,233,985	9,233,985	9,233,985	9,233,985	0	0.0%
Environmental Hazards	626,960	747,960	747,960	1,113,118	365,158	48.8%
Infectious Diseases	1,279,963	1,658,286	1,658,286	2,658,286	1,000,000	60.3%
Public Protection	8,232,581	2,845,658	2,835,658	4,262,978	1,417,320	49.8%
Resource Management	1,045,407	1,205,933	1,205,933	1,205,933	0	0.0%
211 Call Centers	0	200,000	0	0	-200,000	-100.0%
Total Public Health, Department of	\$ 28,743,211	\$ 24,034,256	\$ 24,034,256	\$ 50,338,681	\$ 26,304,425	109.4%
<u>Human Services, Department of</u>						
Human Services - General Administration						
General Administration	\$ 15,099,888	\$ 16,782,706	\$ 16,833,782	\$ 17,063,966	\$ 281,260	1.7%
Human Services - Field Operations						
Child Support Recoveries	\$ 8,502,360	\$ 10,469,844	\$ 15,398,092	\$ 15,316,323	\$ 4,846,479	46.3%
Field Operations	60,165,029	66,555,087	72,714,499	71,505,340	4,950,253	7.4%
Total Human Services - Field Operations	\$ 68,667,389	\$ 77,024,931	\$ 88,112,591	\$ 86,821,663	\$ 9,796,732	12.7%
Human Services - Toledo Juvenile Home						
Toledo Juvenile Home	\$ 6,927,794	\$ 7,579,484	\$ 7,773,133	\$ 7,579,484	\$ 0	0.0%
Human Services - Eldora Training School						
Eldora Training School	\$ 10,954,842	\$ 11,948,327	\$ 12,094,199	\$ 11,948,327	\$ 0	0.0%
Human Services - Cherokee CCUSO						
Civil Commit. Unit for Sex Offenders	\$ 4,971,523	\$ 6,523,524	\$ 6,814,978	\$ 6,720,268	\$ 196,744	3.0%

Health and Human Services General Fund

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	Gov Rec FY 2009	Gov Rec vs. Est. FY 2008	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)
Human Services - Cherokee						
Cherokee MHI	\$ 5,273,361	\$ 5,727,743	\$ 5,883,433	\$ 5,727,743	\$ 0	0.0%
Human Services - Clarinda						
Clarinda MHI	\$ 6,409,501	\$ 7,023,073	\$ 7,174,019	\$ 7,023,073	\$ 0	0.0%
Human Services - Independence						
Independence MHI	\$ 9,358,177	\$ 10,489,724	\$ 10,716,491	\$ 10,495,879	\$ 6,155	0.1%
Human Services - Mt Pleasant						
Mt Pleasant MHI	\$ 1,228,549	\$ 1,877,099	\$ 1,955,244	\$ 1,874,721	\$ -2,378	-0.1%
Human Services - Glenwood						
Glenwood Resource Center	\$ 15,641,388	\$ 19,002,377	\$ 18,017,504	\$ 17,383,372	\$ -1,619,005	-8.5%
Human Services - Woodward						
Woodward Resource Center	\$ 10,109,976	\$ 13,038,833	\$ 12,075,075	\$ 11,547,207	\$ -1,491,626	-11.4%
Human Services - Assistance						
Family Investment Program/JOBS	\$ 42,608,263	\$ 42,675,127	\$ 42,168,632	\$ 42,368,632	\$ -306,495	-0.7%
Medical Assistance	664,311,610	616,771,820	669,342,107	695,858,450	79,086,630	12.8%
Health Insurance Premium Payment	654,568	673,598	566,338	566,338	-107,260	-15.9%
Medical Contracts	14,417,985	13,790,558	15,860,901	14,796,616	1,006,058	7.3%
State Children's Health Insurance (hawk-i)	19,703,715	14,871,052	13,430,863	11,768,175	-3,102,877	-20.9%
State Supplementary Assistance	18,710,335	17,210,335	18,611,385	18,793,766	1,583,431	9.2%
Child Care Assistance	21,801,198	37,875,701	37,638,322	41,636,097	3,760,396	9.9%
Child and Family Services	80,945,373	88,520,320	88,423,367	93,141,701	4,621,381	5.2%
Adoption Subsidy	31,446,063	31,972,681	35,436,141	35,074,772	3,102,091	9.7%
Family Support Subsidy	1,936,434	1,936,434	1,936,434	1,936,434	0	0.0%
Connors Training	42,623	42,623	42,623	42,623	0	0.0%
MI/MR/DD State Cases	12,286,619	11,067,178	13,067,178	13,067,178	2,000,000	18.1%
MH/DD Community Services	18,017,890	18,017,890	18,017,890	18,017,890	0	0.0%
MH/DD Growth Factor	38,888,041	36,888,041	57,007,903	57,154,653	20,266,612	54.9%
Volunteers	109,568	109,568	109,568	109,568	0	0.0%
Medical Assistance Nursing Facility Reimb.	10,400,000	0	0	0	0	0.0%
County Suppl. MH/DD Growth	0	12,000,000	0	0	-12,000,000	-100.0%
State Mental Health Systems	0	0	9,000,000	3,000,000	3,000,000	0.0%
County Specific Allowed Growth-GF	52,265	0	0	0	0	0.0%
Total Human Services - Assistance	\$ 976,332,550	\$ 944,422,926	\$ 1,020,659,652	\$ 1,047,332,893	\$ 102,909,967	10.9%
Total Human Services, Department of	\$ 1,130,974,938	\$ 1,121,440,747	\$ 1,208,110,101	\$ 1,231,518,596	\$ 110,077,849	9.8%

Health and Human Services General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Veterans Affairs, Department of</u>						
Veterans Affairs, Department of						
General Administration	\$ 532,651	\$ 863,457	\$ 1,163,457	\$ 1,163,457	\$ 300,000	34.7%
Iowa Veterans Home	15,030,248	16,728,256	16,153,893	12,694,154	-4,034,102	-24.1%
Veterans Trust Fund	4,500,000	500,000	0	0	-500,000	-100.0%
Veterans County Grants	1,000,000	750,000	600,000	600,000	-150,000	-20.0%
War Orphans Educational Assistance	27,000	27,000	27,000	27,000	0	0.0%
Injured Veterans Grant Program	2,000,000	0	0	0	0	0.0%
Home Ownership Assist. Prog.	2,000,000	0	0	1,600,000	1,600,000	0.0%
Vietnam Veterans Bonus	0	0	350,000	0	0	0.0%
Total Veterans Affairs, Department of	\$ 25,089,899	\$ 18,868,713	\$ 18,294,350	\$ 16,084,611	\$ -2,784,102	-14.8%
Total Health and Human Services	\$ 1,189,136,354	\$ 1,169,210,414	\$ 1,255,305,405	\$ 1,302,808,586	\$ 133,598,172	11.4%

Justice System General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Justice, Department of</u>						
Justice, Department of						
General Office A.G.	\$ 8,617,205	\$ 9,485,145	\$ 9,715,145	\$ 9,437,720	\$ -47,425	-0.5%
Victim Assistance Grants	5,000	150,000	150,000	150,000	0	0.0%
Legal Services Poverty Grants	900,000	2,000,000	2,000,000	2,000,000	0	0.0%
Farm Mediation Services	100,000	300,000	300,000	300,000	0	0.0%
Children in Dissolution Proceedings Pilot Project	0	50,000	0	0	-50,000	-100.0%
Total Justice, Department of	<u>\$ 9,622,205</u>	<u>\$ 11,985,145</u>	<u>\$ 12,165,145</u>	<u>\$ 11,887,720</u>	<u>\$ -97,425</u>	<u>-0.8%</u>
Consumer Advocate						
Consumer Advocate	\$ 2,985,115	\$ 3,117,471	\$ 3,117,471	\$ 3,101,884	\$ -15,587	-0.5%
Total Justice, Department of	<u>\$ 12,607,320</u>	<u>\$ 15,102,616</u>	<u>\$ 15,282,616</u>	<u>\$ 14,989,604</u>	<u>\$ -113,012</u>	<u>-0.7%</u>
<u>Civil Rights Commission</u>						
Civil Rights Commission						
Civil Rights Commission	\$ 1,165,322	\$ 1,504,036	\$ 1,504,036	\$ 1,504,036	\$ 0	0.0%
Total Civil Rights Commission	<u>\$ 1,165,322</u>	<u>\$ 1,504,036</u>	<u>\$ 1,504,036</u>	<u>\$ 1,504,036</u>	<u>\$ 0</u>	<u>0.0%</u>
<u>Corrections, Department of</u>						
Community Based Corrections District 1						
CBC District I	\$ 11,634,090	\$ 12,706,033	\$ 12,706,033	\$ 13,965,618	\$ 1,259,585	9.9%
Community Based Corrections District 2						
CBC District II	\$ 9,272,266	\$ 10,080,108	\$ 10,080,108	\$ 11,398,603	\$ 1,318,495	13.1%
Community Based Corrections District 3						
CBC District III	\$ 5,503,671	\$ 5,903,401	\$ 5,903,401	\$ 6,114,983	\$ 211,582	3.6%
Community Based Corrections District 4						
CBC District IV	\$ 4,954,395	\$ 5,419,406	\$ 5,419,406	\$ 5,726,971	\$ 307,565	5.7%
Community Based Corrections District 5						
CBC District V	\$ 16,669,970	\$ 18,401,003	\$ 18,401,003	\$ 20,627,443	\$ 2,226,440	12.1%
Community Based Corrections District 6						
CBC District VI	\$ 11,463,070	\$ 12,675,246	\$ 12,475,246	\$ 13,107,929	\$ 432,683	3.4%
Community Based Corrections District 7						
CBC District VII	\$ 6,516,029	\$ 7,020,794	\$ 7,020,794	\$ 7,285,892	\$ 265,098	3.8%

Justice System General Fund

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	Gov Rec FY 2009	Gov Rec vs. Est. FY 2008	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)
Community Based Corrections District 8						
CBC District VIII	\$ 6,554,177	\$ 6,998,544	\$ 6,998,544	\$ 7,482,936	\$ 484,392	6.9%
Corrections-Central Office						
County Confinement	\$ 1,199,954	\$ 1,199,954	\$ 1,199,954	\$ 967,983	\$ -231,971	-19.3%
Federal Prisoners/ Contractual	241,293	241,293	241,293	241,293	0	0.0%
Corrections Administration	4,333,699	5,050,732	5,050,732	5,050,732	0	0.0%
Corrections Education	1,070,358	1,570,358	1,570,358	1,570,358	0	0.0%
Iowa Corrections Offender Network	427,700	427,700	427,700	427,700	0	0.0%
Hepatitis Treatment and Education	188,000	188,000	188,000	188,000	0	0.0%
Transitional Housing - Comm. Based	20,000	30,000	30,000	30,000	0	0.0%
Mental Health/Substance Abuse	25,000	25,000	25,000	25,000	0	0.0%
Security Audits-GF	0	0	0	2,000,000	2,000,000	0.0%
Total Corrections-Central Office	\$ 7,506,004	\$ 8,733,037	\$ 8,733,037	\$ 10,501,066	\$ 1,768,029	20.2%
Corrections - Fort Madison						
Ft. Madison Institution	\$ 43,704,446	\$ 44,512,509	\$ 44,512,509	\$ 46,253,871	\$ 1,741,362	3.9%
Corrections - Anamosa						
Anamosa Institution	\$ 30,108,164	\$ 30,656,614	\$ 30,656,614	\$ 31,178,054	\$ 521,440	1.7%
Corrections - Oakdale						
Oakdale Institution	\$ 33,372,085	\$ 56,204,468	\$ 56,204,468	\$ 58,128,271	\$ 1,923,803	3.4%
Corrections - Newton						
Newton Institution	\$ 26,962,398	\$ 27,841,158	\$ 27,841,158	\$ 27,978,941	\$ 137,783	0.5%
Corrections - Mt Pleasant						
Mt. Pleasant Inst.	\$ 26,315,128	\$ 26,331,092	\$ 26,331,092	\$ 27,390,452	\$ 1,059,360	4.0%
Corrections - Rockwell City						
Rockwell City Institution	\$ 8,820,356	\$ 9,108,454	\$ 9,166,484	\$ 9,262,685	\$ 154,231	1.7%
Corrections - Clarinda						
Clarinda Institution	\$ 25,487,076	\$ 25,078,365	\$ 25,078,365	\$ 25,207,465	\$ 129,100	0.5%
Corrections - Mitchellville						
Mitchellville Institution	\$ 15,449,597	\$ 15,878,663	\$ 15,878,663	\$ 15,935,768	\$ 57,105	0.4%
Corrections - Fort Dodge						
Ft. Dodge Institution	\$ 28,559,289	\$ 29,773,151	\$ 29,715,121	\$ 29,964,275	\$ 191,124	0.6%
Total Corrections, Department of	\$ 318,852,211	\$ 353,322,046	\$ 353,122,046	\$ 367,511,223	\$ 14,189,177	4.0%

Justice System General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Inspections & Appeals, Department of</u>						
Public Defender						
Public Defender	\$ 20,370,271	\$ 21,749,296	\$ 21,749,296	\$ 21,749,296	\$ 0	0.0%
Indigent Defense Appropriation	25,163,082	31,282,538	31,282,538	31,282,538	0	0.0%
Total Inspections & Appeals, Department of	\$ 45,533,353	\$ 53,031,834	\$ 53,031,834	\$ 53,031,834	\$ 0	0.0%
<u>Judicial Branch</u>						
Judicial Branch						
Judicial Branch	\$ 123,237,410	\$ 144,945,322	\$ 150,260,170	\$ 150,260,170	\$ 5,314,848	3.7%
Judicial Retirement	2,039,664	3,450,963	7,625,626	7,625,626	4,174,663	121.0%
Youth Enrichment Pilot Project	50,000	0	0	0	0	0.0%
Total Judicial Branch	\$ 125,327,074	\$ 148,396,285	\$ 157,885,796	\$ 157,885,796	\$ 9,489,511	6.4%
<u>Law Enforcement Academy</u>						
Law Enforcement Academy						
Law Enforcement Academy	\$ 1,225,985	\$ 1,289,562	\$ 1,289,562	\$ 1,283,115	\$ -6,447	-0.5%
Total Law Enforcement Academy	\$ 1,225,985	\$ 1,289,562	\$ 1,289,562	\$ 1,283,115	\$ -6,447	-0.5%
<u>Parole, Board of</u>						
Parole Board						
Parole Board	\$ 1,177,849	\$ 1,256,273	\$ 1,256,273	\$ 1,249,992	\$ -6,281	-0.5%
Total Parole, Board of	\$ 1,177,849	\$ 1,256,273	\$ 1,256,273	\$ 1,249,992	\$ -6,281	-0.5%
<u>Public Defense, Department of</u>						
Public Defense, Department of						
Public Defense, Department of	\$ 5,929,167	\$ 6,311,985	\$ 6,311,985	\$ 6,404,798	\$ 92,813	1.5%
Civil Air Patrol	100,000	120,000	120,000	0	-120,000	-100.0%
Total Public Defense, Department of	\$ 6,029,167	\$ 6,431,985	\$ 6,431,985	\$ 6,404,798	\$ -27,187	-0.4%
Public Defense - Emergency Management Division						
Homeland Security & Emer. Mgmt.	\$ 1,601,033	\$ 2,271,581	\$ 2,271,581	\$ 2,271,581	\$ 0	0.0%
Total Public Defense, Department of	\$ 7,630,200	\$ 8,703,566	\$ 8,703,566	\$ 8,676,379	\$ -27,187	-0.3%

Justice System General Fund

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	Gov Rec FY 2009	Gov Rec vs. Est. FY 2008	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)
Public Safety, Department of						
Public Safety, Department of						
Public Safety Administration	\$ 3,806,840	\$ 4,180,033	\$ 4,455,581	\$ 4,455,581	\$ 275,548	6.6%
Public Safety DCI	19,470,441	21,729,482	21,606,228	21,245,742	-483,740	-2.2%
Narcotics Enforcement	5,550,724	6,315,289	6,302,046	6,335,522	20,233	0.3%
Public Safety Undercover Funds	123,343	123,343	123,343	123,343	0	0.0%
DPS Fire Marshal	2,767,566	3,328,952	4,158,394	4,182,548	853,596	25.6%
Fire Service	704,110	836,508	0	0	-836,508	-100.0%
Iowa State Patrol	46,106,927	50,210,762	50,078,777	50,233,525	22,763	0.0%
DPS/SPOC Sick Leave Payout	316,179	316,179	316,179	316,179	0	0.0%
Fire Fighter Training	699,587	699,587	699,587	699,587	0	0.0%
DPS Equipment	300,000	0	0	0	0	0.0%
DCI - Crime Lab Equipment/Training	342,000	342,000	342,000	342,000	0	0.0%
Capitol Building Security	775,000	0	0	0	0	0.0%
Total Public Safety, Department of	\$ 80,962,717	\$ 88,082,135	\$ 88,082,135	\$ 87,934,027	\$ -148,108	-0.2%
Total Justice System	\$ 594,482,031	\$ 670,688,353	\$ 680,157,864	\$ 694,066,006	\$ 23,377,653	3.5%

Transportation, Infrastructure, and Capitals General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Education, Department of</u>						
Iowa Public Television IPTV Capitals	\$ 1,000,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Total Education, Department of	\$ 1,000,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
<u>Transportation, Department of</u>						
Transportation, Department of Railroad Revolving Loan and Grant Fund Deposit	\$ 0	\$ 0	\$ 0	\$ 2,000,000	\$ 2,000,000	0.0%
Total Transportation, Department of	\$ 0	\$ 0	\$ 0	\$ 2,000,000	\$ 2,000,000	0.0%
Total Transportation, Infrastructure, and Capitals	\$ 1,000,000	\$ 0	\$ 0	\$ 2,000,000	\$ 2,000,000	0.0%

Unassigned Standing General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Administrative Services, Dept. of</u>						
State Accounting Trust Accounts						
Federal Cash Management Standing	\$ 441,286	\$ 436,250	\$ 436,250	\$ 436,250	\$ 0	0.0%
Unemployment Compensation-State Standing	496,322	538,750	538,750	538,750	0	0.0%
Municipal Fire & Police Retirement	<u>2,745,784</u>	<u>2,745,784</u>	<u>2,745,784</u>	<u>2,745,784</u>	<u>0</u>	<u>0.0%</u>
Total Administrative Services, Dept. of	\$ 3,683,392	\$ 3,720,784	\$ 3,720,784	\$ 3,720,784	\$ 0	0.0%
<u>Corrections, Department of</u>						
Corrections-Central Office						
State Cases Court Costs	<u>\$ 0</u>	<u>\$ 66,370</u>	<u>\$ 66,370</u>	<u>\$ 66,370</u>	<u>\$ 0</u>	<u>0.0%</u>
Total Corrections, Department of	\$ 0	\$ 66,370	\$ 66,370	\$ 66,370	\$ 0	0.0%
<u>Economic Development, Dept. of</u>						
Economic Development, Department of						
Community Attraction & Tourism	\$ 7,000,000	\$ 7,000,000	\$ 7,000,000	\$ 7,000,000	\$ 0	0.0%
Grow Iowa Values Fund	<u>50,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>	<u>50,000,000</u>	<u>0</u>	<u>0.0%</u>
Total Economic Development, Dept. of	\$ 57,000,000	\$ 57,000,000	\$ 57,000,000	\$ 57,000,000	\$ 0	0.0%
<u>Education, Department of</u>						
Education, Department of						
State Foundation School Aid	\$ 2,048,018,186	\$ 2,145,614,028	\$ 2,258,400,000	\$ 2,226,550,000	\$ 80,935,972	3.8%
Child Development	11,271,000	12,606,196	12,606,196	12,606,196	0	0.0%
Instructional Support	14,428,268	14,428,271	14,428,271	14,428,271	0	0.0%
Transportation of Nonpublic Pupils	8,604,714	8,604,714	8,604,714	8,604,714	0	0.0%
Early Intervention Block Grant	29,250,000	29,250,000	29,250,000	29,250,000	0	0.0%
Teacher Excellence Program	<u>55,469,053</u>	<u>55,469,053</u>	<u>55,469,053</u>	<u>55,469,053</u>	<u>0</u>	<u>0.0%</u>
Total Education, Department of	\$ 2,167,041,221	\$ 2,265,972,262	\$ 2,378,758,234	\$ 2,346,908,234	\$ 80,935,972	3.6%
<u>Executive Council</u>						
Executive Council						
Performance of Duty	\$ 23,394,592	\$ 2,079,500	\$ 2,079,500	\$ 2,079,500	\$ 0	0.0%
Court Costs	43,010	73,125	73,125	73,125	0	0.0%
Drainage Assessment	29,485	24,375	24,375	24,375	0	0.0%
Public Improvements	<u>0</u>	<u>48,750</u>	<u>48,750</u>	<u>48,750</u>	<u>0</u>	<u>0.0%</u>
Total Executive Council	\$ 23,467,086	\$ 2,225,750	\$ 2,225,750	\$ 2,225,750	\$ 0	0.0%

Unassigned Standing General Fund

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	Gov Rec FY 2009 (4)	Gov Rec vs. Est. FY 2008 (5)	Percent Change (6)
Legislative Branch						
Legislative Services Agency Legislative Branch	\$ 31,923,474	\$ 35,521,091	\$ 38,196,841	\$ 38,196,841	\$ 2,675,750	7.5%
Total Legislative Branch	\$ 31,923,474	\$ 35,521,091	\$ 38,196,841	\$ 38,196,841	\$ 2,675,750	7.5%
Governor						
Governor's Office Interstate Extradition	\$ 0	\$ 3,710	\$ 3,710	\$ 3,710	\$ 0	0.0%
Governor Elect Expenses Governor Elect Expenses	\$ 170,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Total Governor	\$ 170,000	\$ 3,710	\$ 3,710	\$ 3,710	\$ 0	0.0%
Public Health, Department of						
Public Health, Department of Iowa Registry for Congenital & Inherited Disorders	\$ 225,309	\$ 200,000	\$ 200,000	\$ 200,000	\$ 0	0.0%
Total Public Health, Department of	\$ 225,309	\$ 200,000	\$ 200,000	\$ 200,000	\$ 0	0.0%
Human Services, Department of						
Human Services - General Administration Commission Of Inquiry	\$ 1,706	\$ 1,706	\$ 1,706	\$ 1,706	\$ 0	0.0%
Non Residents Transfers	82	82	82	82	0	0.0%
Non Resident Commitment M.III	174,704	174,704	174,704	174,704	0	0.0%
Total Human Services - General Administration	\$ 176,492	\$ 176,492	\$ 176,492	\$ 176,492	\$ 0	0.0%
Human Services - Assistance MH Property Tax Relief	\$ 95,000,000	\$ 95,000,000	\$ 95,000,000	\$ 95,000,000	\$ 0	0.0%
Child Abuse Prevention	225,309	240,000	240,000	240,000	0	0.0%
Total Human Services - Assistance	\$ 95,225,309	\$ 95,240,000	\$ 95,240,000	\$ 95,240,000	\$ 0	0.0%
Total Human Services, Department of	\$ 95,401,801	\$ 95,416,492	\$ 95,416,492	\$ 95,416,492	\$ 0	0.0%
Management, Department of						
Management, Department of Special Olympics Fund	\$ 50,000	\$ 50,000	\$ 50,000	\$ 30,000	\$ -20,000	-40.0%
Indian Settlement Officer	25,000	25,000	25,000	0	-25,000	-100.0%
Appeal Board Claims	9,627,824	4,387,500	4,387,500	4,387,500	0	0.0%
Salary Adjustment Fund	0	13,937,263	0	88,695,000	74,757,737	536.4%
Technology Reinvestment Fund	17,500,000	17,500,000	17,500,000	17,500,000	0	0.0%
Property Tax Credit Fund	0	28,000,000	28,000,000	78,200,000	50,200,000	179.3%
Total Management, Department of	\$ 27,202,824	\$ 63,899,763	\$ 49,962,500	\$ 188,812,500	\$ 124,912,737	195.5%

Unassigned Standing General Fund

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Public Defense, Department of</u>						
Public Defense, Department of Compensation and Expense	\$ 518,555	\$ 421,639	\$ 421,639	\$ 421,639	\$ 0	0.0%
Total Public Defense, Department of	\$ 518,555	\$ 421,639	\$ 421,639	\$ 421,639	\$ 0	0.0%
<u>Revenue, Dept. of</u>						
Revenue, Department of Printing Cigarette Stamps	\$ 115,000	\$ 152,500	\$ 152,500	\$ 152,500	\$ 0	0.0%
Livestock Producers Credit	2,000,000	2,000,000	2,000,000	2,000,000	0	0.0%
Tobacco Reporting Requirements	25,000	25,000	25,000	25,000	0	0.0%
Total Revenue, Dept. of	\$ 2,140,000	\$ 2,177,500	\$ 2,177,500	\$ 2,177,500	\$ 0	0.0%
<u>Secretary of State</u>						
Secretary of State Constitutional Amendments	\$ 497	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Total Secretary of State	\$ 497	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
<u>Treasurer of State</u>						
Treasurer of State Health Care Trust Fund Transfer	\$ 0	\$ 127,600,000	\$ 127,600,000	\$ 127,600,000	\$ 0	0.0%
Total Treasurer of State	\$ 0	\$ 127,600,000	\$ 127,600,000	\$ 127,600,000	\$ 0	0.0%
Total Unassigned Standing	\$ 2,408,774,160	\$ 2,654,225,361	\$ 2,755,749,820	\$ 2,862,749,820	\$ 208,524,459	7.9%

Summary Data Other Funds

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	Gov Rec FY 2009	Gov Rec vs. Est. FY 2008	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)
Administration and Regulation	\$ 21,433,569	\$ 24,443,931	\$ 20,454,903	\$ 20,454,903	\$ -3,989,028	-16.3%
Agriculture and Natural Resources	80,382,662	87,738,081	87,738,081	67,238,081	-20,500,000	-23.4%
Economic Development	62,566,000	64,146,000	60,516,000	56,271,000	-7,875,000	-12.3%
Education	2,433,250	2,458,250	2,458,250	2,303,937	-154,313	-6.3%
Health and Human Services	395,665,383	528,080,047	514,093,945	468,153,403	-59,926,644	-11.3%
Justice System	3,986,472	6,502,474	4,006,474	0	-6,502,474	-100.0%
Transportation, Infrastructure, and Capitals	553,280,674	558,874,071	984,358,008	801,234,944	242,360,873	43.4%
Unassigned Standing	<u>192,431,838</u>	<u>167,913,964</u>	<u>167,913,964</u>	<u>167,413,964</u>	<u>-500,000</u>	<u>-0.3%</u>
Grand Total	<u><u>\$ 1,312,179,848</u></u>	<u><u>\$ 1,440,156,818</u></u>	<u><u>\$ 1,841,539,625</u></u>	<u><u>\$ 1,583,070,232</u></u>	<u><u>\$ 142,913,414</u></u>	<u><u>9.9%</u></u>

Administration and Regulation

Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Commerce, Department of</u>						
Professional Licensing and Regulation						
Real Estate Trust Account Audit	\$ 62,317	\$ 62,317	\$ 62,317	\$ 62,317	\$ 0	0.0%
Total Commerce, Department of	\$ 62,317	\$ 62,317	\$ 62,317	\$ 62,317	\$ 0	0.0%
<u>Inspections & Appeals, Department of</u>						
Inspections and Appeals, Department of						
DIA - Use Tax	\$ 1,543,342	\$ 1,623,897	\$ 1,623,897	\$ 1,623,897	\$ 0	0.0%
Total Inspections & Appeals, Department of	\$ 1,543,342	\$ 1,623,897	\$ 1,623,897	\$ 1,623,897	\$ 0	0.0%
<u>Management, Department of</u>						
Management, Department of						
Road Use Tax Salary Adjustment	\$ 285,997	\$ 957,279	\$ 0	\$ 0	\$ -957,279	-100.0%
Primary Road Salary Adjustment	1,155,683	3,060,049	0	0	-3,060,049	-100.0%
RUTF DOM Operations	56,000	56,000	56,000	56,000	0	0.0%
Total Management, Department of	\$ 1,497,680	\$ 4,073,328	\$ 56,000	\$ 56,000	\$ -4,017,328	-98.6%
<u>IPERS Administration</u>						
IPERS Administration						
IPERS Administration	\$ 16,945,241	\$ 17,285,466	\$ 17,313,766	\$ 17,313,766	\$ 28,300	0.2%
Total IPERS Administration	\$ 16,945,241	\$ 17,285,466	\$ 17,313,766	\$ 17,313,766	\$ 28,300	0.2%
<u>Revenue, Dept. of</u>						
Revenue, Department of						
Motor Fuel Tax Admin.-MVFT	\$ 1,291,841	\$ 1,305,775	\$ 1,305,775	\$ 1,305,775	\$ 0	0.0%
Total Revenue, Dept. of	\$ 1,291,841	\$ 1,305,775	\$ 1,305,775	\$ 1,305,775	\$ 0	0.0%
<u>Treasurer of State</u>						
Treasurer of State						
I-3 Expenses - RUTF	\$ 93,148	\$ 93,148	\$ 93,148	\$ 93,148	\$ 0	0.0%
Total Treasurer of State	\$ 93,148	\$ 93,148	\$ 93,148	\$ 93,148	\$ 0	0.0%
Total Administration and Regulation	\$ 21,433,569	\$ 24,443,931	\$ 20,454,903	\$ 20,454,903	\$ -3,989,028	-16.3%

Agriculture and Natural Resources

Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Agriculture and Land Stewardship</u>						
Agriculture and Land Stewardship						
Native Horse and Dog Program	\$ 305,516	\$ 305,516	\$ 305,516	\$ 305,516	\$ 0	0.0%
Open Feedlots Research Project	50,000	50,000	50,000	50,000	0	0.0%
Conservation Reserve Enhance-EFF	1,500,000	1,500,000	1,500,000	1,500,000	0	0.0%
Watershed Protection Fund-EFF	2,700,000	2,550,000	2,550,000	2,550,000	0	0.0%
Farm Management Demo.-EFF	850,000	850,000	850,000	850,000	0	0.0%
Agricultural Drainage Wells-EFF	500,000	1,480,000	1,480,000	1,480,000	0	0.0%
Cost Share-EFF	5,500,000	7,000,000	7,000,000	7,000,000	0	0.0%
Conservation Reserve Prog.-EFF	2,000,000	1,500,000	1,500,000	1,500,000	0	0.0%
So. Iowa Conservation & Dev. Authority-EFF	300,000	300,000	300,000	300,000	0	0.0%
Motor Fuel Inspection	300,000	300,000	300,000	300,000	0	0.0%
Flood Prevention Study-EFF	0	150,000	150,000	150,000	0	0.0%
Farm to School Program-EFF	0	80,000	80,000	80,000	0	0.0%
State Apiarist Program-EFF	0	40,000	40,000	40,000	0	0.0%
Total Agriculture and Land Stewardship	\$ 14,005,516	\$ 16,105,516	\$ 16,105,516	\$ 16,105,516	\$ 0	0.0%
Loess Hills Development and Conservation Authority						
Loess Hills-EFF	\$ 600,000	\$ 580,000	\$ 580,000	\$ 580,000	\$ 0	0.0%
Total Agriculture and Land Stewardship	\$ 14,605,516	\$ 16,685,516	\$ 16,685,516	\$ 16,685,516	\$ 0	0.0%
<u>Natural Resources, Department of</u>						
Natural Resources						
Fish & Game-DNR Admin Expenses	\$ 35,371,314	\$ 37,626,733	\$ 37,626,733	\$ 37,626,733	\$ 0	0.0%
NPDES Permit Application Processing	600,000	700,000	700,000	700,000	0	0.0%
Snowmobile Registration Fees	100,000	100,000	100,000	100,000	0	0.0%
UST Administration Match	200,000	200,000	200,000	200,000	0	0.0%
GWF-Storage Tanks Study-DNR	100,303	100,303	100,303	100,303	0	0.0%
GWF-Household Hazardous Waste-DNR	447,324	447,324	447,324	447,324	0	0.0%
GWF-Well Testing Admin 2%-DNR	62,461	62,461	62,461	62,461	0	0.0%
GWF-Groundwater Monitoring-DNR	1,686,751	1,686,751	1,686,751	1,686,751	0	0.0%
GWF-Landfill Alternatives-DNR	618,993	618,993	618,993	618,993	0	0.0%
GWF-Waste Reduction and Assistance	192,500	192,500	192,500	192,500	0	0.0%
GWF-Solid Waste Authorization	50,000	50,000	50,000	50,000	0	0.0%
GWF-Geographic Information System	297,500	297,500	297,500	297,500	0	0.0%
Total Natural Resources, Department of	\$ 39,727,146	\$ 42,082,565	\$ 42,082,565	\$ 42,082,565	\$ 0	0.0%

Agriculture and Natural Resources

Other Funds

200

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Natural Resources Capital</u>						
Natural Resources Capital						
REAP-EFF	\$ 11,000,000	\$ 15,500,000	\$ 15,500,000	\$ 0	\$ -15,500,000	-100.0%
Volunteers and Keepers of Land-EFF	100,000	100,000	100,000	100,000	0	0.0%
Park Operations & Maintenance-EFF	2,000,000	2,470,000	2,470,000	2,470,000	0	0.0%
GIS Information for Watershed-EFF	195,000	195,000	195,000	195,000	0	0.0%
Water Quality Monitoring-EFF	2,955,000	2,955,000	2,955,000	2,955,000	0	0.0%
Water Quality Protection-EFF	500,000	500,000	500,000	500,000	0	0.0%
Air Quality Monitoring- Livestock-EFF	275,000	235,000	0	0	-235,000	-100.0%
Marine Fuel Tax Projects-EFF	2,500,000	0	0	0	0	0.0%
Lake Dredging-EFF	975,000	0	0	0	0	0.0%
Tire Reclamation-EFF	50,000	0	0	0	0	0.0%
Animal Feeding Operations-EFF	0	360,000	360,000	360,000	0	0.0%
Air Quality Monitoring-EFF	0	325,000	560,000	520,000	195,000	60.0%
Database Development-EFF	0	50,000	50,000	0	-50,000	-100.0%
Floodplain Management/Dam Safety-EFF	0	0	150,000	150,000	150,000	0.0%
State Forester/Ecologist-EFF	0	0	150,000	0	0	0.0%
Water Quantity-EFF	0	480,000	480,000	480,000	0	0.0%
Resource Conservation and Development-EFF	0	300,000	0	0	-300,000	-100.0%
Biofuels Permitting-EFF	0	0	0	90,000	90,000	0.0%
Global Climate Change-EFF	0	0	0	150,000	150,000	0.0%
Total Natural Resources Capital	\$ 20,550,000	\$ 23,470,000	\$ 23,470,000	\$ 7,970,000	\$ -15,500,000	-66.0%
<u>Economic Development, Dept. of</u>						
Economic Development, Department of						
Brownfields Redevelopment-EFF	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0	0.0%
Total Economic Development, Dept. of	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0	0.0%
<u>Treasurer of State</u>						
Treasurer of State						
Watershed Protection-ENDW	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 0	\$ -5,000,000	-100.0%
Total Treasurer of State	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 0	\$ -5,000,000	-100.0%
Total Agriculture and Natural Resources	\$ 80,382,662	\$ 87,738,081	\$ 87,738,081	\$ 67,238,081	\$ -20,500,000	-23.4%

Economic Development Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Economic Development, Dept. of</u>						
Economic Development, Department of						
Council of Governments-R.C. 2000	\$ 150,000	\$ 50,000	\$ 20,000	\$ 0	\$ -50,000	-100.0%
Insurance Division Revenue	100,000	100,000	100,000	0	-100,000	-100.0%
Workforce Development Appropriation	4,000,000	4,000,000	4,000,000	0	-4,000,000	-100.0%
Rural Development-R.C. 2000	120,000	0	0	0	0	0.0%
Renewable Fuels Infrastructure-GIVF	2,000,000	2,000,000	2,000,000	2,000,000	0	0.0%
Renewable Fuels Infrastructure-UST	3,500,000	3,500,000	0	0	-3,500,000	-100.0%
DED Programs-GIVF	33,000,000	30,000,000	30,000,000	30,000,000	0	0.0%
Regents Institutions-GIVF	5,000,000	5,000,000	5,000,000	5,000,000	0	0.0%
State Parks-GIVF	1,000,000	1,000,000	1,000,000	1,000,000	0	0.0%
Cultural Trust Fund-GIVF	1,000,000	1,000,000	1,000,000	1,000,000	0	0.0%
Workforce and Econ. Dev.-GIVF	7,000,000	7,000,000	7,000,000	7,000,000	0	0.0%
Regional Financial Assistance-GIVF	1,000,000	1,000,000	1,000,000	1,000,000	0	0.0%
NPDES Elimination System Permits	100,000	100,000	0	0	-100,000	-100.0%
Iowa Comm Volunteer Ser.-HITT	125,000	125,000	125,000	0	-125,000	-100.0%
Targeted Industries-GIVF	0	3,000,000	3,000,000	3,000,000	0	0.0%
Total Economic Development, Dept. of	\$ 58,095,000	\$ 57,875,000	\$ 54,245,000	\$ 50,000,000	\$ -7,875,000	-13.6%
<u>Iowa Workforce Development</u>						
Iowa Workforce Development						
P & I Workers' Comp. Division	\$ 471,000	\$ 471,000	\$ 471,000	\$ 471,000	\$ 0	0.0%
IWD Field Offices (UI Reserve Interest)	4,000,000	5,800,000	5,800,000	5,800,000	0	0.0%
Total Iowa Workforce Development	\$ 4,471,000	\$ 6,271,000	\$ 6,271,000	\$ 6,271,000	\$ 0	0.0%
Total Economic Development	\$ 62,566,000	\$ 64,146,000	\$ 60,516,000	\$ 56,271,000	\$ -7,875,000	-12.3%

Education Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Blind, Iowa Commission for the</u>						
Blind, Department of Audio Info. Service for Blind-HITT	\$ 130,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Total Blind, Iowa Commission for the	\$ 130,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
<u>Education, Department of</u>						
Education, Department of Before/After School Grants-HITT	\$ 150,000	\$ 305,000	\$ 305,000	\$ 0	\$ -305,000	-100.0%
Community Empowerment-HITT	2,153,250	2,153,250	2,153,250	0	-2,153,250	-100.0%
Total Education, Department of	\$ 2,303,250	\$ 2,458,250	\$ 2,458,250	\$ 0	\$ -2,458,250	-100.0%
Iowa Public Television						
Generators-TRF	\$ 0	\$ 0	\$ 0	\$ 1,602,437	\$ 1,602,437	0.0%
Digital Translator-TRF	0	0	0	701,500	701,500	0.0%
Total Iowa Public Television	\$ 0	\$ 0	\$ 0	\$ 2,303,937	\$ 2,303,937	0.0%
Total Education, Department of	\$ 2,303,250	\$ 2,458,250	\$ 2,458,250	\$ 2,303,937	\$ -154,313	-6.3%
Total Education	\$ 2,433,250	\$ 2,458,250	\$ 2,458,250	\$ 2,303,937	\$ -154,313	-6.3%

Health and Human Services Other Funds

	Actual FY 2007 (1)	Estimated FY 2008 (2)	Dept Request FY 2009 (3)	Gov Rec FY 2009 (4)	Gov Rec vs. Est. FY 2008 (5)	Percent Change (6)
Elder Affairs, Department of						
Elder Affairs, Department of Elder Affairs Operations-SLTF	\$ 8,324,044	\$ 8,442,707	\$ 8,442,707	\$ 8,442,707	\$ 0	0.0%
Total Elder Affairs, Department of	\$ 8,324,044	\$ 8,442,707	\$ 8,442,707	\$ 8,442,707	\$ 0	0.0%
Public Health, Department of						
Public Health, Department of						
Ad. Dis.-Substance Abuse Treatment-GTF	\$ 1,690,000	\$ 2,215,000	\$ 1,690,000	\$ 2,215,000	\$ 0	0.0%
Ad. Dis.-Gambling Treatment Program-GTF	5,856,571	5,255,285	4,310,000	4,310,000	-945,285	-18.0%
Ad. Dis.-Tobacco Use Prevention/Control-HITT	5,928,465	5,928,465	0	0	-5,928,465	-100.0%
Ad. Dis.-Smoking Cessation Products-HITT	75,000	0	0	0	0	0.0%
Ad. Dis.-Substance Abuse Treatment-HITT	13,800,000	13,800,000	0	0	-13,800,000	-100.0%
Ad. Dis.-Sub. Abuse Prevention for Kids-HITT	1,050,000	1,050,000	0	0	-1,050,000	-100.0%
Chr. Con-PKU Assistance-HITT	100,000	100,000	0	0	-100,000	-100.0%
Chr. Con.-Iowa Stillbirth Evaluation Project-HITT	26,000	26,000	0	0	-26,000	-100.0%
Chr. Con.-AIDS Drug Assistance Program-HITT	275,000	275,000	0	0	-275,000	-100.0%
Chronic Conditions-HITT	0	0	401,000	0	0	0.0%
Pub. Pro.-External Defibrillator Grant-HITT	350,000	40,000	0	0	-40,000	-100.0%
Health Protection and Regulation-HITT	0	0	1,027,320	0	0	0.0%
Healthy Iowans 2010-HITT	2,509,960	2,509,960	0	0	-2,509,960	-100.0%
Addiction Disorders-HITT	0	0	20,778,465	0	0	0.0%
Community Capacity-HITT	0	0	1,257,482	0	0	0.0%
Environmental Hazards-HITT	0	0	365,158	0	0	0.0%
Epilepsy Education-HITT	0	100,000	0	0	-100,000	-100.0%
Addictive Disorders-HCTF	0	6,993,754	6,993,754	6,993,754	0	0.0%
Healthy Children and Families-HCTF	0	687,500	657,500	657,500	-30,000	-4.4%
Chronic Conditions-HCTF	0	1,188,981	1,178,981	1,178,981	-10,000	-0.8%
Community Capacity-HCTF	0	2,790,000	2,830,000	2,830,000	40,000	1.4%
Total Public Health, Department of	\$ 31,660,996	\$ 42,959,945	\$ 41,489,660	\$ 18,185,235	\$ -24,774,710	-57.7%
Human Services, Department of						
Human Services - General Administration						
FIP-TANF	\$ 33,395,225	\$ 36,890,944	\$ 28,101,513	\$ 28,101,513	\$ -8,789,431	-23.8%
Promise Jobs-TANF	15,691,865	14,993,040	14,993,040	14,993,040	0	0.0%
FaDDS-TANF	2,698,675	2,998,675	2,998,675	2,998,675	0	0.0%
Field Operations-TANF	17,707,495	17,707,495	17,707,495	17,707,495	0	0.0%
General Administration-TANF	3,744,000	3,744,000	3,744,000	3,744,000	0	0.0%
Local Admin. Cost-TANF	2,189,830	2,189,830	2,189,830	2,189,830	0	0.0%
State Day Care-TANF	15,756,560	18,986,177	18,986,177	18,986,177	0	0.0%
MH/DD Comm. Services-TANF	4,894,052	4,894,052	4,894,052	4,894,052	0	0.0%
Child & Family Services-TANF	32,084,430	32,084,430	32,084,430	32,084,430	0	0.0%

Health and Human Services Other Funds

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	Gov Rec FY 2009	Gov Rec vs. Est. FY 2008	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)
Human Services - General Administration, cont.						
Child Abuse Prevention-TANF	250,000	250,000	250,000	250,000	0	0.0%
Training & Technology-TANF	1,037,186	1,037,186	1,037,186	1,037,186	0	0.0%
HOPEs - Transfer to DPH-TANF	200,000	200,000	200,000	200,000	0	0.0%
0-5 Children-TANF	7,350,000	7,350,000	7,350,000	7,350,000	0	0.0%
Child Support Recovery-TANF	200,000	200,000	200,000	200,000	0	0.0%
Child Care Direct Assistance-TANF	0	0	6,900,000	6,900,000	6,900,000	0.0%
Total Human Services - General Administration	\$ 137,199,318	\$ 143,525,829	\$ 141,636,398	\$ 141,636,398	\$ -1,889,431	-1.3%
Human Services - Assistance						
Pregnancy Prevention-TANF	\$ 1,930,067	\$ 1,930,067	\$ 1,930,067	\$ 1,930,067	\$ 0	0.0%
Medical Supplemental-SLTF	65,000,000	65,000,000	65,000,000	65,000,000	0	0.0%
Medical Contracts-Pharmaceutical Settle.	379,000	1,323,833	0	942,767	-381,066	-28.8%
Broadlawns Hospital-ICA	40,000,000	40,000,000	37,000,000	37,000,000	-3,000,000	-7.5%
State Hospital-Cherokee-ICA	9,098,425	9,098,425	3,476,524	3,164,766	-5,933,659	-65.2%
State Hospital-Clarinda-ICA	1,977,305	1,977,305	755,532	687,779	-1,289,526	-65.2%
State Hospital-Independence-ICA	9,045,894	9,045,894	3,456,452	3,146,494	-5,899,400	-65.2%
State Hospital-Mt Pleasant-ICA	5,752,587	5,752,587	2,717,565	2,000,961	-3,751,626	-65.2%
Medical Examinations-HCTA	556,800	556,800	556,800	556,800	0	0.0%
Medical Information Hotline-HCTA	150,000	150,000	150,000	150,000	0	0.0%
Insurance Cost Subsidy-HCTA	1,500,000	0	0	0	0	0.0%
Health Care Premium Impl.-HCTA	400,000	0	0	0	0	0.0%
Electronic Medical Records-HCTA	2,000,000	0	0	0	0	0.0%
Health Partnership Activities-HCTA	550,000	550,000	900,000	900,000	350,000	63.6%
Audits, Perf. Eval., Studies-HCTA	100,000	400,000	400,000	400,000	0	0.0%
IowaCare Admin. Costs-HCTA	930,352	930,352	1,132,412	1,132,412	202,060	21.7%
Acuity Based ICF-MR Case Mix-HCTA	150,000	0	0	0	0	0.0%
Provider Incentive Pmt Prog.-HCTA	50,000	0	0	0	0	0.0%
Dental Home for Children-HCTA	0	1,186,475	500,000	500,000	-686,475	-57.9%
Mental Health Trans. Pilot-HCTA	0	250,000	250,000	250,000	0	0.0%
Children's Health Insurance-HCTF	0	8,329,570	8,329,570	8,329,570	0	0.0%
Medical Assistance-HCTF	0	99,518,096	99,518,096	100,018,096	500,000	0.5%
MH/MR/DD Growth-HCTF	0	7,592,099	7,592,099	7,592,099	0	0.0%
General Administration-HITT	274,000	274,000	274,000	0	-274,000	-100.0%
POS Provider Increase-HITT	146,750	146,750	146,750	0	-146,750	-100.0%
CHIP Expansion to 200% of FPL-HITT	200,000	0	0	0	0	0.0%
Other Service Providers Inc.-HITT	0	182,381	182,381	0	-182,381	-100.0%
Medical Assistance Combined-HITT	35,013,803	35,327,368	35,327,368	0	-35,327,368	-100.0%
Child and Family Services-HITT	4,257,623	3,761,677	3,761,677	0	-3,761,677	-100.0%
County Specific Allowed Growth-PTRF	243,084	0	0	0	0	0.0%
MH/DD Workforce Development-HCTA	0	0	0	1,050,000	1,050,000	0.0%
Total Human Services - Assistance	\$ 179,705,690	\$ 293,283,679	\$ 273,357,293	\$ 234,751,811	\$ -58,531,868	-20.0%
Total Human Services, Department of	\$ 316,905,008	\$ 436,809,508	\$ 414,993,691	\$ 376,388,209	\$ -60,421,299	-13.8%

Health and Human Services Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Regents, Board of</u>						
Regents, Board of						
BOR UIHC - IowaCares Expansion Population	\$ 10,000,000	\$ 10,000,000	\$ 20,000,000	\$ 35,969,365	\$ 25,969,365	259.7%
BOR UIHC - IowaCares	<u>27,284,584</u>	<u>27,284,584</u>	<u>27,284,584</u>	<u>27,284,584</u>	<u>0</u>	<u>0.0%</u>
Total Regents, Board of	<u>\$ 37,284,584</u>	<u>\$ 37,284,584</u>	<u>\$ 47,284,584</u>	<u>\$ 63,253,949</u>	<u>\$ 25,969,365</u>	<u>69.7%</u>
<u>Veterans Affairs, Department of</u>						
Veterans Affairs, Department of						
Vets Home Ownership Prog.-VTF	\$ 0	\$ 200,000	\$ 0	\$ 0	\$ -200,000	-100.0%
Vietnam Veterans Bonus-VTF	<u>0</u>	<u>500,000</u>	<u>0</u>	<u>0</u>	<u>-500,000</u>	<u>-100.0%</u>
Total Veterans Affairs, Department of	<u>\$ 0</u>	<u>\$ 700,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ -700,000</u>	<u>-100.0%</u>
<u>Iowa Finance Authority</u>						
Iowa Finance Authority						
Rent Subsidy Program-SLTF	\$ 700,000	\$ 700,000	\$ 700,000	\$ 700,000	\$ 0	0.0%
Total Iowa Finance Authority	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 0</u>	<u>0.0%</u>
<u>Inspections & Appeals, Department of</u>						
Inspections and Appeals, Department of						
Assisted Living/Adult Day Care-SLTF	\$ 790,751	\$ 1,183,303	\$ 1,183,303	\$ 1,183,303	\$ 0	0.0%
Total Inspections & Appeals, Department of	<u>\$ 790,751</u>	<u>\$ 1,183,303</u>	<u>\$ 1,183,303</u>	<u>\$ 1,183,303</u>	<u>\$ 0</u>	<u>0.0%</u>
Total Health and Human Services	<u><u>\$ 395,665,383</u></u>	<u><u>\$ 528,080,047</u></u>	<u><u>\$ 514,093,945</u></u>	<u><u>\$ 468,153,403</u></u>	<u><u>\$ -59,926,644</u></u>	<u><u>-11.3%</u></u>

Justice System Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Corrections, Department of</u>						
Community Based Corrections District 1 CBC District I - HITT	\$ 228,216	\$ 228,216	\$ 228,216	\$ 0	\$ -228,216	-100.0%
Community Based Corrections District 2 CBC District II - HITT	\$ 406,216	\$ 406,217	\$ 406,217	\$ 0	\$ -406,217	-100.0%
Community Based Corrections District 3 CBC District III - HITT	\$ 200,359	\$ 200,359	\$ 200,359	\$ 0	\$ -200,359	-100.0%
Community Based Corrections District 4 CBC District IV - HITT	\$ 291,731	\$ 291,731	\$ 291,731	\$ 0	\$ -291,731	-100.0%
Community Based Corrections District 5 CBC District V - HITT	\$ 355,692	\$ 355,693	\$ 355,693	\$ 0	\$ -355,693	-100.0%
Community Based Corrections District 6 CBC District VI - HITT	\$ 164,741	\$ 494,741	\$ 494,741	\$ 0	\$ -494,741	-100.0%
Community Based Corrections District 7 CBC District VII - HITT	\$ 232,232	\$ 232,232	\$ 232,232	\$ 0	\$ -232,232	-100.0%
Community Based Corrections District 8 CBC District VIII - HITT	\$ 300,000	\$ 300,000	\$ 300,000	\$ 0	\$ -300,000	-100.0%
Corrections - Fort Madison Ft. Madison CCU - HITT	\$ 1,497,285	\$ 1,497,285	\$ 1,497,285	\$ 0	\$ -1,497,285	-100.0%
Corrections - Newton Newton Value Based Treatment-HITT	\$ 310,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Total Corrections, Department of	\$ 3,986,472	\$ 4,006,474	\$ 4,006,474	\$ 0	\$ -4,006,474	-100.0%
<u>Judicial Branch</u>						
Judicial Branch Judicial Retirement-Jury Witness Fund	\$ 0	\$ 2,000,000	\$ 0	\$ 0	\$ -2,000,000	-100.0%
Total Judicial Branch	\$ 0	\$ 2,000,000	\$ 0	\$ 0	\$ -2,000,000	-100.0%
<u>Public Defense, Department of</u>						
Public Defense - Emergency Management Division Surcharge to Answering Points-E911	\$ 0	\$ 496,000	\$ 0	\$ 0	\$ -496,000	-100.0%
Total Public Defense, Department of	\$ 0	\$ 496,000	\$ 0	\$ 0	\$ -496,000	-100.0%
Total Justice System	\$ 3,986,472	\$ 6,502,474	\$ 4,006,474	\$ 0	\$ -6,502,474	-100.0%

Transportation, Infrastructure, and Capitals

Other Funds

Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	Gov Rec FY 2009	Gov Rec vs. Est. FY 2008	Percent Change
(1)	(2)	(3)	(4)	(5)	(6)

Administrative Services - Capitals

Administrative Services - Capitals

Leases/Assistance-RIIF	\$ 0	\$ 1,824,500	\$ 1,824,500	\$ 0	\$ -1,824,500	-100.0%
Leases/Relocation Assistance-RIIF	1,824,500	0	0	0	0	0.0%
Routine Maintenance-RIIF	0	5,000,000	20,000,000	3,000,000	-2,000,000	-40.0%
Routine Maintenance-RIIF	2,536,500	0	0	0	0	0.0%
Major Maintenance-VIF	10,000,000	40,000,000	40,000,000	0	-40,000,000	-100.0%
Capitol Interior/Exterior-RIIF	0	6,300,000	6,200,000	6,900,000	600,000	9.5%
Capitol Interior-RC2	6,830,000	0	0	0	0	0.0%
Cap Comp Elect Dist Upgrade-RIIF	0	3,460,960	4,470,000	4,470,000	1,009,040	29.2%
Cap Comp Elect Dist Upgrade-RCF	800,000	0	0	0	0	0.0%
Enterprise Resource Planning I/3-RIIF	0	1,500,000	0	0	-1,500,000	-100.0%
West Capitol Terrace-RIIF	0	1,600,000	1,050,000	0	-1,600,000	-100.0%
Sidewalk & Parking Lot Repairs-RIIF	0	1,650,000	0	0	-1,650,000	-100.0%
Property Acquisition-RIIF	0	1,000,000	1,000,000	1,000,000	0	0.0%
Property Acquisition-RC2	500,000	0	0	0	0	0.0%
Vehicle Dispatch Fleet Relocation-RIIF	0	350,000	0	0	-350,000	-100.0%
Cap Comp Alternative Energy-RIIF	0	0	200,000	0	0	0.0%
Energy Plant & Additions-RIIF	0	998,000	623,000	623,000	-375,000	-37.6%
Hoover Bldg HVAC Improve.-RIIF	0	1,320,000	1,500,000	1,500,000	180,000	13.6%
Complex Utility Tunnel-RIIF	0	260,000	5,309,200	5,309,200	5,049,200	1942.0%
Workforce Bldg Asbestos-RIIF	0	1,000,000	12,000,000	0	-1,000,000	-100.0%
Workers' Monument-RIIF	0	200,000	0	0	-200,000	-100.0%
DHS-CCUSO Renovation-RIIF	0	0	829,000	829,000	829,000	0.0%
ITE Pooled Technology-TRF	3,358,334	3,810,375	6,000,828	4,059,088	248,713	6.5%
Service Oriented Architecture-TRF	0	254,992	254,992	0	-254,992	-100.0%
Statewide Major Maintenance-RIIF	0	0	0	32,000,000	32,000,000	0.0%
New State Office Bldg-RIIF	0	3,600,000	23,300,000	0	-3,600,000	-100.0%
New State Office Bldg-RC2	37,585,000	0	0	0	0	0.0%
Toledo Powerhouse-RC2	1,521,045	0	0	0	0	0.0%
Toledo Education & Infirmary-RIIF	0	3,100,000	0	0	-3,100,000	-100.0%
Toledo Education & Infirmary-RC2	5,030,668	0	0	0	0	0.0%
Statewide Demolition Funding-RIIF	0	0	1,000,000	0	0	0.0%
Replace Court Ave Bridge-RIIF	0	0	6,000,000	0	0	0.0%
Grimes Office Bldg Planning-RIIF	0	0	750,000	0	0	0.0%
East Parking Lot Restoration-RIIF	0	0	3,070,000	0	0	0.0%
Terrace Hill Maintenance-RIIF	75,000	0	956,000	956,000	956,000	0.0%
Woodward Wastewater Facility-RC2	2,443,000	0	0	0	0	0.0%
Cap. Complex Alt. Energy System-RC2	0	0	0	200,000	200,000	0.0%
Install Pre-Heat Piping-RC2	0	0	0	300,000	300,000	0.0%
Mercy Capitol Acquisition-RC2	0	0	0	3,400,000	3,400,000	0.0%
I3 Operations-TRF	0	0	0	1,000,000	1,000,000	0.0%
New State Office Building-RC3	0	0	0	20,000,000	20,000,000	0.0%

Transportation, Infrastructure, and Capitals Other Funds

	Actual FY 2007	Estimated FY 2008	Dept Request FY 2009	Gov Rec FY 2009	Gov Rec vs. Est. FY 2008	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)
Administrative Services - Capitals, cont.						
Terrace Hill Roof Repair-RCF	700,000	0	0	0	0	0.0%
DHS CCUSO Facility-RIIF	0	750,000	0	0	-750,000	-100.0%
Disabled Veterans Memorial-RIIF	0	50,000	0	0	-50,000	-100.0%
DHS - Toledo RIIF	7,035,000	0	0	0	0	0.0%
Cap. Complex Master Plan-RIIF	0	0	250,000	250,000	250,000	0.0%
Lucas Building Air Handlers-RIIF	0	0	300,000	0	0	0.0%
Energy Plant Fire Protection-RIIF	0	0	2,000,000	0	0	0.0%
Hoover Security/Fire Walls-RIIF	0	0	165,000	165,000	165,000	0.0%
DAS Distribution Account-RIIF	0	2,000,000	0	0	-2,000,000	-100.0%
Enterprise Resource Planning I/3-RCF	-1,500,000	0	0	0	0	0.0%
Total Administrative Services - Capitals	\$ 78,739,047	\$ 80,028,827	\$ 139,052,520	\$ 85,961,288	\$ 5,932,461	7.4%
<u>Agriculture and Land Stewardship</u>						
Agriculture and Land Stewardship						
Weights & Measures Scale Trucks-RIIF	\$ 0	\$ 0	\$ 555,000	\$ 0	\$ 0	0.0%
Total Agriculture and Land Stewardship	\$ 0	\$ 0	\$ 555,000	\$ 0	\$ 0	0.0%
<u>Blind Capitals, Department for the</u>						
Department For The Blind Capitals						
Blind Building Renovation-RC2	\$ 4,000,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Blind Building Renovation-RIIF	0	0	0	869,748	869,748	0.0%
Total Blind Capitals, Department for the	\$ 4,000,000	\$ 0	\$ 0	\$ 869,748	\$ 869,748	0.0%
<u>Corrections, Department of</u>						
Corrections-Central Office						
Iowa Corrections Offender Network-TRF	\$ 0	\$ 0	\$ 0	\$ 500,000	\$ 500,000	0.0%
Total Corrections, Department of	\$ 0	\$ 0	\$ 0	\$ 500,000	\$ 500,000	0.0%
<u>Corrections Capital</u>						
Corrections Capital						
CR Mental Health Facility-RC2	\$ 1,000,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Prison Systems Study-RIIF	500,000	0	0	0	0	0.0%
ISP Electrical Lease-RIIF	333,168	333,168	0	0	-333,168	-100.0%
Anamosa Dietary Renovation-RC2	0	1,400,000	0	0	-1,400,000	-100.0%
Iowa Corr. Offender Network-TRF	500,000	500,000	500,000	0	-500,000	-100.0%
Major Maintenance-RIIF	0	0	36,440,000	0	0	0.0%
Fort Dodge CBC Facility-RIIF	0	2,450,000	0	0	-2,450,000	-100.0%
Fort Dodge CBC Facility-RC2	1,000,000	0	0	0	0	0.0%
Davenport CBC Facility-RC2	3,750,000	0	0	0	0	0.0%
DOC Capitals Request-RIIF	0	5,495,000	0	0	-5,495,000	-100.0%

Transportation, Infrastructure, and Capitals Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
Corrections Capital, cont.						
ICIW Master Plan and Study-RIIF	0	500,000	0	0	-500,000	-100.0%
CBC Cedar Rapids MH Facility-RIIF	0	1,300,000	0	0	-1,300,000	-100.0%
Anamosa Boiler-RIIF	0	25,000	0	0	-25,000	-100.0%
Mitchellville Expansion-RIIF	0	0	51,430,000	0	0	0.0%
Iowa State Penitentiary (ISP)-RIIF	0	0	121,175,000	0	0	0.0%
CBC Des Moines Expansion-RIIF	0	0	21,000,000	0	0	0.0%
CBC Ottumwa Bed Expansion-RIIF	0	0	6,833,333	0	0	0.0%
CBC Sioux City Bed Expansion-RIIF	0	0	6,833,333	0	0	0.0%
CBC Waterloo Bed Expansion-RIIF	0	0	6,833,334	0	0	0.0%
Newton Bed Expansion-RIIF	0	0	25,300,000	0	0	0.0%
Mt. Pleasant/Rockwell City Kitchens-RIIF	0	0	12,500,000	0	0	0.0%
Security Improvements-RIIF	0	0	2,000,000	0	0	0.0%
DOC A & E Funding-RIIF	0	0	0	1,000,000	1,000,000	0.0%
Project Manager-RIIF	0	0	0	500,000	500,000	0.0%
Iowa State Penitentiary-Bond Fund	0	0	0	130,677,500	130,677,500	0.0%
CBC Sioux City Bed Expansion-RC3	0	0	0	5,833,333	5,833,333	0.0%
CBC Ottumwa Bed Expansion-RC3	0	0	0	5,833,333	5,833,333	0.0%
CBC Waterloo Bed Expansion-RC3	0	0	0	5,833,333	5,833,333	0.0%
CBC Des Moines Bed Expansion-RC3	0	0	0	16,000,000	16,000,000	0.0%
Comm. Treatment Resource Centers-RC3	0	0	0	10,000,000	10,000,000	0.0%
Iowa Correctional Inst. for Women-RC3	0	0	0	67,979,000	67,979,000	0.0%
Mt. Pleasant/Rockwell City Kitchens-RC3	0	0	0	12,500,000	12,500,000	0.0%
Total Corrections Capital	\$ 7,083,168	\$ 12,003,168	\$ 290,845,000	\$ 256,156,499	\$ 244,153,331	2034.1%
<u>Cultural Affairs Capital</u>						
Cultural Affairs Capital						
Battle Flags-RIIF	\$ 220,000	\$ 220,000	\$ 220,000	\$ 0	\$ -220,000	-100.0%
Historic Preservation-RIIF	800,000	1,000,000	1,000,000	0	-1,000,000	-100.0%
Great Places Capitals-RIIF	0	3,000,000	3,000,000	2,000,000	-1,000,000	-33.3%
Great Places Capitals-RC2	3,000,000	0	0	0	0	0.0%
Veteran's Oral Histories-RIIF	1,000,000	0	0	0	0	0.0%
American Gothic Visitors Center-RIIF	250,000	0	0	0	0	0.0%
Technology-TRF	0	0	125,000	0	0	0.0%
Kimball Organ Restoration-RIIF	0	0	80,000	0	0	0.0%
Total Cultural Affairs Capital	\$ 5,270,000	\$ 4,220,000	\$ 4,425,000	\$ 2,000,000	\$ -2,220,000	-52.6%
<u>Economic Development, Dept. of</u>						
Economic Development, Department of						
Community & Tourism Grant-RIIF	\$ 0	\$ 0	\$ 0	\$ 5,000,000	\$ 5,000,000	0.0%
ACE Infrastructure-RIIF	0	0	0	5,500,000	5,500,000	0.0%
Total Economic Development, Dept. of	\$ 0	\$ 0	\$ 0	\$ 10,500,000	\$ 10,500,000	0.0%

Transportation, Infrastructure, and Capitals Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Economic Development Capitals</u>						
Economic Development Capitals						
Targeted Industries Infrastructure-RIIF	\$ 0	\$ 900,000	\$ 900,000	\$ 0	\$ -900,000	-100.0%
ACE Infrastructure-RC2	5,500,000	5,500,000	5,500,000	0	-5,500,000	-100.0%
Regional Sport Auth.-RIIF	0	500,000	500,000	0	-500,000	-100.0%
Comm. Colleges 260C.18A-RIIF	0	2,000,000	2,000,000	0	-2,000,000	-100.0%
Comm Attract/Tourism-RIIF	5,000,000	5,000,000	5,000,000	0	-5,000,000	-100.0%
Port Authority-RIIF	80,000	0	0	0	0	0.0%
Total Economic Development Capitals	\$ 10,580,000	\$ 13,900,000	\$ 13,900,000	\$ 0	\$ -13,900,000	-100.0%
<u>Education, Department of</u>						
Education, Department of						
ICN Part III Leases & Maint. Network-TRF	\$ 0	\$ 0	\$ 0	\$ 2,727,000	\$ 2,727,000	0.0%
Total Education, Department of	\$ 0	\$ 0	\$ 0	\$ 2,727,000	\$ 2,727,000	0.0%
<u>Education Capital</u>						
Education Capital						
Enrich Iowa-RIIF	\$ 1,200,000	\$ 1,000,000	\$ 1,000,000	\$ 0	\$ -1,000,000	-100.0%
ICN Part III Leases & Maint.-TRF	2,727,000	2,727,000	2,727,000	0	-2,727,000	-100.0%
IPTV Capitals-RIIF	0	1,275,000	2,303,937	0	-1,275,000	-100.0%
Iowa Learning Technologies-TRF	500,000	500,000	0	0	-500,000	-100.0%
Education Data Warehouse-TRF	0	600,000	0	0	-600,000	-100.0%
Community College Infra.-RIIF	0	2,000,000	2,000,000	2,000,000	0	0.0%
Community College Infra.-RC2	2,000,000	0	0	0	0	0.0%
Digital TV Conversion-TRF	2,300,000	0	0	0	0	0.0%
Analog Transmission-TRF	1,425,000	0	0	0	0	0.0%
Uninterruptible Power Supply-TRF	315,000	0	0	0	0	0.0%
NEICC Ag Safety-RIIF	0	35,000	0	0	-35,000	-100.0%
Total Education Capital	\$ 10,467,000	\$ 8,137,000	\$ 8,030,937	\$ 2,000,000	\$ -6,137,000	-75.4%
<u>Ethics and Campaign Disclosure</u>						
Campaign Finance Disclosure Commission						
Electronic Filing-TRF	\$ 39,100	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Total Ethics and Campaign Disclosure	\$ 39,100	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
<u>Human Rights, Department of</u>						
Human Rights, Department of						
Integrating Justice Data Systems-TRF	\$ 2,645,066	\$ 2,881,466	\$ 1,839,852	\$ 1,839,852	\$ -1,041,614	-36.1%
Total Human Rights, Department of	\$ 2,645,066	\$ 2,881,466	\$ 1,839,852	\$ 1,839,852	\$ -1,041,614	-36.1%

Transportation, Infrastructure, and Capitals Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Human Services Capital</u>						
Human Services - Capital						
CSRU Payment Processing Equip.-TRF	\$ 0	\$ 272,000	\$ 0	\$ 0	\$ -272,000	-100.0%
Health/Safety/Loss-RIIF	0	0	1,010,000	0	0	0.0%
Major Projects-RIIF	0	0	3,162,500	0	0	0.0%
Maintenance-RIIF	0	0	303,000	0	0	0.0%
Residential Treatment Center-RIIF	300,000	0	0	0	0	0.0%
Nursing Facility Financial Assist.-RIIF	0	1,000,000	0	0	-1,000,000	-100.0%
Total Human Services Capital	\$ 300,000	\$ 1,272,000	\$ 4,475,500	\$ 0	\$ -1,272,000	-100.0%
<u>Iowa Finance Authority</u>						
Iowa Finance Authority						
IFA Water Quality Grants-RIIF	\$ 0	\$ 4,000,000	\$ 4,000,000	\$ 0	\$ -4,000,000	-100.0%
IFA Water Quality Grants-FES	4,000,000	0	0	0	0	0.0%
State Housing Trust Fund-RIIF	0	2,500,000	3,000,000	0	-2,500,000	-100.0%
Transitional Housing-RIIF	1,400,000	0	0	0	0	0.0%
Total Iowa Finance Authority	\$ 5,400,000	\$ 6,500,000	\$ 7,000,000	\$ 0	\$ -6,500,000	-100.0%
<u>Iowa Telecommunications & Technology Commission (ITTC)</u>						
Iowa Communications Network						
ICN Equipment Replacement - TRF	\$ 1,997,500	\$ 2,067,000	\$ 2,190,123	\$ 2,190,123	\$ 123,123	6.0%
Generator Replacement - TRF	0	0	2,283,742	0	0	0.0%
ICN Voice Platform Redundancy - TRF	0	0	2,320,000	2,320,000	2,320,000	0.0%
Total ITTC	\$ 1,997,500	\$ 2,067,000	\$ 6,793,865	\$ 4,510,123	\$ 2,443,123	118.2%
<u>Iowa Workforce Development</u>						
Iowa Workforce Development						
Worker's Comp. Appeal System-TRF	\$ 0	\$ 500,000	\$ 0	\$ 0	\$ -500,000	-100.0%
Outcome Tracking System-TRF	0	580,000	0	0	-580,000	-100.0%
Total Iowa Workforce Development	\$ 0	\$ 1,080,000	\$ 0	\$ 0	\$ -1,080,000	-100.0%
<u>Law Enforcement Academy</u>						
Law Enforcement Academy						
ILEA - RIIF Funds	\$ 0	\$ 0	\$ 100,000	\$ 0	\$ 0	0.0%
ILEA Technology Projects - TRF	50,000	0	115,000	0	0	0.0%
Total Law Enforcement Academy	\$ 50,000	\$ 0	\$ 215,000	\$ 0	\$ 0	0.0%

Transportation, Infrastructure, and Capitals Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Natural Resources Capital</u>						
Natural Resources Capital						
State Park Infrastructure-RIIF	\$ 0	\$ 2,500,000	\$ 2,500,000	\$ 0	\$ -2,500,000	-100.0%
Lakes Restoration & Water Quality-RIIF	0	8,600,000	8,600,000	0	-8,600,000	-100.0%
Lakes Restoration-ENDW	8,600,000	0	0	0	0	0.0%
IA's Special Areas-RIIF	1,500,000	0	0	0	0	0.0%
Resource, Conservation & Dev. Projects-FES	300,000	0	0	0	0	0.0%
Lake Darling State Park Shelter-RIIF	250,000	0	0	0	0	0.0%
DNR-Destination Park-RCF	0	0	0	3,100,000	3,100,000	0.0%
Honey Creek Resort Park-RIIF	0	0	8,000,000	4,900,000	4,900,000	0.0%
Green Valley-RIIF	0	0	100,000	0	0	0.0%
Lewis & Clark-RIIF	0	0	2,000,000	0	0	0.0%
Regional Center-RIIF	0	0	300,000	0	0	0.0%
Volga Lake Recreation Area-RIIF	0	750,000	750,000	750,000	0	0.0%
Lake Delhi Improvements-RIIF	0	100,000	100,000	0	-100,000	-100.0%
Carter Lake Improvements-RIIF	0	500,000	500,000	500,000	0	0.0%
Mines of Spain Park-RIIF	0	100,000	0	0	-100,000	-100.0%
Total Natural Resources Capital	\$ 10,650,000	\$ 12,550,000	\$ 22,850,000	\$ 9,250,000	\$ -3,300,000	-26.3%
<u>Parole, Board of</u>						
Parole Board						
Technology Projects-TRF	\$ 75,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Total Parole, Board of	\$ 75,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
<u>Public Defense Capital</u>						
Public Defense Capital						
Camp Dodge Readiness Center-RIIF	\$ 100,000	\$ 50,000	\$ 0	\$ 0	\$ -50,000	-100.0%
Iowa City Readiness Center-RIIF	0	1,200,000	0	0	-1,200,000	-100.0%
Iowa City Readiness Center-RC2	1,444,288	0	0	0	0	0.0%
Waterloo Aviation Readiness Center-RIIF	0	500,000	0	0	-500,000	-100.0%
Waterloo Readiness Center-RC2	1,236,000	0	0	0	0	0.0%
Camp Dodge Water Project Phase 3-RIIF	0	400,000	410,000	410,000	10,000	2.5%
Facility/Armory Maintenance-RIIF	0	1,500,000	1,750,000	0	-1,500,000	-100.0%
Ottumwa Armory-RIIF	0	1,000,000	500,000	0	-1,000,000	-100.0%
Newton Readiness Center-RIIF	0	400,000	0	0	-400,000	-100.0%
Eagle Grove Readiness Center-RIIF	0	400,000	0	0	-400,000	-100.0%
Law Enf./Natl Guard Shoot House-RIIF	0	500,000	0	0	-500,000	-100.0%
STARCOMM-RIIF	1,000,000	2,000,000	0	0	-2,000,000	-100.0%
STARCOMM-RC2	600,000	0	0	0	0	0.0%
Technology Upgrades-TRF	75,000	111,000	80,000	0	-111,000	-100.0%
Spencer Armory-RC2	689,000	0	0	0	0	0.0%

Transportation, Infrastructure, and Capitals Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
Public Defense Capital, cont.						
STARCOMM-RIIF	0	0	1,600,000	1,600,000	1,600,000	0.0%
Gold Star Museum-RIIF	0	1,000,000	2,000,000	2,000,000	1,000,000	100.0%
Camp Dodge Electrical Distribution-RIIF	0	0	526,000	0	0	0.0%
Davenport Aviation Readiness Center-RIIF	0	0	1,500,000	0	0	0.0%
Cedar Rapids Readiness Center-RIIF	0	0	100,000	0	0	0.0%
Perry Readiness Center-RIIF	0	0	900,000	0	0	0.0%
Audubon Readiness Center-RIIF	0	0	900,000	0	0	0.0%
Mount Pleasant Readiness Center-RIIF	0	0	900,000	0	0	0.0%
Knoxville Readiness Center-RIIF	0	0	900,000	0	0	0.0%
Shenandoah Readiness Center-RIIF	0	0	900,000	0	0	0.0%
Charles City Readiness Center-RIIF	0	0	900,000	0	0	0.0%
Oelwein Readiness Center-RIIF	0	0	900,000	0	0	0.0%
Iowa Falls Readiness Center-RIIF	0	0	900,000	0	0	0.0%
Camp Dodge Swimming Pool Pavilion-RIIF	0	0	500,000	0	0	0.0%
Middleton Readiness Center-RIIF	0	0	100,000	0	0	0.0%
Muscatine Readiness Center-RIIF	0	0	100,000	0	0	0.0%
Camp Dodge Storm Shelter & Office-RIIF	0	0	1,368,000	0	0	0.0%
Newton Readiness Center-RIIF	0	0	700,000	0	0	0.0%
Ottumwa Armory Addition/Alteration RC2	0	0	0	500,000	500,000	0.0%
Camp Dodge Elect. Dist. Upgrade-RC2	0	0	0	526,000	526,000	0.0%
Total Public Defense Capital	\$ 5,144,288	\$ 9,061,000	\$ 18,434,000	\$ 5,036,000	\$ -4,025,000	-44.4%
Public Health, Department of						
Public Health, Department of						
Regional Env. Pub. Hlth & Emer. Mgmt.-RIIF	\$ 100,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Total Public Health, Department of	\$ 100,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Public Safety Capital						
Public Safety Capital						
Mason City Patrol Post-RIIF	\$ 0	\$ 2,400,000	\$ 0	\$ 0	\$ -2,400,000	-100.0%
Mason City Patrol Post-RCF	-2,400,000	0	0	0	0	0.0%
Fire Service Training-RIIF	2,300,000	0	0	0	0	0.0%
Fire Service Training-RC2	2,000,000	0	0	0	0	0.0%
AFIS Lease Purchase-TRF	550,000	560,000	560,000	560,000	0	0.0%
Technology Projects-TRF	943,000	1,900,000	134,000	0	-1,900,000	-100.0%
Law Enf. Training Track-RIIF	800,000	0	0	0	0	0.0%
Regional Fire Training Facility-RIIF	0	1,400,000	0	0	-1,400,000	-100.0%
Emergency Response Training Facility-RIIF	0	2,000,000	0	0	-2,000,000	-100.0%
Land, Radio Console, Equipment-RCF	2,400,000	0	0	0	0	0.0%
Ottumwa Post 14-RIIF	0	0	2,700,000	0	0	0.0%
ISP Garage Land Acquisition-RIIF	0	0	1,000,000	0	0	0.0%

Transportation, Infrastructure, and Capitals Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
Public Safety Capital, cont.						
Radio Replacement-TRF	0	0	450,000	0	0	0.0%
Iowa System Redundancy-TRF	0	0	500,000	0	0	0.0%
Capitol Complex Upgrades-RIIF	0	0	750,000	0	0	0.0%
Total Public Safety Capital	\$ 6,593,000	\$ 8,260,000	\$ 6,094,000	\$ 560,000	\$ -7,700,000	-93.2%
Regents Capital						
Regents Capital						
Tuition Replacement-RIIF	\$ 10,329,981	\$ 10,329,981	\$ 0	\$ 0	\$ -10,329,981	-100.0%
SUI-Inst. for Biomedical Discovery-RIIF	0	10,000,000	10,000,000	10,000,000	0	0.0%
Fire Safety and Deferred Maint.-VIF	0	1,000,000	0	0	-1,000,000	-100.0%
Fire Safety and Deferred Maint.-RIIF	0	0	50,000,000	10,000,000	10,000,000	0.0%
Major Renovation/Repairs-RIIF	6,200,000	0	0	0	0	0.0%
SUI Hygienic Laboratory-RIIF	8,350,000	15,650,000	12,000,000	12,000,000	-3,650,000	-23.3%
Major Renovation & Repairs-RC2	10,000,000	0	0	0	0	0.0%
Endowments & Salaries-RIIF	5,000,000	0	0	0	0	0.0%
Biosciences Infrastructure-VIF	5,000,000	0	0	0	0	0.0%
Biosciences Infrastructure-RIIF	1,800,000	0	0	0	0	0.0%
ISU Veterinary Laboratory-RIIF	2,000,000	0	0	0	0	0.0%
Novel Proteins Facility-RIIF	1,000,000	0	0	0	0	0.0%
UNI Playground Safety-RIIF	500,000	0	0	0	0	0.0%
ISU - Renewable Fuels Building-RIIF	0	5,647,000	14,756,000	14,756,000	9,109,000	161.3%
ISU-Veterinary Lab-VIF	0	600,000	0	0	-600,000	-100.0%
UNI - MyEntreNet-TRF	0	235,000	0	0	-235,000	-100.0%
Bioscience-RIIF	8,200,000	0	0	0	0	0.0%
Total Regents Capital	\$ 58,379,981	\$ 43,461,981	\$ 86,756,000	\$ 46,756,000	\$ 3,294,019	7.6%
Revenue, Dept. of						
Revenue, Department of						
SAVE Appropriation-RIIF	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 0	0.0%
Total Revenue, Dept. of	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 0	0.0%
Secretary of State						
Secretary of State						
Voting Machine Reimb.-RIIF	\$ 0	\$ 2,000,000	\$ 0	\$ 0	\$ -2,000,000	-100.0%
Total Secretary of State	\$ 0	\$ 2,000,000	\$ 0	\$ 0	\$ -2,000,000	-100.0%

Transportation, Infrastructure, and Capitals Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
State Fair Authority Capital						
State Fair Authority Capital						
State Fair Capitals-RC2	\$ 1,000,000	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Agri. Exhibition Center-RIIF	0	3,000,000	0	5,000,000	2,000,000	66.7%
Total State Fair Authority Capital	\$ 1,000,000	\$ 3,000,000	\$ 0	\$ 5,000,000	\$ 2,000,000	66.7%
Transportation, Department of						
Transportation, Department of						
RUTF-Drivers' Licenses	\$ 2,820,000	\$ 3,047,000	\$ 3,047,000	\$ 3,047,000	\$ 0	0.0%
RUTF-Operations	5,667,786	6,367,178	6,411,178	6,411,178	44,000	0.7%
RUTF-Administrative Services	548,222	0	0	0	0	0.0%
RUTF-Planning & Programming	484,994	493,945	490,945	490,945	-3,000	-0.6%
RUTF-Motor Vehicle	33,205,657	34,530,525	34,443,525	34,443,525	-87,000	-0.3%
RUTF-DAS	140,000	188,207	183,000	183,000	-5,207	-2.8%
RUTF-Unemployment Compensation	17,000	17,000	17,000	17,000	0	0.0%
RUTF-Workers' Compensation	125,480	108,000	117,000	117,000	9,000	8.3%
RUTF-Indirect Cost Recoveries	102,000	102,000	102,000	102,000	0	0.0%
RUTF-Auditor Reimbursement	56,420	60,988	60,988	64,082	3,094	5.1%
RUTF-County Treasurers Support	2,064,000	1,832,000	1,442,000	1,442,000	-390,000	-21.3%
RUTF-Road/Weather Conditions Info	100,000	100,000	100,000	100,000	0	0.0%
RUTF-Mississippi River Park. Comm.	40,000	40,000	61,000	61,000	21,000	52.5%
RUTF-N. America Super Corridor Coalition	50,000	50,000	50,000	50,000	0	0.0%
RUTF-DOT Reporting Database	500,000	0	0	0	0	0.0%
RUTF-IRP/IFTA	1,000,000	1,000,000	0	0	-1,000,000	-100.0%
RUTF-Overdimension Permit System	0	0	1,000,000	1,000,000	1,000,000	0.0%
PRF-Operations	35,016,403	39,111,314	39,386,314	39,386,314	275,000	0.7%
PRF-Administrative Services	3,400,067	0	0	0	0	0.0%
PRF-Planning & Programming	9,227,088	9,375,862	9,320,862	9,320,862	-55,000	-0.6%
PRF-Highway	206,354,880	216,812,984	217,651,984	217,651,984	839,000	0.4%
PRF-Motor Vehicle	1,393,456	1,481,497	1,435,497	1,435,497	-46,000	-3.1%
PRF-DAS	860,000	1,153,417	1,121,000	1,121,000	-32,417	-2.8%
PRF-DOT Unemployment	328,000	328,000	328,000	328,000	0	0.0%
PRF-DOT Workers' Compensation	3,011,520	2,592,000	2,814,000	2,814,000	222,000	8.6%
PRF-Garage Fuel & Waste Mgmt.	800,000	800,000	800,000	800,000	0	0.0%
PRF-Indirect Cost Recoveries	748,000	748,000	748,000	748,000	0	0.0%
PRF-Auditor Reimbursement	346,580	376,212	376,212	395,218	19,006	5.1%
PRF-Transportation Maps	235,000	242,000	242,000	242,000	0	0.0%
PRF-Inventory & Equip.	2,250,000	2,250,000	2,250,000	2,250,000	0	0.0%
PRF-Field Facility Deferred Maint.	351,500	351,500	351,500	351,500	0	0.0%
Recreational Trails-RIIF	0	2,000,000	3,000,000	2,000,000	0	0.0%
Recreational Trails-RC2	2,000,000	0	0	0	0	0.0%
Commercial Air Service-RIIF	0	1,500,000	1,500,000	1,500,000	0	0.0%

Transportation, Infrastructure, and Capitals Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
Transportation, Department of, cont.						
Commercial Air Service-RC2	1,500,000	0	0	0	0	0.0%
General Aviation Grants-RIIF	0	750,000	1,500,000	750,000	0	0.0%
General Aviation Grants-RC2	750,000	0	0	0	0	0.0%
Rail Revolving Loan & Grant Fund-RIIF	235,000	2,000,000	2,000,000	0	-2,000,000	-100.0%
Aviation Improvements-RIIF	564,000	0	0	0	0	0.0%
Public Transit Infrastructure-RIIF	0	2,200,000	2,200,000	2,200,000	0	0.0%
Public Transit Infrastructure-RC2	2,200,000	0	0	0	0	0.0%
Aviation Authority Assistance-SAF	0	20,000	0	0	-20,000	-100.0%
Total Transportation, Department of	\$ 318,493,053	\$ 332,029,629	\$ 334,551,005	\$ 330,823,105	\$ -1,206,524	-0.4%
<u>Transportation Capitals</u>						
Transportation Capital						
PRF-Utility Improvements	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 0	0.0%
PRF-Garage Roofing Projects	100,000	100,000	200,000	200,000	100,000	100.0%
PRF-HVAC Improvements	100,000	100,000	100,000	100,000	0	0.0%
PRF-Fairfield Garage	2,500,000	0	0	0	0	0.0%
PRF-ADA Improvements	200,000	200,000	100,000	100,000	-100,000	-50.0%
PRF-Pave Complex Parking Lot	200,000	0	0	0	0	0.0%
PRF-Ames Elevator Upgrade	100,000	100,000	100,000	100,000	0	0.0%
PRF-Clarinda Garage	0	2,300,000	0	0	-2,300,000	-100.0%
RUTF-Scale & Inspection Sites	-2,133	0	0	0	0	0.0%
RUTF-Scale/MVD Facilities Maint.	0	100,000	200,000	200,000	100,000	100.0%
PRF-Waukon Garage	0	0	2,500,000	2,500,000	2,500,000	0.0%
PRF-Maintenance Garage Impr.	0	0	1,000,000	1,000,000	1,000,000	0.0%
Total Transportation Capitals	\$ 3,597,867	\$ 3,300,000	\$ 4,600,000	\$ 4,600,000	\$ 1,300,000	39.4%
<u>Treasurer of State</u>						
Treasurer of State						
County Fair Improvements-RIIF	\$ 1,060,000	\$ 1,590,000	\$ 1,590,000	\$ 1,590,000	\$ 0	0.0%
Prison Infrastructure Bonds-RIIF	5,416,604	0	0	0	0	0.0%
Total Treasurer of State	\$ 6,476,604	\$ 1,590,000	\$ 1,590,000	\$ 1,590,000	\$ 0	0.0%

Transportation, Infrastructure, and Capitals Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Veterans Affairs Capitals</u>						
Veterans Affairs Capital						
Home Ownership Prog.-RIIF	\$ 0	\$ 1,000,000	\$ 1,600,000	\$ 0	\$ -1,000,000	-100.0%
Iowa Veterans Home Capitals-RC2	6,200,000	0	0	0	0	0.0%
Veterans Affairs Capital Improvements-RIIF	0	0	180,000	0	0	0.0%
Vet. Home Infrastructure-RIIF	0	532,000	20,555,329	0	-532,000	-100.0%
Vets Home Impr. & Construction-RC3	0	0	0	20,555,329	20,555,329	0.0%
Veterans Affairs Technology-TRF	0	0	15,000	0	0	0.0%
Total Veterans Affairs Capitals	\$ 6,200,000	\$ 1,532,000	\$ 22,350,329	\$ 20,555,329	\$ 19,023,329	1241.7%
Total Transportation, Infrastructure, and Capitals	\$ 553,280,674	\$ 558,874,071	\$ 984,358,008	\$ 801,234,944	\$ 242,360,873	43.4%

Unassigned Standing Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Economic Development, Dept. of</u>						
Economic Development, Department of Endow Iowa Admin - County Endowment Fund	\$ 0	\$ 70,000	\$ 70,000	\$ 70,000	\$ 0	0.0%
Total Economic Development, Dept. of	\$ 0	\$ 70,000	\$ 70,000	\$ 70,000	\$ 0	0.0%
<u>Legislative Branch</u>						
Legislative Services Agency LSA - Affordable Health Care	\$ 0	\$ 500,000	\$ 500,000	\$ 0	\$ -500,000	-100.0%
Total Legislative Branch	\$ 0	\$ 500,000	\$ 500,000	\$ 0	\$ -500,000	-100.0%
<u>Human Services, Department of</u>						
Human Services - Assistance MH Costs for Children under 18-PTRF	\$ 6,600,000	\$ 6,600,000	\$ 6,600,000	\$ 6,600,000	\$ 0	0.0%
Senior Living Trust - ENDW	25,000,000	0	0	0	0	0.0%
Total Human Services, Department of	\$ 31,600,000	\$ 6,600,000	\$ 6,600,000	\$ 6,600,000	\$ 0	0.0%
<u>Management, Department of</u>						
Management, Department of Environment First Fund-RIIF	\$ 35,000,000	\$ 40,000,000	\$ 40,000,000	\$ 24,500,000	\$ -15,500,000	-38.8%
Environment First Balance Adj	-35,000,000	-40,000,000	-40,000,000	-24,500,000	15,500,000	-38.8%
Vertical Infrastructure Fund-RIIF	15,000,000	50,000,000	50,000,000	0	-50,000,000	-100.0%
Vertical Infrastructure Fund Bal. Adj.	-15,000,000	-50,000,000	-50,000,000	0	50,000,000	-100.0%
Appeal Board Claims-HITT	87,874	0	0	0	0	0.0%
Total Management, Department of	\$ 87,874	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
<u>Revenue, Dept. of</u>						
Revenue, Department of Homestead Property Tax Credit - PTCF	\$ 102,945,379	\$ 99,254,781	\$ 99,254,781	\$ 99,254,781	\$ 0	0.0%
Ag. Land/Family Farm Tax Credits-PTCF	34,610,183	34,610,183	34,610,183	34,610,183	0	0.0%
Military Service Tax Credit - PTCF	2,773,402	2,800,000	2,800,000	2,800,000	0	0.0%
Elderly & Disabled Tax Credit-PTCF	19,540,000	23,204,000	23,204,000	23,204,000	0	0.0%
Total Revenue, Dept. of	\$ 159,868,964	\$ 159,868,964	\$ 159,868,964	\$ 159,868,964	\$ 0	0.0%

Unassigned Standing Other Funds

	Actual FY 2007 <u>(1)</u>	Estimated FY 2008 <u>(2)</u>	Dept Request FY 2009 <u>(3)</u>	Gov Rec FY 2009 <u>(4)</u>	Gov Rec vs. Est. FY 2008 <u>(5)</u>	Percent Change <u>(6)</u>
<u>Transportation, Department of</u>						
Transportation, Department of						
Personal Delivery of Services-RUTF	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 0	0.0%
County Treasurer Equipment-RUTF	<u>650,000</u>	<u>650,000</u>	<u>650,000</u>	<u>650,000</u>	<u>0</u>	<u>0.0%</u>
Total Transportation, Department of	<u>\$ 875,000</u>	<u>\$ 875,000</u>	<u>\$ 875,000</u>	<u>\$ 875,000</u>	<u>\$ 0</u>	<u>0.0%</u>
<u>Treasurer of State</u>						
Treasurer of State						
Healthy lowans Tobacco Trust-ENDW	\$ 59,250,621	\$ 60,139,379	\$ 60,139,379	\$ 0	\$ -60,139,379	-100.0%
Healthy lowans Tobacco Trust Bal Adj	<u>-59,250,621</u>	<u>-60,139,379</u>	<u>-60,139,379</u>	<u>0</u>	<u>60,139,379</u>	<u>-100.0%</u>
Total Treasurer of State	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.0%</u>
Total Unassigned Standing	<u>\$ 192,431,838</u>	<u>\$ 167,913,964</u>	<u>\$ 167,913,964</u>	<u>\$ 167,413,964</u>	<u>\$ -500,000</u>	<u>-0.3%</u>

**PROJECTED FY 2009 BUILT-IN AND ANTICIPATED
GENERAL FUND EXPENDITURE INCREASES AND DECREASES**

A built-in expenditure is a standing appropriation required by the Code of Iowa, an entitlement program, or a prior appropriation for a future fiscal year that increases or decreases compared to the appropriation level of the prior year. Built-in expenditures may be changed through the enactment of legislation. An anticipated expenditure represents a cost that a state agency will incur based on a prior obligation or action. Anticipated expenditures are not mandated by the Code of Iowa and require legislative action in order to have increases funded. The built-in and anticipated expenditures reflect the incremental increase over the prior year's appropriation levels.

For FY 2009, the Legislative Services Agency (LSA) is projecting \$569.6 million in built-in and anticipated increases and decreases. The FY 2009 projection includes \$424.8 million in General Fund built-in changes and \$144.8 million in anticipated increases and decreases.

(Dollars in Millions)

<u>Incremental Built-in Changes</u>	<u>LSA Estimates</u>
1. Revenue - Homestead Tax Credit	\$ 121.6
2. Education - K-12 School Foundation Aid	91.0
3. Education - Teacher Quality/Student Achievement Program	75.0
4. Human Services - Medical Assistance	39.0
5. Revenue - Agricultural Land Tax Credit	33.0
6. Office of Energy Independence - Iowa Power Fund	25.0
7. Revenue - Elderly and Disabled Credit	19.1
8. Human Services - Mental Health Growth Factor	8.1
9. Management - State Appeal Board Claims	4.4
10. College Aid - College Student Aid Work Study Program	2.5
11. Revenue - Military Service Tax Credit	2.3
12. Public Health - Substance Abuse	2.0
13. Education - Educational Excellence	1.4
14. Education - Instructional Support	0.4
Subtotal	\$ 424.8

Appendix B – Projected FY 2009 Built-In and Anticipated General Fund Expenditures

(Dollars in Millions)

	LSA
<u>Incremental Anticipated Expenditure Changes</u>	<u>Estimates</u>
15. Collective Bargaining Salary Costs	\$ 95.8
16. Healthy Iowans Tobacco Trust Fund Programs	16.5
17. Human Services - IowaCare Loss	6.2
18. Human Services - Child Support Recovery Unit	5.3
19. Corrections - Increased Operating Costs	4.5
20. Economic Development - Targeted Small Business Programs	4.0
21. Corrections - Community-Based-Corrections	3.6
22. Education - Skills Iowa Technology Grant Program	3.0
23. Judicial Branch - Retirement Fund Contribution	2.5
24. Administrative Services - DAS Distribution Account	2.0
25. Corrections - Sex Offender Supervision and Treatment	1.9
26. Human Services - Field Operations	1.5
27. Inspections and Appeals - Indigent Defense and Public Defender	1.3
28. Board of Regents - ISU Veterinary Laboratory	1.0
29. Public Health - Addictive Disorders and Tobacco Cessation	0.7
30. Human Services - Mental Health Risk Pool	0.5
31. Human Services - Civil Commitment Unit for Sex Offender	0.2
32. Human Services - Child and Family Services	0.2
33. Public Health - Sexual Violence Prevention Programming	0.2
34. Veterans Affairs - Cemetery Staff and Costs	0.2
35. Veterans Affairs - Staff	0.1
36. Public Safety - Fort Madison Gaming Facility	-0.3
37. Veterans Affairs - Veterans Home Net Budgeting	-1.0
38. Governor's Office of Drug Control Policy - Drug Task Forces	-1.4
39. Human Services - State Resource Centers	-3.7
Subtotal	\$ 144.8
TOTAL PROJECTED EXPENDITURE CHANGES	\$ 569.6

FY 2009 ESTIMATED GENERAL FUND EXPENDITURES

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
1. Revenue – Homestead Tax Credit	Provides a property tax credit for residential homeowners.	<ul style="list-style-type: none"> • The Homestead Tax Credit was funded from the PTCF at \$99.3 million in FY 2008. Of the \$28.0 million General Fund appropriation to the PTCF, \$17.4 million was allocated for the Homestead Tax Credit. • Fully funding the Credit in FY 2009 is estimated at \$139.0 million. The incremental increase to the General Fund is \$121.6 million. • Assumes the Credit will be funded entirely from the General Fund in FY 2009 as required by the <u>Code of Iowa</u>. • The estimate is based on projected demand by the Department of Revenue. 	\$ 121.6	<ul style="list-style-type: none"> • Maintain the FY 2008 funding level. • Eliminate the tax credit. 	\$ 39.7 \$ 139.0
<i>Standing Unlimited Appropriation</i>	NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$159.9 million to fund four tax credits. This includes \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008 revenues.				

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
2. Education – K-12 School Foundation Aid <i>Standing Unlimited Appropriation</i>	<p>The School Foundation Program establishes limits and controls on local school district spending authority. By formula, the Program determines the amount of State Aid and local property tax used in funding the majority of school district budgets.</p> <p>NOTE: Enrollment data for FY 2009 is not currently available. Estimates displayed here will be revised based on that information. The updated enrollment and weighting information will be available in December.</p>	<p>Assumes the following:</p> <ul style="list-style-type: none"> • 4.0% allowable growth rate. • At-risk student weighting increase of 1.0%. • Restores the statutory reduction of \$7.5 million to the Area Education Agencies. • Includes \$6.0 million increase for Adjusted Additional Property Tax Levy Aid. • Includes Preschool Program weighting of 3,075 for a cost of approximately \$17.1 million in FY 2009. This Program is funded entirely through State aid. • Includes a supplementary weighting for sharing operational functions of 581.2 for a State aid cost of \$2.8 million and a property tax cost of \$0.3 million. 	<p>\$ 91.0</p>	<ul style="list-style-type: none"> • Reduce the allowable growth rate to 3.0%. • Increase the Uniform Property Tax Levy from \$5.40 to \$5.90. This option will increase local property tax by the amount of the reduction to State aid. • Reduce the Regular Program, Special Education Regular Program, and AEA Special Education Foundation Levels by one percentage point. This will reduce State Aid and increase local property tax. • Reduce the FY 2008 State Cost per Pupil and District Cost per Pupil by \$100. • Notwithstanding the Adjusted Additional Property Tax Levy Aid for FY 2009. This will increase property taxes in 65 school districts. 	<p>\$ 26.9</p> <p>\$ 57.0</p> <p>\$ 32.5</p> <p>\$ 51.0</p> <p>\$ 18.0</p>

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
3. Education – Teacher Quality/Student Achievement Program <i>Standing Limited Appropriation</i>	Provides funding to school districts to enhance teacher salaries, provide beginning teacher mentoring, enhance salaries for hard-to-staff teaching assignments, provide professional development, and explore pay-for-performance incentives. Specifies minimum salaries for beginning career teachers. Provides funding to the Department of Education for the Career Development Program, evaluator training, National Board Certification stipends, and administrative costs of the Program.	<ul style="list-style-type: none"> Senate File 277 (Student Achievement and Teacher Quality Program Act) appropriates \$248.9 million for FY 2009, an increase of \$75.0 million compared to the FY 2008 level. 	\$ 75.0	<ul style="list-style-type: none"> Minimum increase to fund minimum salaries for teachers moving from one career level to another. 	\$ 70.9

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
4. Human Services – Medical Assistance <i>Appropriation</i>	Medical Assistance is a state/federal entitlement program that provides medical services to eligible low-income recipients. To qualify for federal funding, the State must reimburse providers for certain mandatory services. The State has the option to provide coverage of additional services and can elect to expand coverage to optional eligibility groups. Iowa is currently covering most of the optional services and optional eligibility groups that qualify for federal matching funds. The State also has the ability to set the rates it uses to reimburse service providers, within federal guidelines.	<ul style="list-style-type: none"> • Adds \$9.7 million for increased enrollment and fee for services due to utilization. • Adds \$3.4 million to fund the elderly waiver. • Adds \$1.3 million for enrollment growth in the Medicaid for Independent Young Adults (MIYA) Program. • Adds \$2.8 million to expand coverage for Medicaid eligible children. • Adds 10.0 million for increased payments to the federal government for Medicare coverage of dual eligibles. • A decrease of \$15.0 million for a Federal Medicaid Assistance Percentage (FMAP) increase. • Adds \$10.8 million to cover carryforward funds used in FY 2008 • Adds \$16.0 million due to the loss of federal matching funds that are deposited into IowaCare Account for use by the four mental health institutes. 	\$ 39.0	<ul style="list-style-type: none"> • Reduce or eliminate optional Medicaid coverage groups. The savings depends on the options eliminated. • Reduce or freeze current provider rates. The savings depends on the provider rates that are adjusted. • Eliminate optional services. The savings depends on the options eliminated. • Reduce anesthesiologists to 100.0% of Medicare rates. • Move behavioral drugs to the preferred drug lists. • Recalculate the State Maximum Allowable Cost (SMAC) payment to pharmacies. 	

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
<p>5. Revenue – Agricultural Land Tax Credit <i>Standing Limited Appropriation</i></p>	<p>Provides a property tax credit to individuals for qualified lands used for agricultural purposes. Includes the Family Farm Tax Credit.</p> <p>NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$159.9 million to fund four tax credits. This includes \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008 revenues.</p>	<ul style="list-style-type: none"> The Agricultural Land Tax Credit was funded from the Property Tax Credit Fund in FY 2008. Of the \$28.0 million General Fund appropriation to the PTCF, \$6.1 million was allocated for the Agricultural Land Tax Credit. Fully funding the Credit for FY 2009 is estimated at \$39.1 million. The incremental increase to the General Fund is \$33.0 million. Assumes the Credit will be funded entirely from the General Fund in FY 2009 as required by the <u>Code of Iowa</u>. 	<p>\$ 33.0</p>	<ul style="list-style-type: none"> Maintain the FY 2008 funding level. Fund only the Family Farm Tax Credit. Eliminate the tax credit. 	<p>\$ 4.4</p> <p>\$ 29.1</p> <p>\$ 39.1</p>
<p>6. Office of Energy Independence – Iowa Power Fund <i>Standing Limited Appropriation</i></p>	<p>House File 927 (Iowa Power Fund Appropriations Act) established the Iowa Power Fund to provide grants and loans for energy-related development. The Program was funded with a \$24.7 million FY 2007 supplemental appropriation to be used for FY 2008 costs.</p>	<ul style="list-style-type: none"> House File 927 appropriates \$25.0 million per year beginning in FY 2009 through FY 2011. 	<p>\$ 25.0</p>	<ul style="list-style-type: none"> Eliminate the appropriation. 	<p>\$ 25.0</p>

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
7. Revenue – Elderly and Disabled Tax Credit	Provides a property tax credit for low-income elderly or disabled taxpayers.	<ul style="list-style-type: none"> This appropriation was funded from the Property Tax Credit Fund in FY 2008. Of the \$28.0 million General Fund appropriation to the PTCF, \$4.1 million was allocated for the Elderly and Disabled Tax Credit. 	\$ 19.1	<ul style="list-style-type: none"> Maintain the FY 2008 funding level. 	\$ 3.2
<i>Standing Unlimited Appropriation</i>	<p>NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$159.9 million to fund four tax credits. This includes \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008 revenues.</p>	<ul style="list-style-type: none"> Fully funding the Credit in FY 2009 is estimated at \$23.2 million. The incremental increase to the General Fund is \$19.1 million. Assumes the Credit will be funded from the General Fund in FY 2009 as required by the <u>Code of Iowa</u>. The estimate is based on historical claims. 		<ul style="list-style-type: none"> Eliminate the tax credit. 	\$ 23.2
8. Human Services – Mental Health Growth Factor	The Mental Health Growth Factor provides an increase for inflation applied to the sum of the county base expenditures for Mental Health/Mental Retardation/Developmental Disabilities Services funds and the previous allowed growth appropriation.	<ul style="list-style-type: none"> The FY 2009 Growth Factor was established in SF 601 (FY 2008 Standing Appropriations Act). This is an increase of \$8.1 million compared to the estimated FY 2008 appropriation. Assumes continuation of the appropriation from the Health Care Trust Fund for FY 2009 at the FY 2008 level. 	\$ 8.1	<ul style="list-style-type: none"> Eliminate the FY 2009 increase enacted in SF 601. 	\$ 8.1
<i>Appropriation</i>					

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
<p>9. Management – State Appeal Board Claims <i>Standing Unlimited Appropriation</i></p>	<p>The Board is composed of the State Auditor, State Treasurer, and the Director of the Department of Management. (Section 73A.1, <u>Code of Iowa</u>)</p> <p>The Board authorizes claims under:</p> <ul style="list-style-type: none"> • Chapter 25, <u>Code of Iowa</u>, for the payment of bills, fees, refunds, and credits. • Chapter 669, <u>Code of Iowa</u>, State Tort Claims. <p>Payment is made from the appropriation or fund of original certification of the claim, unless the appropriation or fund has reverted. Then the payment is from unobligated State funds.</p>	<ul style="list-style-type: none"> • The increase is based on historical claims paid through the Appeal Board. • The average annual payment for Appeal Board claims from FY 2001 through FY 2007 was \$8.8 million (adjusted for large one-time payouts in FY 2004). • For FY 2008, \$4.4 million is budgeted for claims. This is less than the level of historical claims. • The FY 2009 claims are estimated to be \$8.8 million. 	<p>\$ 4.4</p>	<ul style="list-style-type: none"> • The <u>Code of Iowa</u> allows the General Assembly to refuse claims. Refusal constitutes adjudication against the claim, and bars any further proceedings before the General Assembly for payment of the claim. 	
<p>10. College Aid – College Student Aid Work Study Program <i>Standing Limited Appropriation</i></p>	<p>This is a standing limited appropriation set at \$2.8 million in Section 261.85, <u>Code of Iowa</u>. This State funding is provided to colleges and universities to supplement federal work-study funds of approximately \$13.0 million annually. The State funding does not serve as a match for the federal funds.</p>	<ul style="list-style-type: none"> • This Program received a General Fund appropriation of \$295,600 for FY 2008. • The estimate returns the appropriation to the statutory level of \$2.8 million. 	<p>\$ 2.5</p>	<ul style="list-style-type: none"> • Eliminate funding for the Program for FY 2009. 	<p>\$ 2.8</p>

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
11. Revenue – Military Service Tax Credit <i>Standing Unlimited Appropriation</i>	Provides a property tax credit to replace all or a portion of the tax on property eligible for a Military Service Tax Exemption. Section 426.1A, <u>Code of Iowa</u> , appropriates an amount necessary to fund the credits. NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$159.9 million to fund four tax credits. This includes \$131.9 million from the FY 2007 General Fund surplus and a \$28.0 million General Fund appropriation from FY 2008 revenues.	<ul style="list-style-type: none"> • The Military Service Tax Credit was funded from the Property Tax Credit Fund in FY 2008. Of the \$28.0 million General Fund appropriation to the PTCF, \$0.5 million was allocated for the Military Service Tax Credit. • Fully funding the tax credit in FY 2009 is estimated at \$2.8 million. The incremental increase to the General Fund is \$2.3 million. • Assumes the Credit will be funded from the General Fund in FY 2009 as required by the <u>Code of Iowa</u>. • The estimate is based on projected demand by the Department of Revenue. 	\$ 2.3	<ul style="list-style-type: none"> • Eliminate the tax credit. 	\$ 2.8

Built-In Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
<p>12. Public Health – Substance Abuse <i>Standing Limited Appropriation</i></p>	<p>Section 123.53(3), <u>Code of Iowa</u>, appropriates \$2.0 million from liquor sales revenue to the Department of Public Health for the Substance Abuse Prevention and Treatment Program.</p>	<ul style="list-style-type: none"> House File 909 (FY 2008 Health and Human Services Appropriations Act) stated that the appropriations for Addictive Disorders contained in the Act from the General Fund and the Health Care Trust Fund covered the statutory requirement of a \$2.0 million appropriation for substance abuse treatment from the General Fund. Under current law, the \$2.0 million will be appropriated from the General Fund in FY 2009. 	<p>\$ 2.0</p>	<ul style="list-style-type: none"> Eliminate or notwithstanding the FY 2009 standing appropriation. 	<p>\$ 2.0</p>
<p>13. Educational Excellence <i>Standing Limited Appropriation</i></p>	<p>Provides allocations to local school districts to enhance teacher salaries. Section 294A.25, <u>Code of Iowa</u>, appropriates \$56.9 million for the Program.</p>	<ul style="list-style-type: none"> The standing appropriation was reduced to \$55.5 million in FY 2008. The appropriation will return to \$56.9 million in FY 2009 unless legislative action is taken to change the amount. 	<p>\$ 1.4</p>	<ul style="list-style-type: none"> Maintain the FY 2008 funding level. 	<p>\$ 1.4</p>
<p>14. Instructional Support <i>Appropriation</i></p>	<p>Provides additional funding of up to 10.0% of the regular program district cost to be used for general operations. Funding comes from property taxes or a combination of property taxes and income surtax, and from State aid. The State aid has been capped at \$14.8 million. Sections 257.18-20, & 24-27, <u>Code of Iowa</u>, define the Program and its funding.</p>	<ul style="list-style-type: none"> Assumes the appropriation will return to the statutory level. 	<p>\$ 0.4</p>	<ul style="list-style-type: none"> Require the Program to be entirely locally funded. Maintain the FY 2008 funding level. 	<p>\$ 14.8 \$ 0.4</p>

FY 2009 ESTIMATED GENERAL FUND EXPENDITURES

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
15. Collective Bargaining Salary Packages <i>Appropriation</i>	<p>Estimated salary increases for negotiated collective bargaining costs. Salary increases are subject to collective bargaining.</p> <p>The State is currently in the process of negotiations with unions representing State employees for salaries and benefits for FY 2010 and FY 2011.</p>	<ul style="list-style-type: none"> • The estimated General Fund incremental increase, without any FY 2009 changes, is \$26.8 million. • The estimate is based on an increase of \$78.8 million for step increases, benefit enhancements, and a 3.0% FY 2009 across-the-board increase. • The estimate includes a reduction of \$9.8 million to reflect savings for employees that terminate during the year. • Includes \$46.6 million for the Board of Regents. 	\$ 95.8	• No options identified.	
16. Healthy Iowans Tobacco Trust Funds Programs (HITT) <i>Appropriation</i>	<p>The HITT Fund was established in FY 2002 and received an appropriation of \$55.0 million from the Endowment for Iowa's Health Account. Section 12E.12, <u>Code of Iowa</u>, requires this appropriation to be increased 1.5% annually. In FY 2008, the appropriation was \$60.1 million. The HITT Fund is used to fund health-related programs.</p>	<ul style="list-style-type: none"> • In FY 2008, a total of \$70.1 million was appropriated from the HITT Fund. • Assumes the General Assembly will fund all HITT programs in FY 2009 at the FY 2008 level. • Due to declining revenues in the Endowment for Iowa's Health Account, the HITT Fund will have a \$16.5 million funding shortfall in FY 2009. 	\$ 16.5	• Eliminate or reduce funding for programs traditionally funded from the HITT Fund.	\$ 16.5

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
17. Human Services - IowaCare <i>Appropriation</i>	IowaCare is limited health care. This program provides some inpatient and outpatient services, doctor, and advanced registered nurse practitioner services, dental services, limited prescription drug benefits, and transportation at the University of Iowa Hospitals and Clinics and Broadlawns Medical Center in Des Moines.	<ul style="list-style-type: none"> An increased of \$6.2 million is estimated due to increased utilization of the IowaCare Program at the University of Iowa Hospitals and Clinics. See the Medicaid built-in for other cost increases associated with the IowaCare Program. 	\$ 6.2	• No options identified.	
18. Human Services – Child Support Recovery Unit <i>Appropriation</i>	The Child Support Recovery Unit establishes the legal obligation of both parents to provide for their children and enforces the obligation established by the court.	<ul style="list-style-type: none"> This is a loss of funding due to the Federal Deficit Reduction Act of 2005 that prohibits the State from receiving a federal match based on performance incentives. 	\$ 5.3	• No options identified.	
19. Corrections – Increased Operating Costs <i>Appropriation</i>	Costs associated with operating the State prison and Community-Based Corrections (CBC) system.	<ul style="list-style-type: none"> Increased costs for supervising more offenders, and rate increases. 	\$ 4.5	• Maintain funding at the FY 2008 level.	
20. Economic Development – Targeted Small Business Programs <i>Appropriation</i>	House File 890 (Targeted Small Business Supplemental Appropriations Act) provided supplemental appropriations totaling \$4.0 million to be used in FY 2008 for newly established Targeted Small Business programs and initiatives.	<ul style="list-style-type: none"> The programs were funded in FY 2008 with FY 2007 supplemental appropriations totaling \$4.0 million that were allowed to carry forward. Assumes continuation of the Program in FY 2009. 	\$ 4.0	• Eliminate the assistance to TSBs, including the \$2.5 million TSB Financial Assistance Program.	\$ 4.0
21. Corrections – Community-Based-Corrections <i>Appropriation</i>	Community-Based-Correction facilities are under construction in Fort Dodge and Cedar Rapids. Annual operating costs will increase when the facilities open.	<ul style="list-style-type: none"> Assumes the construction will be completed timely. 	\$ 3.6	• Maintain funding at the FY 2008 level.	\$ 3.6

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
22. Education – Skills Iowa Technology Grant Program <i>Appropriation</i>	The Skills Iowa Technology Program (previously called the Follow-the-Leader Technology Grant Program) provides assessment and remediation tools to classrooms, to enhance teachers' ability to easily assess the skill levels of individual students and prescribe individualized instruction plans based on those assessments, and provides for professional development for teachers.	<ul style="list-style-type: none"> • Prior to FY 2008, this Program was federally funded. The Program was funded in FY 2008 with a FY 2007 supplemental appropriation that was allowed to carry forward. • Assumes continuation of the Program in FY 2009. 	\$ 3.0	<ul style="list-style-type: none"> • No options identified. 	
23. Judicial Branch – Retirement Fund Contribution <i>Appropriation</i>	The Judicial Retirement System provides retirement benefits to judges. Pursuant to Section 602.9104(4), <u>Code of Iowa</u> , the employer's contribution rate is 23.7% of all covered judges' salaries.	<ul style="list-style-type: none"> • Senate File 563 (FY 2008 Judicial Branch Appropriations Act) reduced the employer's contribution rate to 22.5% for one year. • The judge's contribution rate is set by statute and was changed during the 2006 Legislative Session, from 5.0% of covered pay to 6.0%, but reduced to 5.7% because the rate is tied to the amount appropriated for the State share in FY 2008. • This estimate assumes restoration of the statutory contribution rate of 23.7% and only considers the General Fund share. 	\$ 2.5	<ul style="list-style-type: none"> • According to the October 2007 actuarial report, the Judicial Retirement Fund is 70.0% funded and the combined annual required contribution rate is 30.9%. The contribution rate could be modified so that judges pay more of the unfunded liability. The savings depends on the selected contribution rate. 	

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
24. Administrative Services – DAS Distribution Account <i>Appropriation</i>	The Department of Administrative Services (DAS) assesses a fee to State agencies to pay the cost of operating the Integrated Information for Iowa (I/3) System. The fees are typically paid from the agencies' General Fund budgets. Enhancements to the I/3 System are funded with an appropriation to the DAS Distribution Account. The funds appropriated from the DAS Distribution Account are then distributed by formula to the State agencies to build the costs into their base budgets.	<ul style="list-style-type: none"> The Department received a \$2.0 million appropriation from the Rebuild Iowa Infrastructure Funds (RIIF) for FY 2008 to fund increased operational costs of the I/3 System. Because the appropriation was from RIIF, the funds could not be allocated to the agencies' General Fund budgets. If a \$2.0 million appropriation is not provided for the DAS Distribution Account in FY 2009, State agencies will be billed for the additional costs. These costs are not included in their FY 2009 budgets. 	\$ 2.0	<ul style="list-style-type: none"> Eliminate the appropriation and require State agencies to fund the increased costs from existing budgets. 	\$ 2.0
25. Corrections – Sex Offender Treatment and Supervision <i>Appropriation</i>	The Department of Corrections provides treatment and supervision of sex offenders.	<ul style="list-style-type: none"> The estimate is to cover increased cost of supervising sex offenders over an extended period. 	\$ 1.9	<ul style="list-style-type: none"> Amend HF 619 to modify certain supervision and treatment requirements. 	\$ 1.9
26. Human Services – Field Operations <i>Appropriation</i>	Provides the staff in 99 counties for operations of the DHS programs and services.	<ul style="list-style-type: none"> For FY 2008, the Department was authorized to use \$1.5 million of FY 2007 carryforward funds for FY 2008. Assumes the carryforward funds will not be available at the end of FY 2008 for use in FY 2009. 	\$ 1.5	<ul style="list-style-type: none"> No options identified. 	

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
27. Inspections and Appeals – Indigent Defense and State Public Defender <i>Appropriation</i>	The Indigent Defense Fund and State Public Defender’s Office provide legal counsel to indigent adult and juvenile clients to insure their constitutional right to effective legal counsel.	<ul style="list-style-type: none"> The FY 2008 estimate is based on FY 2006 actual expenditures. 	\$ 1.3	<ul style="list-style-type: none"> The General Assembly could reduce the hourly rates for private attorneys. The General Assembly could reduce fee limitations for private attorneys by the type of case. These limitations are currently set by administrative rule. 	Unknown
28. Board of Regents – ISU Veterinary Laboratory <i>Appropriation</i>	Senate File 551 (FY 2008 Agriculture and Natural Resources Appropriations Act) appropriated \$2.0 million for the operation of the Veterinary Diagnostic Laboratory at Iowa State University. Intent language in SF 551 states that the General Assembly will increase funding for the Lab by \$1.0 million in FY 2009 and FY 2010.	<ul style="list-style-type: none"> Assumes the General Assembly will increase the appropriation from \$2.0 million to \$3.0 million in FY 2009. 	\$ 1.0	<ul style="list-style-type: none"> Maintain funding at the FY 2008 level. 	\$ 1.0
29. Public Health – Addictive Disorders and Smoking Cessation <i>Appropriation</i>	Provides tobacco prevention and cessation programs.	<ul style="list-style-type: none"> Assumes continuation of tobacco prevention and cessation efforts that were partially funded in FY 2008 with an FY 2007 supplemental appropriation that was allowed to carry forward. 	\$ 0.7	<ul style="list-style-type: none"> No options identified. 	
30. Human Services – Mental Health Risk Pool <i>Appropriation</i>	Provides an emergency funding source to counties that have depleted their State mental health funds.	<ul style="list-style-type: none"> Estimated cost to replacing one-time FY 2007 and FY 2008 funds from two budget units in DHS made available for the Mental Health Risk Pool that won’t be available in FY 2009. 	\$ 0.5	<ul style="list-style-type: none"> No options identified. 	

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
31. Human Services – Civil Commitment Unit for Sex Offenders <i>Appropriation</i>	Provides the security and mental health treatment components of former inmates that are civilly committed to the Program prior to release from prison.	<ul style="list-style-type: none"> The growth in the number of clients within the Program require the utilization of additional space and staff within the facility. 	\$ 0.2	<ul style="list-style-type: none"> Eliminate of the Program. 	\$ 6.5
32. Human Services – Child and Family Services <i>Appropriation</i>	Provides funding for Juvenile Drug Court Programs.	<ul style="list-style-type: none"> For FY 2008, the Programs were partially funded with carryforward funds from FY 2007. 	\$ 0.2	<ul style="list-style-type: none"> No options identified. 	
33. Public Health – Sexual Violence Prevention Programming <i>Appropriation</i>	Provides sexual violence prevention and victims assistance programs	<ul style="list-style-type: none"> Assumes continuation of the programming that was funded in FY 2008 with the remaining balance from the Hospital Trust Fund (\$165,522). 	\$ 0.2	<ul style="list-style-type: none"> Eliminate the Program. 	\$ 0.2
34. Veterans Affairs – Cemetery Staff and Costs <i>Appropriation</i>	The federal government has provided funds for an Iowa Veterans Cemetery. The State is responsible for maintaining the Cemetery upon completion	<ul style="list-style-type: none"> The last year of the three-year staggered staffing costs will occur in FY 2009. 	\$ 0.2	<ul style="list-style-type: none"> The agreement with the federal government requires the State of Iowa to maintain the Cemetery. 	
35. Veterans Affairs – Staff <i>Appropriation</i>	Additional programs and services have been added by the General Assembly for the Department of Veterans Affairs.	<ul style="list-style-type: none"> Two additional staff was provided in FY 2008 from one-time funds from the County Grant Program. 	\$ 0.1	<ul style="list-style-type: none"> Elimination of the additional staff in FY 2009 	\$ 0.1
36. Public Safety – Fort Madison Gaming Facility <i>Appropriation</i>	The Department of Public Safety receives a General Fund appropriation to fund DCI agents that provide the law enforcement presence at gaming establishments. The Racing and Gaming Commission charges the industry for these costs. The payments received from the gaming industry are deposited in the General Fund.	<ul style="list-style-type: none"> The riverboat casino located in Fort Madison is scheduled to close on November 15. The State will have billed the establishment approximately \$260,000 by the time the facility closes. 	\$ -0.3	<ul style="list-style-type: none"> No options identified. 	

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 09 vs. FY 08 (4)	Options for Reductions (5)	Savings (6)
37. Veterans Affairs – Veterans Home Net Budgeting <i>Appropriation</i>	Provides services and residence for certain veterans and veterans spouses.	<ul style="list-style-type: none"> Estimated savings for FY 2009 from State salary funds provided in FY 2008. The savings result from the Veterans Home being a net budgeted institution. 	\$ -1.0	<ul style="list-style-type: none"> Eliminate the historical carryforward of funds to the construction account. 	\$ 3.0
38. Governor’s Office of Drug Control Policy – Drug Task Forces <i>Appropriation</i>	The Governor’s Office of Drug Control Policy received federal funds to distribute to the State’s Drug Task Forces.	<ul style="list-style-type: none"> The Office received a one-time General Fund appropriation of \$1.4 million in FY 2008 to replace a temporary shortfall in federal funds. The Office anticipates receiving federal funds in FY 2009 to replace the one-time State appropriation for the Drug Task Forces. 	\$ -1.4	<ul style="list-style-type: none"> No options identified. 	
39. Human Services – State Resource Centers <i>Appropriation</i>	Provides the living and services arrangements for those with disabilities residing at these two facilities.	<ul style="list-style-type: none"> Estimated savings for FY 2009 from State salary funds provided in FY 2008. The savings result from the two State Resource Centers being net budgeted institutions and increases for continuation of placements outside the Centers. 	\$ -3.7	<ul style="list-style-type: none"> No options identified. 	

INTERIM COMMITTEE SUMMARY

For a summary of the activities for each of the committees listed below, see the analysis of FY 2009 budget requests for the indicated subcommittee.

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
Animal Feeding of Distillers Dried Grains Study Committee	CHARGE: Consider issues related to standards for the distillers dried grains that can be used in formulating rations for livestock.	Legal: Doug Adkisson, Susan Crowley, Joe McEniry Fiscal: Deb Kozel	Agriculture and Natural Resources
Criminal Code Reorganization Study Committee	CHARGE: Meet during the 2007 and 2008 Legislative Interims to consider proposals for Criminal Code revisions, reorganization, and updates.	Legal: Joe McEniry, Rachele Hjelmaas, Ed Cook Fiscal: Beth Lenstra and Jennifer Acton	Justice
Early Care Best Practices Study Committee	CHARGE: Review best practices for Iowa's early care system of programs, services, support, or other assistance made available to a parent or other person who is involved with addressing the health and education needs of a child from birth through age five.	Legal: John Pollak, Amanda Knief, Nicole Hoffman Fiscal: Robin Madison	Education
Energy Efficiency Study Committee	CHARGE: Examine energy efficiency programs under the purview of the Iowa Utilities Board and consider other proposals for improving energy efficiency in the state.	Legal: Rick Nelson, Kathy Hanlon, Amanda Knief Fiscal: Deborah Helsen	Administration and Regulation
Freedom of Information, Open Meetings, and Public Records Study Committee	CHARGE: Review and recommend changes to Iowa's open meetings and public records laws in Code chapters 21 and 22 and the State Archives and Records Act in Code chapter 305.	Legal: Rachele Hjelmaas, Ed Cook, Joe Royce Fiscal: Douglas Wulf and Marcia Tannian	Unassigned Standing Appropriations

Appendix C – Interim Committee Summary

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
Home-based Child Care Study Committee	CHARGE: Consider options for increasing the number of home-based child care providers who are subject to registration. Not more than \$100,000 is authorized for the costs of research, pilot projects, and other testing of options.	Legal: John Pollak, Patty Funaro, Nicole Hoffman Fiscal: Sue Lerdal	Health and Human Services
Legislative Commission on Affordable Health Care Plans for Small Businesses and Families	CHARGE: The Commission is created by legislation to review, analyze, and make recommendations by December 2007 on a broad spectrum of issues relating to the affordability of health care for Iowans. The legislation creates a Health Care Data Research Advisory Council to assist the Commission with research, analysis, and other functions. The legislation appropriates \$500,000 for FY 2008 to the Legislative Services Agency to support the work of the Commission and Council. To accomplish its charge, the Commission is authorized to procure consultation and other support directly through the Advisory Council or through exclusive contracts with other entities able to perform in the short time frame provided for the study, subject to legislative expenditure guidelines. The Commission is authorized to expend moneys from the appropriation made in Code section 2.12 to pay the June expenses of Commission members and staff to attend the Commission's first meeting and a health care conference in Des Moines sponsored by the University of Iowa's College of Public Health, subject to all expenditure guidelines otherwise applicable to the Commission. Such expenditures may be offset by a reduction in the \$500,000 appropriation for FY 2008.	Legal: Ann Ver Heul, Patty Funaro, John Pollak Fiscal: Sue Lerdal, Jess Benson, Deborah Helsen	Health and Human Services
Legislative Property Tax Study Committee	CHARGE: The Legislative Property Tax Study Committee is established for the 2007 and 2008 Legislative Interims to perform a comprehensive review of the property tax system.	Legal: Susan Crowley, Mike Goedert, Amanda Knief Fiscal: Shawn Snyder and Jeff Robinson	Unassigned Standing Appropriations

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
Livestock Odor Study Committee	CHARGE: Consider issues relating to odors associated with livestock. Study and make recommendations for additional state funding for research into cost-effective management practices, facilities, equipment, and practices to mitigate odor from livestock production facilities; for an Iowa State University Veterinary Laboratory review of airborne disease research; and for research for utilizing manure and other livestock waste products as sources of nutrient recovery and renewable energy.	Legal: Ann Ver Heul, Patty Funaro, John Pollak Fiscal: Sue Lerdal, Jess Benson, Deborah Helsen	Agriculture and Natural Resources
Skilled Worker Shortage Study Committee	CHARGE: Consider educational system improvements and other options to address shortages of skilled workers.	Legal: Susan Crowley, Mike Goedert, Amanda Knief Fiscal: Shawn Snyder and Jeff Robinson	Economic Development
State Prison System Planning Study Committee	CHARGE: Consider the recommendations and proposals generated by the state prison system study and planning addressed by the Department of Corrections and Board of Corrections pursuant to 2006 Iowa Acts, chapter 1179, section 1.	Legal: Ann Ver Heul, Patty Funaro, John Pollak Fiscal: Sue Lerdal, Jess Benson, Deborah Helsen	Justice
Sustainable Funding for Natural Resources Study Committee	CHARGE: Study how best to provide for sustainable funding for natural resource needs. Cooperate with the members of the Sustainable Natural Resource Funding Advisory Committee established in 2006 Iowa Acts, chapter 1185, section 43, and other interested persons in performing the study.	Legal: Doug Adkisson, Michael Duster Fiscal: Deb Kozel	Agriculture and Natural Resources
TIME-21 Transportation Funding Study Committee	CHARGE: Address the revenue needs of the Transportation Investment Moves the Economy in the Twenty-first Century (TIME-21) Fund created in 2007 Iowa Acts, chapter 200, for funding of roads and highways.	Legal: Mike Goedert, Michael Duster, Diane Ackerman Fiscal: Mary Beth Mellick	Transportation and Infrastructure

SALARIES AND COLLECTIVE BARGAINING

The State completed negotiations with unions representing State employees for salaries and benefits for FY 2008 and FY 2009 in March 2007. Chapter 20, Code of Iowa, establishes the framework and timeline for the bargaining process.

FY 2008 Salary Expenditures

The General Assembly appropriated \$106.8 million for salary expenditures in SF 601 (Standing Appropriations Act). The funds were appropriated to the Salary Adjustment Fund and distributed by the Department of Management to the various State departments and agencies, with an allocation of \$6.8 million for Judicial Branch employees. These funds were to pay the cost of salaries, including the cost to fund negotiated contracts with various bargaining units and similar increases for noncontract employees. Approximately \$13.9 million has not been distributed for FY 2008 and will revert to the General Fund at the close of FY 2008 if it is not used for other purposes.

FY 2009 Estimated Increased Salary Expenditures and Governor’s Recommendation

The total estimated need to fund salary increases for FY 2009 is \$95.8 million. This includes \$26.8 million to fund the full-year cost of salaries that were increased during FY 2008 (salary annualization), \$78.8 million for step increases, benefit enhancements, and a 3.0% FY 2009 across-the-board increase for FY 2009 (salary adjustment), and a decrease of \$9.8 million to reflect savings for employees that terminate during the year. The estimate includes \$46.6 million for the Board of Regents. *The Governor is recommending \$88.7 million for salary increases. The specifics of the Governor’s recommendation will be provided as they become available.*

The following is a brief summary of the bargaining unit agreements for FY 2008 and FY 2009.

FY 2008 AND FY 2009 COLLECTIVE BARGAINING UNIT AGREEMENTS

Bargaining Unit	FY 2008		FY 2009	
	Wages	Benefits	Wages	Benefits
American Federation of State, County, and Municipal Employees (AFSCME) – General Government and Community Based Corrections (CBC)	3.00% across-the-board pay increase on June 29, 2007. Step increases of 4.50% for eligible employees during FY 2008.	The State matches 50.00% of an employee's contribution to the Deferred Compensation Program up to a maximum State share of \$75 per month (\$900 per year) effective July 1, 2007. Increases the covered wage for Long-Term Disability by \$10,000 to a covered total wage of \$60,000.	3.0% across-the-board increase on July 1, 2008. 4.50% step increases for eligible employees.	Same as FY 2008.

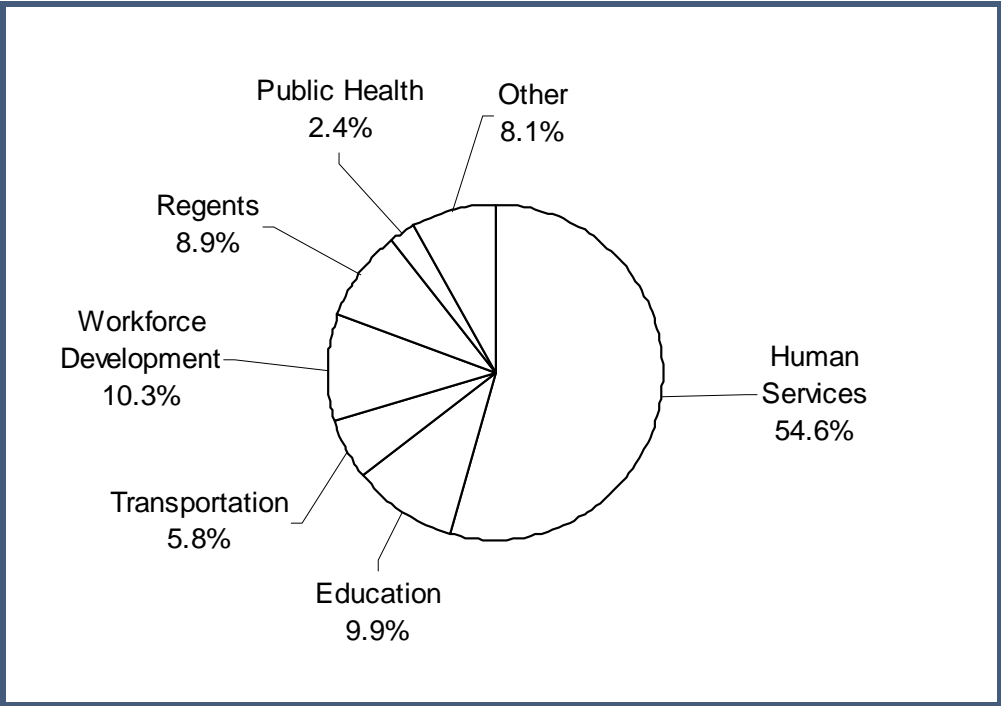
Appendix D – Salaries and Collective Bargaining

Bargaining Unit	FY 2008		FY 2009	
	Wages	Benefits	Wages	Benefits
Iowa United Professionals (IUP) and United Electrical Workers (UE)	Adds 1.45% to the pay-plan maximums before the across-the-board increase. 1.00% across-the-board pay increase on June 29, 2007. Step increases of 4.50% for eligible employees during FY 2008.	The State matches 50.00% of an employee's contribution to the Deferred Compensation Program up to a maximum State share of \$75 per month (\$900 per year) effective July 1, 2007. Increases the covered wage for Long-Term Disability by \$10,000 to a covered total wage of \$60,000.	3.00% across-the-board increase on July 1, 2008. 4.50% step increases for eligible employees.	Same as FY 2008.
State Police Officers Council (SPOC)	Adds 6.50% to the pay-plan maximums. 2.00% across-the-board pay increase on June 29, 2007. Continuation of 3.50% merit step increases for employees that are not at the top step of the pay range.	The State matches 50.00% of an employee's contribution to the Deferred Compensation Program up to a maximum State share of \$75 per month (\$900 per year) effective July 1, 2007. Increases the covered wage for Long-Term Disability by \$10,000 to a covered total wage of \$60,000.	2.00% across-the-board increase on July 1, 2008 3.5% step increases for eligible employees.	Same as FY 2008.
Judicial Public Professional and Maintenance Employees (PPME), and Judicial AFSCME	Step increases of 4.50% for eligible employees during FY 2008. 2.00% across-the-board pay increase on June 29, 2007.	The State matches 50.00% of an employee's contribution to the Deferred Compensation Program up to a maximum State share of \$75 per month (\$900 per year) effective July 1, 2007. Increases the covered wage for Long-Term Disability by \$10,000 to a covered total wage of \$60,000.	2.00% across-the-board increase on July 1, 2008. 4.50% step increases for eligible employees.	Same as FY 2008.
Regents AFSCME	Step increases of 4.50% for eligible employees during FY 2008. 3.00% across-the-board pay increase on June 29, 2007.	No Change.	3.00% across-the-board increase on July 1, 2008. 4.50% step increases for eligible employees.	Same as FY 2008.

Staff Contact: Ron Robinson (281-6256) (ron.robinson@legis.state.ia.us)

FEDERAL FUNDS

FEDERAL FUNDS RECEIVED BY IOWA - ESTIMATED FY 2008
(Dollars in millions)



Human Services	\$ 2,433.9
Education	442.0
Transportation	259.3
Workforce Development	457.0
Regents	399.7
Public Health	106.7
Other	361.5
	<u>\$ 4,460.1</u>

NOTE: Other includes all State agencies reporting federal funds that are not individually identified above.

219

The chart on the following page provides information on the 20 largest federal grant programs and the amounts enacted by the federal government for Iowa in Federal Fiscal Years 2006, 2007 and 2008. This information was provided by the VIP Grant Series that is produced by the Federal Funds Information for States (FFIS). Additional comparative information for other states is available upon request.

FEDERAL VIP FUNDS – TOP TWENTY APPROPRIATIONS

(Dollars in Thousands)

Federal VIP Grant Programs	FFY 2006 Enacted	FFY 2007 Enacted	FFY 2008 Enacted and Mandatory	Change FFY 2007 vs FFY 2008
Medicaid - Vendor Payments	\$ 1,634,104	\$ 1,559,256	\$ 1,731,094	\$ 171,838
Temporary Assistance for Needy Families	131,525	130,994	130,994	0
State Children's Health Insurance Program	33,096	50,778	68,315	17,537
Medicaid - Administration	57,790	67,344	69,363	2,019
Low-Income Home Energy Assistance	52,053	38,319	46,432	8,113
Head Start	50,987	50,987	51,841	854
Foster Care	26,704	27,617	28,190	573
Adoption Assistance	21,852	24,725	26,298	1,573
Child Support Enforcement	41,034	43,055	38,042	-5,013
Women, Infants, & Children (WIC)	39,774	38,741	44,812	6,071
Vocational Rehabilitation - State Grants	30,428	31,581	31,991	411
Special Education - Basic State Grant	112,542	114,456	117,208	2,752
Title I - Local Education Agencies	64,917	69,213	75,627	6,414
Community Development Block Grant (CDBG) - Non-Entitlement	26,414	26,596	25,642	-954
Unemployment - State Administration	22,190	21,080	22,668	1,588
National Highway System	91,184	96,063	96,583	520
State Surface Transportation Program	87,965	91,911	93,119	1,208
Interstate Maintenance	61,662	65,182	65,937	755
Bridge Replacement and Rehabilitation	60,377	63,951	61,467	2,484
Highway - Equity Bonus	1,749	17,808	42,185	24,377
VIP Grand Total	\$ 2,825,124	\$ 2,775,684	\$ 3,006,116	\$ 230,432

250

Staff Contact: Doug Wulf (1-3250) (doug.wulf@legis.state.ia.us)

OTHER FUND BALANCE SHEETS

This Appendix contains balance sheets for the following funds:

- Rebuild Iowa Infrastructure Fund
- Environment First Fund
- Vertical Infrastructure Fund
- Tobacco Settlement Fund – Restricted Capital Fund (RCF)
- Endowment for Iowa’s Health – Restricted Capitals Fund (RC2)
- FY 2009 Tax-Exempt Restricted Capital Fund (RC3)
- Endowment for Iowa’s Health Account
- Healthy Iowans Tobacco Trust Fund
- Technology Reinvestment Fund
- Prison Bond Fund
- Property Tax Credit Fund
- Senior Living Trust Fund

Rebuild Iowa Infrastructure Fund

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Resources			
Balance Forward	\$ 25,011,480	\$ 49,696,180	\$ 25,790,297
Wagering Taxes and Fees	118,680,275	198,562,543	201,382,205
Gamblers Treatment Fund Excess	2,066,632	1,027,183	1,097,455
License Fee Tax Credit	0	0	-4,600,000
Riverboat License Fees	8,000,000	8,000,000	8,000,000
Transfer from Veritcal Infrastructure Fund	0	0	8,400,023
Interest	30,914,929	30,000,000	30,000,000
Marine Fuel Tax	2,831,423	0	0
Transfer to General Fund	0	0	-90,000,000
Total Resources	\$ 187,504,739	\$ 287,285,906	\$ 180,069,980
Appropriations			
Administrative Services/General Services			
Routine Maintenance	\$ 2,536,500	\$ 5,000,000	\$ 3,000,000
Employee Relocation Expenses/Leases	1,824,500	1,824,500	0
DAS Distribution Account	0	2,000,000	0
New Office Building	0	3,600,000	0
Toledo Juvenile Home Improvements	7,035,000	0	0
DHS Toledo-New Education & Infirmary Bldg.	0	3,100,000	0
Terrace Hill Maintenance	75,000	0	669,000
DHS - Civil Comm. Unit for Sex Offenders Renov.	0	750,000	829,000
Capitol Complex Electrical Distribution	0	3,460,960	4,470,000
Capitol Interior/Exterior	0	6,300,000	6,900,000
Capitol Complex Utility Tunnel/Feasibility Study	0	260,000	5,309,200
Sidewalks & Parking Lot Repairs	0	1,650,000	0
Enterprise Resource Planning (I/3)	0	1,500,000	0
West Capitol Terrace	0	1,600,000	0
Hoover Building HVAC Improvements	0	1,320,000	1,500,000
Property Acquisition	0	1,000,000	1,000,000
Workforce Building Feasibility Study	0	1,000,000	0
Energy Plant and Additions	0	998,000	623,000
Vehicle Dispatch Fleet Relocation	0	350,000	0
Veterans Disabled for Life Memorial	0	50,000	0
Workers' Monument	0	200,000	0
Major Maintenance	0	0	32,000,000
Capitol Master Plan Update	0	0	250,000
Hoover Building Security/Fire Walls	0	0	165,000
Terrace Hill Preservation and Restoration	0	0	287,000
Department of the Blind			
Dormitory Remodeling	0	0	869,748
Corrections			0
Ft. Madison Electrical System Lease Purchase	333,168	333,168	0
Correctional Institution Improvements	0	5,495,000	0
Fort Dodge CBC Residential Facility	0	2,450,000	0
Anamosa Dietary Renovation	0	25,000	0
Prison System Study	500,000	0	0
6th District Mental Health Bldg	0	1,300,000	0
Prison Infrastructure Planning	0	500,000	0
A & E Funding for Ft. Madison and Mitchellville	0	0	1,000,000
Construction Project Manager	0	0	500,000

Rebuild Iowa Infrastructure Fund

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Cultural Affairs			
Historical Preservation Grant Program	800,000	1,000,000	0
American Gothic Visitors Ed. Center	250,000	0	0
Great Places Initiative	0	3,000,000	2,000,000
Iowa Veterans Oral Histories	1,000,000	0	0
Iowa Battle Flags	220,000	220,000	0
Economic Development			
Community Attraction & Tourism Grants	5,000,000	5,000,000	5,000,000
Accelerated Career Education (ACE) Program	0	5,500,000	5,500,000
Iowa Port Authorities	80,000	0	0
Targeted Industries Infrastructure	0	900,000	0
Regional Sport Authorities	0	500,000	0
Community Colleges 260C.18A	0	2,000,000	0
Education			
Enrich Iowa Libraries	1,200,000	1,000,000	0
NEICC Agriculture Emergencies Facility	0	35,000	0
Community Colleges Infrastructure	0	2,000,000	2,000,000
IPTV - Mechanical Equipment	0	1,275,000	0
Human Services			
Polk County Residential Treatment Facility	300,000	0	0
Nursing Home Facility Financial Assistance	0	1,000,000	0
Iowa Finance Authority			
Water Quality Grants	0	4,000,000	0
State Housing Trust Fund	0	2,500,000	0
IFA Transitional Housing	1,400,000	0	0
Management			
Vertical Infrastructure Fund	15,000,000	50,000,000	0
Environment First Fund	35,000,000	40,000,000	24,500,000
Natural Resources			
Lake Darling State Park Shelter	250,000	0	0
Volga River Rec. Area Infrastructure Impr.	0	750,000	750,000
Lake Delhi Improvements	0	100,000	0
Carter Lake Improvements	0	500,000	500,000
Mines of Spain Interpretive Center	0	100,000	0
State Park Renovations	0	2,500,000	0
Lake Restoration & Water Quality	0	8,600,000	0
Iowa's Special Areas (GEMS)	1,500,000	0	0
Honey Creek Resort State Park	0	0	4,900,000
Public Health			
Environmental & Emergency Mgmt. Facility	100,000	0	0
Public Defense			
Camp Dodge Armed Forces Readiness Center	100,000	50,000	0
Gold Star Museum - Camp Dodge	0	1,000,000	2,000,000
STARCOMM	1,000,000	2,000,000	1,600,000
Iowa City Readiness Center	0	1,200,000	0
Waterloo Aviation Readiness Center	0	500,000	0
Camp Dodge Water Distribution System	0	400,000	410,000
Facility/Armory Maintenance	0	1,500,000	0
Ottumwa Armory Addition	0	1,000,000	0
Newton Readiness Center	0	400,000	0
Eagle Grove Readiness Center	0	400,000	0
ILEA/National Guard Shoot House	0	500,000	0

Rebuild Iowa Infrastructure Fund

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Public Safety			
State Fire Training Facility	0	2,000,000	0
Regional Fire Training Facilities	2,300,000	1,400,000	0
Law Enforcement Training Track	800,000	0	0
Mason City Patrol Post	0	2,400,000	0
Revenue			
Secure an Advance Vision for Education (SAVE)	10,000,000	10,000,000	10,000,000
Secretary of State			
Voting Machine Reimbursement Fund	0	2,000,000	0
State Fair			
Agriculture Exhibition Center	0	3,000,000	5,000,000
Transportation			
Aviation Improvement Program	564,000	0	0
Commercial Aviation Infrastructure	0	1,500,000	1,500,000
Rail Assistance	235,000	2,000,000	0
Recreational Trails	0	2,000,000	2,000,000
Public Transit Infrastructure	0	2,200,000	2,200,000
General Aviation Airport Grants	0	750,000	750,000
Treasurer			
County Fairs Infrastructure	1,060,000	1,590,000	1,590,000
Prison Infrastructure Fund	5,416,604	0	0
Regents			
Tuition Replacement	10,329,981	10,329,981	0
Major/Deferred Maintenance	6,200,000	0	10,000,000
Iowa Center for Regenerative Medicine	0	10,000,000	10,000,000
ISU - Biorenewables Building	0	5,647,000	14,756,000
UNI - Program for Playground Safety	500,000	0	0
SUI - Hygienic Laboratory	8,350,000	15,650,000	12,000,000
Ag Products/Novel Proteins	1,000,000	0	0
ISU - Veterinary Laboratory	2,000,000	0	0
Bioscience Program Infrastructure	1,800,000	0	0
Endowment Salaries	5,000,000	0	0
Bioscience Program	8,200,000	0	0
Veterans Affairs			
Veterans Home Infrastructure	0	532,000	0
Home Ownership Program	0	1,000,000	0
Net Appropriations	\$ 139,259,753	\$ 261,495,609	\$ 178,327,948
Reversions	-1,451,194	0	0
Ending Balance	\$ 49,696,180	\$ 25,790,297	\$ 1,742,032

Environment First Fund

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Revenue			
Balance Forward	\$ 22,454	\$ 22,454	\$ 22,454
RIIF Appropriation	35,000,000	40,000,000	35,000,000
Receipts Adjustment	0	0	0
Total	\$ 35,022,454	\$ 40,022,454	\$ 35,022,454
Appropriations			
Department of Agriculture			
Soil Conservation Cost Share	\$ 5,500,000	\$ 7,000,000	\$ 7,000,000
Watershed Protection Program	2,700,000	2,550,000	2,550,000
Wetland Incentive Program (CREP)	1,500,000	1,500,000	1,500,000
Farm to School	0	80,000	80,000
Apiarist	0	40,000	40,000
Conservation Reserve Program (CRP)	2,000,000	1,500,000	1,500,000
Farm Demonstration Program	850,000	850,000	850,000
Loess Hills Conservation Authority	600,000	580,000	580,000
Agricultural Drainage Wells	500,000	1,480,000	1,480,000
So. Iowa Conservation & Dev. Authority	300,000	300,000	300,000
Levee Project	0	150,000	150,000
Total Department of Agriculture	\$ 13,950,000	\$ 16,030,000	\$ 16,030,000
Department of Natural Resources			
REAP Program	\$ 11,000,000	\$ 15,500,000	\$ 0
Marine Fuel Tax Capital Projects	2,300,000	0	0
Park Operations and Maintenance	2,000,000	2,470,000	2,470,000
Volunteer Water Quality Initiative	100,000	100,000	100,000
Animal Feeding Operations	0	360,000	360,000
Animal Feeding Database	0	50,000	0
Air Quality Livestock	0	235,000	0
Water Quantity Program	0	480,000	480,000
Resource Conservation and Development	0	300,000	0
Air Quality Monitoring Program	0	325,000	520,000
Water Quality Protection	500,000	500,000	500,000
Geographic Information System Development	195,000	195,000	195,000
Water Quality Monitoring Stations	2,955,000	2,955,000	2,955,000
Lake Dredging	1,500,000	0	0
Global Climate Change Council	0	0	150,000
Biofuels Permitting	0	0	90,000
Flood Plain Management	0	0	150,000
Total Department of Natural Resources	\$ 20,550,000	\$ 23,470,000	\$ 7,970,000
Department of Economic Development			
Brownfield Redevelopment Program	\$ 500,000	\$ 500,000	\$ 500,000
Total Appropriations	\$ 35,000,000	\$ 40,000,000	\$ 24,500,000
Reversions	0	0	0
Ending Balance	\$ 22,454	\$ 22,454	\$ 10,522,454

Vertical Infrastructure Fund

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Resources			
Balance Forward	\$ 23	\$ 23	\$ 8,400,023
RIF Appropriation	15,000,000	50,000,000	
Transfer to RIF	0	0	-8,400,023
Total Available Resources	\$ 15,000,023	\$ 50,000,023	\$ 0
Appropriations			
Dept. of Administrative Services			
Major Maintenance	\$ 10,000,000	\$ 40,000,000	\$ 0
Board of Regents			
Fire Safety and Maintenance	0	1,000,000	0
ISU Veterinary Laboratory	0	600,000	0
Bioscience Program Infrastructure	5,000,000	0	0
Total Appropriations	\$ 15,000,000	\$ 41,600,000	\$ 0
Reversions	0	0	0
Ending Balance	\$ 23	\$ 8,400,023	\$ 0

**Tobacco Settlement Trust Fund
Restricted Capital Fund**

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Resources			
Balance Forward	\$ 423,101	\$ 2,857,854	\$ 3,157,854
Adjustment to Balance	1,433		
Interest	2,425,977	300,000	128,603
Total Available Resources	\$ 2,850,511	\$ 3,157,854	\$ 3,286,457
Appropriations			
Dept. of Administrative Services			
Terrace Hill Roof - Supplemental	700,000	0	0
Electrical Distribution - Supplemental	800,000	0	0
Dept. of Natural Resources			
Honey Creek Resort State Park - Cabins	0	0	3,100,000
Dept. of Public Safety			
Dubuque Fire Training Facility	0	0	0
Mason City Patrol Post	-2,400,000	0	0
Property Acquisition - Supplemental	1,200,000	0	0
Radio Consoles - Supplemental	1,000,000	0	0
Public Safety Building Furnishings	200,000	0	0
Total Appropriations	\$ 1,500,000	\$ 0	\$ 3,100,000
Reversions	-7,343	0	0
Deappropriations	-1,500,000	0	0
Ending Balance	\$ 2,857,854	\$ 3,157,854	\$ 186,457

Tobacco Settlement Trust Fund
Endowment for Iowa's Health Restricted Capital Fund (RC2)

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Resources			
Balance Forward	\$ 102,397,765	\$ 3,821,417	\$ 4,821,417
Tax-Exempt Bond Proceeds	0	0	0
Interest	5,202,653	2,400,000	300,000
Total Available Resources	\$ 107,600,418	\$ 6,221,417	\$ 5,121,417
Appropriations			
Department of Administrative Services			
DHS - Toledo Juvenile Home	\$ 1,521,045	\$ 0	\$ 0
DHS - Toledo Education & Infirmary Bldg.	5,030,668	0	0
Capitol Interior Restoration	6,830,000	0	0
Woodward Resource Center Wastewater Treatment	2,443,000	0	0
New Office Building	37,585,000	0	0
Property Acquisition	500,000	0	0
Mercy Capitol Building Purchase	0	0	3,400,000
Install Pre-Heat Piping for Lucas Building	0	0	300,000
Capitol Complex Alternative Energy System	0	0	200,000
Department for the Blind			
Building Renovation	4,000,000	0	0
Dept. of Economic Development			
Accelerated Career Education (ACE) Program	5,500,000	0	0
State Fair Board			
Capitals	1,000,000	0	0
Department of Corrections			
Davenport CBC Facility	3,750,000	0	0
Fort Dodge CBC Facility	1,000,000	0	0
Cedar Rapids CBC Mental Health Facility	1,000,000	0	0
Anamosa Dietary Renovation	0	1,400,000	0
Department of Cultural Affairs			
Great Places	3,000,000	0	0
Dept. of Education			
Community College Infrastructure	2,000,000	0	0
Department of Public Defense			
Iowa City Readiness Center	1,444,288	0	0
Waterloo Aviation Readiness Center Addition	1,236,000	0	0
Spencer Readiness Center	689,000	0	0
STARCOMM Project	600,000	0	0
Ottumwa Readiness Center	0	0	500,000
Camp Dodge Electrical Distribution System Upgrade	0	0	526,000
Department of Public Safety			
Regional Fire Training Facilities	2,000,000	0	0
Board of Regents			
Construction Projects	10,000,000	0	0
Dept. of Transportation			
Commercial Aviation Infrastructure	1,500,000	0	0
Public Transit Infrastructure	2,200,000	0	0
Recreational Trails	2,000,000	0	0
General Aviation Airport Grants	750,000	0	0

Tobacco Settlement Trust Fund
Endowment for Iowa's Health Restricted Capital Fund (RC2)

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Iowa Veterans Home Capital Projects	6,200,000	0	0
Total Appropriations	<u>\$ 103,779,001</u>	<u>\$ 1,400,000</u>	<u>\$ 4,926,000</u>
Ending Balance	<u>\$ 3,821,417</u>	<u>\$ 4,821,417</u>	<u>\$ 195,417</u>

Tobacco Settlement Trust Fund
FY 2009 Tax-Exempt Restricted Capital Fund (RC3)

	Gov. Rec. FY 2009
Resources	
Beginning Balance	\$ 0
Bond Proceeds	165,000,000
Total Available Resources	\$ 165,000,000
 Appropriations	
Department of Administrative Services	
New State Office Building	\$ 20,000,000
Department of Administrative Services	
First CBC - Waterloo Residential Expansion	5,833,333
Third CBC - Sioux City Residential Expansion	5,833,333
Fifth CBC - Des Moines Residential Expansion	16,000,000
Eighth CBC - Ottumwa Residential Expansion	5,833,333
Community Treatment Resource Center	10,000,000
Iowa Correctional Institution for Women Expansion	67,979,000
Mt. Pleasant/Rockwell City Kitchen Remodeling	12,500,000
Department of Veterans Affairs	
Iowa Veterans Home Master Plan	20,555,329
Total Expenditures	164,534,328
Net Available/Balance Forward	\$ 465,672

Tobacco Settlement Trust Fund Endowment for Iowa's Health Account

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Resources			
Balance Forward	\$ 109,724,840	\$ 90,456,808	\$ 35,316,511
Wagering Tax Allocation	70,000,000	0	0
General Fund Appropriation	17,773,000	0	0
Master Settlement Agreement Payments	14,007,784	16,499,082	0
Interest Earned	5,499,804	2,600,000	0
General Fund Deappropriation	-17,773,000	0	0
Transfer to General Fund	0	0	-35,316,511
Total	<u>\$ 199,232,428</u>	<u>\$ 109,555,891</u>	<u>\$ 0</u>
Appropriations/Transfers			
Healthy Iowans Tobacco Trust Standing	59,250,620	60,139,379	0
Healthy Iowans Tobacco Trust Approp.	10,925,000	9,100,000	0
Senior Living Trust Fund	25,000,000	0	0
Lake Restoration	8,600,000	0	0
Watershed Protection	5,000,000	5,000,000	0
Total	<u>\$ 108,775,620</u>	<u>\$ 74,239,379</u>	<u>\$ 0</u>
Ending Balance	<u>\$ 90,456,808</u>	<u>\$ 35,316,511</u>	<u>\$ 0</u>

Healthy Iowans Tobacco Trust Fund

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2008
Resources			
Balance Forward	\$ 1,063,021	\$ 1,731,188	\$ 979,242
Endowment for Iowa's Health Account	59,250,621	60,139,379	0
Endowment Transfer	10,925,000	9,100,000	0
Interest Earned	468,032	120,000	0
Miscellaneous	654	0	0
Balance Transferred to the General Fund	0	0	-979,242
Total Available Resources	\$ 71,707,328	\$ 71,090,567	\$ 0
Appropriations			
Dept. of Public Health			
Tobacco Use Prevention/Control	\$ 5,928,465	\$ 5,928,465	\$ 0
Substance Abuse Prevention	0	0	0
Substance Abuse Treatment	13,800,000	13,800,000	0
Sub. Abuse Prevention - Boys and Girls Clubs	0	0	0
Substance Abuse Prevention - Children	1,050,000	1,050,000	0
Healthy Iowans 2010	2,509,960	2,509,960	0
Smoking Cessation Products	75,000	0	0
Defibrillator Grant Program	350,000	40,000	0
Epilepsy Education	0	100,000	0
Phenylketonuria (PKU) Assistance	100,000	100,000	0
AIDS Drug Assistance Program	275,000	275,000	0
Birth Defects Institute	26,000	26,000	0
Dept. of Human Services			
Medicaid Supplement (Medical Assistance)	35,013,803	35,327,368	0
CHIP Expansion to 200% of Fed. Poverty Level	200,000	0	0
Child and Family Services	4,257,623	3,761,677	0
Purchase of Service Provider	146,750	146,750	0
General Administration	274,000	274,000	0
Other Provider Services	0	182,381	0
Dept. of Corrections			
CBC District I	228,216	228,216	0
CBC District II	406,217	406,217	0
CBC District III	200,359	200,359	0
CBC District IV	291,731	291,731	0
CBC District V	355,693	355,693	0
CBC District VI	164,741	494,741	0
CBC District VII	232,232	232,232	0
CBC District VIII	300,000	300,000	0
Fort Madison Special Needs Unit	1,497,285	1,497,285	0
Mitchellville Value-Based Program	0	0	0
Newton Value Based Program	310,000	0	0
Dept. of Education			
Before and After School Program Grants	150,000	305,000	0
Iowa Empowerment Fund	2,153,250	2,153,250	0
Dept. for the Blind			
Newsline for the Blind	130,000	0	0
Dept. of Economic Development			
Iowa Promise & Mentoring Partnership	125,000	125,000	0
Dept. of Management			
Appeal Board Claims - Standing	87,874	0	0
Total Appropriations	\$ 70,639,199	\$ 70,111,325	\$ 0
Reversions	-663,059	0	0
Ending Balance	\$ 1,731,188	\$ 979,242	\$ 0

Technology Reinvestment Fund

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Resources			
Beginning Balance	\$ 0	\$ 0	\$ 1,167
General Fund Appropriation	17,500,000	17,500,000	17,500,000
Total Available Resources	\$ 17,500,000	\$ 17,500,000	\$ 17,501,167
Appropriations			
Dept. of Administrative Services			
Technology Projects	\$ 3,358,334	\$ 3,810,375	\$ 4,059,088
Service Oriented Architecture	0	254,992	0
I/3 Technology Operations	0	0	1,000,000
Dept. of Corrections			
Offender Management System	500,000	500,000	500,000
Dept. of Education			
IPTV - HDTV Conversion	2,300,000	0	0
ICN Part III & Maintenance & Leases	2,727,000	2,727,000	2,727,000
IPTV-Replace Analog Transmitters	1,425,000	0	0
Iowa Learning Technologies	500,000	500,000	0
Statewide Education Data Warehouse	0	600,000	0
Uninterruptible Power Supply	315,000	0	0
IPTV - Generators and Transmitters	0	0	1,602,437
IPTV - Replace Keosauqua Tower Antenna, Bldg.	0	0	701,500
Ethics and Campaign Finance			
Technology Upgrades	39,100	0	0
Department of Human Rights			
Criminal Justice Information System Integration	2,645,066	2,881,466	1,839,852
Department of Human Services			
Child Support Recovery Unit Payment Process. Equip.	0	272,000	0
Iowa Telecom. and Technology Commission			
ICN Equipment Replacement	1,997,500	2,067,000	2,190,123
Redundancy for Continuity of Operations	0	0	2,320,000
Iowa Workforce Development			
Automated Worker's Comp. Appeal System.	0	500,000	0
Outcome Tracking System	0	580,000	0
Law Enforcement Academy			
Technology Enhancements	50,000	0	0
Department of Public Defense			
Technology Enhancements	75,000	111,000	0
Department of Public Safety			
Technology Enhancements	943,000	1,900,000	0
Auto. Fingerprint Info. System (AFIS) Lease Purchase	550,000	560,000	560,000

Technology Reinvestment Fund

	<u>Actual FY 2007</u>	<u>Estimated FY 2008</u>	<u>Gov. Rec. FY 2009</u>
Parole Board			
Technology Enhancements	75,000	0	0
<hr style="border-top: 1px dashed black;"/>			
Boar d of Regents			
MyEntreNet Project	0	235,000	0
Total Appropriations	<u>\$ 17,500,000</u>	<u>\$ 17,498,833</u>	<u>\$ 17,500,000</u>
Reversions	0	0	0
Ending Balance	<u><u>\$ 0</u></u>	<u><u>\$ 1,167</u></u>	<u><u>\$ 1,167</u></u>

FY 2009 Prison Bonding Fund

	Gov. Rec. FY 2009
Resources	
Beginning Balance	\$ 0
Revenues	
Bond Proceeds	131,000,000
Total Available Resources	<u>131,000,000</u>
Expenditures	
Department of Corrections	
Iowa State Penitentiary	<u>130,677,500</u>
Total Expenditures	<u>130,677,500</u>
Ending Balance	<u>\$ 322,500</u>

Property Tax Credit Fund

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Resources			
Beginning Balance	\$ 666,577	\$ 1,682,157	\$ 1,682,157
Revenues			
Transfer from General Fund Ending Balance	159,895,468	131,868,964	81,768,964
General Fund Appropriation	0	28,000,000	78,100,000
Total Available Resources	160,562,045	161,551,121	\$ 161,551,121
Expenditures			
Appropriations			
Department of Revenue			
Homestead Property Tax Credit	102,945,379	99,254,781	99,254,781
Ag, Land and Family Farm Tax Credits	34,610,183	34,610,183	34,610,183
Military Service Tax Credit	2,773,402	2,800,000	2,800,000
Elderly and Disabled Tax Credit & Reimburs.	19,540,000	23,204,000	23,204,000
Total Appropriations	159,868,964	159,868,964	159,868,964
Reversions	-989,076	0	0
Ending Balance	\$ 1,682,157	\$ 1,682,157	\$ 1,682,157

Senior Living Trust Fund

	Actual FY 2007	Estimated FY 2008	Gov. Rec. FY 2009
Revenues			
Beginning Balance	\$ 53,676,519	\$ 75,891,222	\$ 76,143,444
Medicaid Transfer	11,961,321	0	0
General Fund Transfer	49,900,000	53,500,000	0
Economic Emergency Fund Transfer	6,284,233	18,900,000	0
Endowment - Taxable Bonds	25,000,000	0	0
Interest	3,563,636	3,178,232	1,713,227
Total Revenues	<u>\$ 150,385,709</u>	<u>\$ 151,469,454</u>	<u>\$ 77,856,671</u>
Appropriations			
Finance Authority - Rent Subsidy Program	\$ 700,000	\$ 700,000	\$ 700,000
Human Services - Medicaid Supplement	65,000,000	65,000,000	65,000,000
Elder Affairs	8,324,044	8,442,707	8,442,707
DIA - Assisted Living/Adult Day Care Oversight	790,751	1,183,303	1,183,303
Total Appropriations	<u>\$ 74,814,795</u>	<u>\$ 75,326,010</u>	<u>\$ 75,326,010</u>
Reversions	-320,308	0	0
Ending Balance	<u><u>\$ 75,891,222</u></u>	<u><u>\$ 76,143,444</u></u>	<u><u>\$ 2,530,661</u></u>

INDEX OF FY 2009 GOVERNOR’S RECOMMENDATIONS BY DEPARTMENT

	Pages
Administrative Services, Department of	50
Agriculture, Department of	64
Auditor of State	51
Blind, Department for the	86
Civil Rights Commission	124
College Student Aid Commission	87
Commerce, Department of	52
Corrections, Department of	124
Cultural Affairs, Department of	76
Drug Control Policy, Governor’s Office of	55
Economic Development, Department of	77
Education, Department of	88
Elder Affairs, Department of	102
Energy Independence, Office of	83
Ethics and Campaign Disclosure Board	53
Governor and Lieutenant Governor, Office of	54
Human Rights, Department of	56
Human Services, Department of	106
Infrastructure and Capitals Requests – All Departments	143
Inspections and Appeals, Department of	53, 117
Iowa Finance Authority	80, 117
Iowa Public Employees Retirement System (IPERS)	60
Iowa Workforce Development	81
Judicial Branch	129
Justice, Department of	122
Law Enforcement Academy	131
Management, Department of	57
Natural Resources, Department of	66

Index of FY 2009 Governor’s Recommendations by Department

Parole, Board of.....	132
Public Defender – Department of Inspections and Appeals.....	129
Public Defense, Department of.....	133
Public Employment Relations Board.....	83
Public Health, Department of.....	103
Public Safety, Department of.....	134
Regents, Board of.....	69, 80, 93, 116
Revenue, Department of.....	57
Secretary of State.....	58
Transportation, Department of.....	140
Treasurer of State.....	59, 70
Veterans Affairs, Department of.....	114