FISCAL UPDATE October 26, 1999

 Legislative Fiscal Bureau (515-281-5279 FAX 515-281-5481



Revenue Estimating Conference Revises FY 2000 Revenue Estimate; Establishes FY 2001 Revenue Estimate

**REC Meeting** The Revenue Estimating Conference (REC) met October 18 to review the FY 2000 and FY 2001 General Fund revenue estimates. Members of the Conference approved revisions for FY 2000 and established the FY 2001 General Fund revenue estimate.



**FY 2000 Estimate Reduced** The REC revised downward the FY 2000 total receipts estimate of $5.082 billion established in August. Net receipts (total receipts less refunds) were revised downward from $4.553 billion to $4.518 billion, reflecting reduced estimates for personal income tax, sales tax, and use tax. The FY 2000 refunds estimate was revised upward from $529.1 million to $531.8 million, reflecting a minor change in the prior year refunds growth. Several adjustments were made to specific taxes to reflect year-to-date experience. Personal income tax collections have been weaker than anticipated, and the REC revised the FY 2000 personal income tax amount downward by $28.0 million compared to the August REC estimate. The August estimate of $1.448 billion for sales tax was decreased by $3.5 million in reflection of less than anticipated year-to-date growth.

 **FY 2001 Estimate** The REC established the FY 2001 total receipts estimate of $5.276 billion, which is 4.5% over the FY 2000 estimate. Net receipts (total receipts less refunds) was set at $4.717 billion, which is $198.3 million (4.4%) above the FY 2000 estimate. The FY 2001 refunds estimate was set at $559.3 million, which is $27.5 million (5.2%) above FY 2000.



**Gambling Revenue Estimates** The Conference also revised the FY 2000 estimate and established the FY 2001 estimate for gambling revenues transferred to the Rebuild Iowa Infrastructure Fund (RIIF). Gambling proceeds to the General Fund are statutorily capped at $60.0 million, with the excess going to the RIIF. The Conference set the amount estimated to be transferred to the RIIF at $112.2 million in FY 2000 and $127.1 million in FY 2001.

|  |  |  |
| --- | --- | --- |
|  |  |  |
| **IN THIS ISSUE:** | REC Meeting, pg. 1 | College Student Aid Commission Mtg., pg. 10 |
|  | Depts to Identify FY 2000 Budget Cuts, pg. 2 | ***Issue Review***-Recreation Infras. Grant Prgm., pg. 10  |
|  | Corrections Board Budget Requests, pg 3 | ***Issue Review***-Refugee & Immigrant Growth, pg. 10 |
|  | Boating Safety Seminar, pg. 5 | ***Issue Review***-Plant Science Initiative-ISU, pg. 11 |
|  | Natural Resources Commission Mtg., pg. 6 | ***Issue Review***-Community College Funding, pg. 11 |
|  | Road Use Tax Fund Revenues, pg. 7 | ***Issue Review***-Johne’s Disease, pg. 12 |
|  | Board of Regents Meeting, pg. 9 | ***Issue Review***-Gypsy Moth Program, pg. 13 |

**Estimates by Source** The spreadsheet below details the latest REC estimates by source of revenue.



STAFF CONTACT: Larry Sigel (Ext. 14611)

Governor Asks Departments to identify FY 2000 Budget Cuts

#### FY 2000

 ****

**FY 2000 Budget Reductions** In response to the lower revenue estimate projected for FY 2000 by the recent Revenue Estimating Conference, the Governor has asked the departments to identify approximately $35.0 million in reductions in FY 2000 General Fund budgets. Specifically, the Governor has asked that each department and agency:

* Identify specific general fund cuts that would total 1%, 3%, and 5% of their General Fund appropriations in the aggregate. The only adjustments to appropriated levels will be for entitlements as defined in Chapter 8, Code of Iowa (medical assistance, indigent defense, foster care, state supplementary assistance, and the family investment program.)
* Identify impacts to services from these reductions.

**More Information** For more information on the FY 2000 and FY 2001 revenue projections, please contact the Legislative Fiscal Bureau.

STAFF CONTACT: Dennis Prouty (Ext. 13509) Holly Lyons (Ext. 17845)

Board of Corrections Approves Budget Requests



**Board Meeting** The Board of Corrections met on September 24 to finalize the Department’s FY 2001 budget request. The Department’s operations request is for $253.4 million in FY 2001, an increase of $12.4 million (5.1%) compared to the FY 2000 appropriation. The major changes to operations include:

* An increase of $7.0 million and 151.6 FTE positions to annualize staffing and operations costs and $1.2 million for one-time start-up costs for the expanded institutional bed capacity at Ft. Madison and Mitchellville and expanded residential bed capacity at Dubuque and Council Bluffs.
* A decrease of $1.0 million for FY 2000 one-time expenditures at the Ft. Dodge and Mitchellville institutions.

#### FY 2001

 ****

* An increase of $1.8 million to replace budgeted revenues from the private sector employment of inmates. Beginning in FY 2001, these revenues will be deposited into the General Fund instead of the institutions’ operating budgets.
* An increase of $452,000 to replace expiring federal grants.
* An increase of $2.4 million and 51.0 FTE positions for probation/parole officers.
* An increase of $1.0 million and 24.4 FTE positions for Community-Based Corrections residential facility staffing.
* An increase of $1.7 million and 3.0 FTE positions for increased medical costs, particularly for Hepatitis C and HIV medications.
* An increase of $1.2 million and 4.0 FTE positions for continuation of technology improvements begun in FY 2000 in the institutions and Community-Based Corrections Districts.
* A decrease of $2.2 million to eliminate funding for female inmates housed out-of-state.
* Options for expanding medical services for special needs inmates at Ft. Madison and eliminating or continuing contract medical services, depending on the results of the study required by SF 468, Justice System Appropriations Act.
* A decrease of $2.4 million for certificates of participation that will be paid off during FY 2000.



**Additional Requests** In addition to the above requests, the Board is sending a letter to Governor Vilsack requesting that if funds become available, he consider recommending the following items to the Legislature:

* An increase of $563,000 and 15.0 FTE positions for inmate work expansion.
* An increase of $504,000 and 13.0 FTE positions to staff the reconfigured special needs unit at Mt. Pleasant.
* An increase of $1.5 million and 20.0 FTE positions for central administrative services, including technology enhancement, records management, and other functions.
* An increase of $1.9 million and 8.0 FTE positions to expand staff training programs and integrate the program with the Iowa Law Enforcement Academy.
* An increase of $285,000 for adult basic education at the expanded facilities.
* An increase of $250,000 for an anticipated increase in costs to the County Confinement Account, which reimburses county jails for holding work release and parole violators until their return to prison.

**Capital & Maintenance**  The Board also approved the Department’s capitals and major maintenance requests totaling $69.0 million. These requests include:

* An increase of $19.8 million associated with the costs of the 683 institutional and residential facility beds under construction and renovation.



* An increase of $24.1 million for specific capitals projects. The increases are:
* $14.2 million for three capitals projects at the Anamosa State Penitentiary. The projects are a renovation of the dietary facility, upgrades to the door locking, mechanical, plumbing and electrical systems, and replacing the electrical distribution system.
* $3.5 million to replace the primary electrical distribution system at the Oakdale facility. The current system is inadequate for the 170-bed expansion underway at the prison.
* $4.9 million to replace the primary and secondary electrical distribution system at the Ft. Madison institution. The current system needs repairs and is inadequate for the 200-bed expansion underway at the prison.
* $1.4 million for a new water tower and additional water mains for the Clarinda facility. The Department reports that the current system is inadequate to fight a fire at the institution.
* An increase of $25.1 million for major maintenance projects.

**Appointment** In addition to the budget considerations, the Board approved the appointment of Diann Wilder-Tomlinson as warden of the Iowa Correctional Institution for Women at Mitchellville. Ms. Wilder-Tomlinson currently is the director of the Civil Rights Commission and formerly served as an attorney overseeing the Department of Corrections’ administrative law judges and other legal matters.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561) Christina Schaefer (Ext. 16301)

Department of Natural Resources and National Safe Boating Coalition Sponsor Boating Safety Seminar

**Boating Safety Seminar** The Department of Natural Resources and the National Safe Boating Coalition held a seminar on boating safety on October 2 at Drake University. Legislators in attendance included Representative Michael Jager and Representative Steve Kettering.



**Statistics** Larry Wilson, Department of Natural Resources, made opening comments and discussed the importance of boater safety. The following details boating statistics in Iowa for 1998 and 1999:

|  |  |  |
| --- | --- | --- |
| Description | **1998** | **Year To Date 1999** |
| Number of boating accidents | 84 | 86 |
| Number of related injuries | 49 | 49 |
| Number of related fatalities | 4 | 5 |
| Number of personal watercraft accidents | 34 | 35 |

**Implied Consent Law** Dan Kummer, National Association of Independent Insurers, explained that Iowa has over 50 companies that are members of the Association he represents. He also discussed how Iowa is one of the few states that does not have an implied consent law for boaters.



**Legislation** Randy Edwards and Kevin Szcodronski, Department of Natural Resources, discussed legislation that was introduced during the past Legislative Session. This included HF 608, Boater Education, and HF 693, Implied Consent. Those in attendance were allowed to comment on the proposed legislation. Discussion topics included:

* Legal ages to operate water vessels and personal watercraft.
* Legal ages to supervise underage operators.
* Boater education programs for water vessels and personal watercraft.
* Hours of operation for water vessels and personal watercraft.
* Implied consent for boat operators and the legal ramifications.
* Funding issues regarding the implementation of implied consent laws.
* Penalties and fines reqarding operating watercraft while intoxicated.

**Group Presentations** The United States Coast Guard, the United States Power Squadrons, the United States Army Corps of Engineers, Mothers Against Drunk Drivers, the Midwest Regional Water Safety Council, and the Heartland Regional Water Safety Council made brief presentations.

STAFF CONTACT: Deb Kozel (Ext. 16767)

Natural ResourceS Commission Holds Meeting

**Commission Meeting** The Natural Resources Commission held a telephone conference meeting on October 7. A number of presentations were made by Department of Natural Resources staff members.



**FY 1999 Financial Status** Linda Hanson, Administrator of the Administrative Services Division, presented the final FY 1999 Financial Status Report. The Department reported three reversions: General Fund, $48,917; Fish and Game Protection Fund, $24,551; and Fish and Wildlife Enforcement Officer Retirements, $63,415. The following details the General Fund reversion:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| General Fund Division |  |  **Balance** |  | **Appropriation Transfer** |  | **Final Reversion** |
| Administrative/Director’s Office |  | -$ 75,968 |  | $ 85,000  |  | $ 9,032  |
| Parks and Preserves |  | 14,572 |  | -5,000 |  | 9,572 |
| Forestry |  | 15,309 |  | -15,000 |  | 309 |
| Energy and Geology |  | 86,269 |  | -65,000 |  | 21,269 |
| Environmental Protection |  | 8,735 |  | 0 |  | 8,735 |
|  |  |  |  |  |  |  |
| General Fund Total |  | $ 48,917  |  | $ 0  |  | $ 48,917  |

**Capital Improvement Plan** Linda Hanson asked for approval of the five-year Capital Improvement Plan. This was approved by the Commission and the following is a summary of the budget (dollars in millions):

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Fund Source** |  | **FY 2001** |  | **FY 2002** |  | **FY 2003** |  | **FY 2004** |  | **FY 2005** |
| Fish and Game  |  |  $ 5.4  |  |  $ 4.8  |  |  $ 4.2  |  |  $ 6.1  |  |  $ 9.4  |
| Marine Fuel Tax |  |  2.3  |  |  2.9  |  |  2.6  |  |  2.4  |  |  2.5  |
| Lake & Stream Restoration |  |  4.2  |  |  4.2  |  |  4.2  |  |  4.2  |  |  4.2  |
| Park & Road Fund |  |  1.4  |  |  1.6  |  |  1.6  |  |  1.9  |  |  1.6  |
| REAP Open Spaces |  |  5.6  |  |  5.6  |  |  5.6  |  |  6.5  |  |  6.5  |
| REAP Land Management |  |  1.8  |  |  1.8  |  |  1.8  |  |  1.8  |  |  1.8  |
| Elinor Bedell Park |  |  0.1  |  |  0.0  |  |  0.0  |  |  0.0  |  |  0.0  |
| Restore the Outdoors |  |  3.0  |  |  3.0  |  |  3.0  |  |  3.0  |  |  3.0  |
| Blufflands Revolving Loan |  |  0.5  |  |  0.5  |  |  0.5  |  |  0.0  |  |  0.0  |
| Recreation Infrastructure Grants |  |   3.5  |  |   3.5  |  |   3.5  |  |   3.5  |  |   3.5  |
| Sewage Works Revolving Fund |  |   1.0  |  |   1.0  |  |   0.4  |  |   0.0  |  |   0.0  |
|  |  |  |  |  |  |  |  |  |  |  |
| Total |  |  $ 28.8  |  |  $ 28.9  |  |  $ 27.4  |  |  $ 29.4  |  |  $ 32.5  |

#### FY 2000

 ****

**FY 2000 Budget Adjustment** Al Farris, Administrator of the Fish and Wildlife Division, asked the Commission to approve a budget adjustment of $85,000 for FY 2000. The adjustment is for additional federal funds to hire two contract personnel to work with the Natural Resources Conservation Service in the Atlantic and Fort Dodge field offices. The adjustment was approved.

**REAP County Conservation** Al Farris asked the Commission to approve the REAP County Conservation Grants. There were 23 applications received totaling $5.0 million. Four grants totaling $893,278 were approved and awarded to:

* Woodbury County Conservation Board for the Oak Ridge Addition -- $379,125.
* Madison County Conservation Board for the Clanton Creek Wetland Project -- $62,905.
* Bremer County Conservation Board for the Wapsie River Greenbelt -- $286,026.
* Butler County Conservation Board for the Rail Trail Extension -- $165,222.

**Open Spaces Grants** Al Farris asked the Commission to approve the REAP City Parks and Open Space Grants. There were 78 applications received totaling $6.7 million. Seventeen grants totaling approximately $1.7 million were approved.

**Cost Sharing Prg. Grants** Mike Carrier, Administrator of the Parks and Preserves Division, asked the Commission to approve the REAP Public/Private Cost Sharing Program grants. Five applications were received totaling $715,650. The Commission approved two grants with total funding of $310,000.

**2000 Legislation** Larry Wilson, Deputy Director, discussed Department legislation that would be introduced in the next Legislative Session. Topics included:



* Changes to the Code of Iowa that address fish snagging.
* Increasing all license fees for hunting, fishing, and trapping.
* Increasing boat registration fees.
* Changes to the Code of Iowa regarding residency requirements necessary to obtain a hunting or fishing license.
* Increasing the number of non-resident deer and wild turkey licenses.
* Implied consent for boaters.
* Boater safety and regulation regarding personal watercraft.
* Establishment of a protected wildlife reserves program.

**Next Meeting** The next meeting will be held November 10 in Des Moines.

STAFF CONTACT: Deb Kozel (Ext. 16767)

Road Use Tax Fund Revenues through October



**Road Use Tax Fund Receipts** Road Use Tax Fund receipts for the first four months of FY 2000 were up $21.5 million (6.9%) compared to the same period of FY 1999. Motor Vehicle Use Tax revenues are up $9.3 million, a 14.2% increase. Fuel tax revenues and vehicle registrations and certificates of title fees are also experiencing strong growth for the four-month period. Other revenue sources have experienced a total combined increase of $2.6 million (19.2%).

**Motor Vehicle Use Tax** The increase in Motor Vehicle Use Tax receipts continues to be driven largely by strong auto sales and legislative changes that transferred funding for the State Patrol from Use Tax to the General Fund. The State Patrol received $9.7 million from the Motor Vehicle Use Tax in FY 1999. Beginning in FY 2000, the State Patrol will be funded entirely from the General Fund.

**Vehicle Sales** The most recent twelve-month period for new truck and auto sales show that sales from September 1998 to August 1999 have increased 7.5% compared to the prior twelve-month period. In addition, vehicle sales in July and August of this year are up 19.2% compared to July and August of 1998.

**Registration/Title Fees** Registration and title fees increased $4.5 million (4.7%) compared to the same period of FY 1999. The increase in vehicle registration fees is largely attributed to the increase in the price of vehicles being registered. This also corresponds with the increases in car and truck sales.

**Motor Vehicle Fuel Tax** Motor Vehicle Fuel Tax revenues have increased $5.1 million (3.7%) compared to the same period for FY 1999. The increase in fuel tax revenues is largely the result of increased fuel sales. Fuel sales for the period of September 1998 to August 1999 were 3.6% higher than the prior twelve-month period.



Driver’s License

**Other Revenue** Other revenue types combined have experienced an increase of $2.6 million (19.2%) in FY 2000. Driver license fees were up $1.6 million (47.7%) compared to the first four months of FY 1999. This increase is primarily due to the normal license issuance cycle. Driver’s license receipts are projected to be $4.5 million (42.9%) higher by the end of the fiscal year in FY 2000 than in FY 1999. Changes in other revenue sources were relatively insignificant in terms of total dollar changes.

**Comparison to FY 1999** The following table compares the Road Use Tax Fund receipts for FY 1999 and FY 2000 by revenue source. The sum of the revenues may not equal totals due to rounding.

|  |
| --- |
| **ROAD USE TAX FUND RECEIPTS** |
| **(Dollars in Millions)** |
| July - October |
|  |  |  |  |  |  |  | Change |  |  |
|  |  |  |  |  |  |  | FY 1999 vs. |  | Percent |
|  |  |  | FY 1999 |  | FY 2000 |  | FY 2000 |  | Change |
| Motor Vehicle Use Tax |  | $ 65.9 |  | $ 75.2 |  | $ 9.3 |  | 14.2% |



|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Motor Vehicle Fuel Tax |  | 135.3 |  | 140.4 |  | 5.1 |  | 3.7% |
| Registration/Title Fees & Misc. |  | 97.3 |  | 101.8 |  | 4.5 |  | 4.7% |
| Underground Tank Fees |  | 4.9 |  | 4.9 |  | 0.0 |  | 0.9% |
| Driver License Fees |  | 3.3 |  | 4.9 |  | 1.6 |  | 47.7% |
| Interest |  | 2.7 |  | 3.4 |  | 0.7 |  | 24.4% |
| Other Fees |  | 1.9 |  | 2.2 |  | 0.3 |  | 16.1% |
| Motor Carrier Fines |  | 0.7 |  | 0.7 |  | 0.0 |  | -0.6% |
| TOTAL RECEIPTS |  | $ 312.0 |  | $ 333.5 |  | $ 21.5 |  | 6.9% |

 *Note: For Road Use Tax Fund reporting, receipts are considered in the month for which they are distributed by formula rather than the month in which they are collected. For example, October revenues were collected in September but distributed to the various State and local road funds in October.*

STAFF CONTACT: David Reynolds (Ext. 16934)

Board of Regents Meeting - September

**Regents Board Meeting** The Board of Regents met on September 16 at the University of Northern Iowa in Cedar Falls. Significant agenda items included:



* Reviewed the Annual Governance Report on Student Aid. During the 1998-99 school year, the Regents institutions made 154,295 awards totalling $450.1 million in student financial aid. This is an increase of 3.7% in funds and 4.9% in the number of awards. The student aid falls in the following categories: grants/scholarships - 23.5%; loans - 49.7%; and employment - 26.8%.
* Reviewed tuition and fee increases for the 2000-2001 school year. Final approval of the increases will be made at the October meeting. The Regents Board Office is recommending an increase of 4.3% in base tuition and fees. As recommended by the Board Office, this would increase tuition for resident undergraduate students from $2,786 to $2,906, an increase of $120. All three Regents institutions student body presidents made presentations in opposition to the proposed increase. The University of Iowa (SUI) made a controversial request to redirect allocated tuition for student activity and building fees to mandatory fees at SUI. This request will free up $3.8 million of tuition for the 2000-2001 academic year to be used for academic enhancements, but will result in an overall base increase in tuition and fees at SUI of 6.9%. Several Regents indicated concern that SUI students are not fully aware of the impact of the proposal.
* Gave final approval to allocations of restorations to the base and categories by strategic planning goals for the FY 2001 budget requests. Total budget requests remain unchanged from the amounts previously reported in the August 16, 1999, ***Fiscal Update***.
* Gave final approval to the five-year capital plan for FY 2001-FY 2005.
* Received a status report on Year 2000.
* Reviewed the Annual Report on Phased and Early Retirement Programs and established a present value rate of 5.03% for lump sum payout under the early retirement program for FY 2000.
* Received the Annual Report on Energy Conservation.

STAFF CONTACT: Mary Shipman (Ext. 14617)

College Student Aid Commission September Meeting



**Commission Meeting** The College Student Aid Commission met on September 21 at the Commission Office in Des Moines. Significant agenda items included:

* Election of Officers and Coordinating Council representatives.
* Strategic Planning Committee appointments.
* Administrative Rule changes.
* Recommendations by Staff for Code of Iowa changes to be presented for the 2000 Legislative Session.
* Staff reports on loan volume and default activity.
* Report from the Iowa Student Loan Liquidity Corporation.
* Report from the Iowa Higher Education Loan Authority.
* Report from the Iowa Coordinating Council.

**Next Meeting** The next Commission meeting is scheduled for November 16.

STAFF CONTACT: Mary Shipman (Ext. 14617)

*Issue Review* -- Recreation Infrastructure Grant Program



***Issue Review***  The LFB recently released an ***Issue Review***, which addresses the Recreation Infrastructure Grant Program and an overview of the process for awarding grants. Included in this ***Review*** are the following:

* An overview of the Program and how it was established by the General Assembly in FY 1999.
* An overview of the evaluation process used by the Review and Selection Committee for reviewing grant applications.
* A map detailing the geographic areas receiving grants and an attachment that lists the grants awarded. In FY 1999, a total of 53 projects received full funding and one project received partial funding.
* An overview of the legislation passed regarding this Program for FY 2000.

**Copies Available** Copies of the ***Issue Review*** are available upon request from the LFB.

STAFF CONTACT: Deb Kozel (Ext. 16767)

*Issue review* -- Refugee and Immigrant Growth

***Issue Review*** The LFB recently released an ***Issue Review*** concerning Refugee and Immigrant Growth in the State of Iowa. Since 1990, the State has received an annual average of over 2,600 new legal immigrants and refugees. In 1997, Iowa ranked 13th highest in the country in the rate of population increase attributed to direct immigrant settlement. Over 65% of the State’s population growth is due to immigration. The two largest refugee groups in Iowa are 10,000 Southeast Asians (many of them already citizens) and 7,000 Bosnians.



**Refugees in Iowa** In FFY 1998, there were 1,677 refugee arrivals in the State of Iowa, an increase of 255 (17.9%) from the previous year. For FFY 1998, Iowa ranked 15th for resettlement arrivals. The following is a breakout of the totals:

* 1,327 Bosnians
* 169 Vietnamese
* 151 Africans
* 24 Russians
* 6 Iraqis

**Copies Available** Copies of the ***Issue Review*** are available upon request from the LFB.

STAFF CONTACT: Jennifer Dean (Ext. 14613)

*Issue Review* - Plant Science Initiative at Iowa State University



***Issue Review*** The LFB recently released an ***Issue Review*** entitled “Plant Science Initiative at Iowa State University.” This ***Review*** provides background regarding Iowa State University’s multi-year request for funding to establish a Plant Sciences Institute.

**Plant Science Initiative** Iowa State University received an FY 2000 General Fund appropriation of $2.2 million to begin funding the Initiative. The majority of the funding is being used to hire faculty and renovate laboratory facilities. Iowa State University is requesting an additional $5.0 million for the Plant Science Initiative for FY 2001. Total State funding for the Initiative is expected to reach $10.0 million annually by FY 2002. Iowa State University anticipates using the State funding, in addition to a recent private gift of $80.0 million, to leverage additional federal and private funds to establish ISU as a world leader in plant sciences programs.

**Copies Available** Copies of the ***Issue Review*** are available upon request from the LFB.

STAFF CONTACT: Mary Shipman (Ext. 14617)

*issue review* - Community College Funding Overview

***Issue Review*** The Legislative Fiscal Bureau recently released an ***Issue Review*** entitled “Community College Funding Overview.” The ***Issue Review***discusses the sources of revenue for the general operating fund for Iowa community colleges for FY 1995 through FY 1999.



**Source of Revenue** Community colleges have three primary sources of revenue in the unrestricted portion of their general operating budgets:

* State general aid
* Student tuition and fees
* Local property tax

**Credit Enrollments** The ***Issue Review*** shows the credit enrollments by community college district for the past five years and their percentage of the total enrollments for Fall 1998.

**Task Force Report** The document also discusses the recommendations from the *1998 Iowa Community College Funding Formula Task Force Report* for the General Fund appropriation and distribution to the community college system by specific formulas. Utilizing the appropriation formula, for FY 2001, the Department of Education is requesting $150.5 million in State general aid for the community colleges, an increase of $8.9 million (6.3%) compared to estimated FY 2000.

**Copies Available** Copies of the ***Issue Review*** are available from the LFB.

STAFF CONTACT: Paige Piper/Bach (Ext. 17942)

*Issue Review* - Johne’s Disease



***Issue Review*** The Legislative Fiscal Bureau (LFB) recently released an ***Issue Review*** on Johne’s Disease. The ***Issue Review*** discusses the symptoms, causes, and management practices to prevent the disease in cattle and the voluntary cattle herd testing programs in Illinois, Ohio, and Wisconsin.

**Johne’s Disease** Johne’s Disease is a contagious disease of the intestinal tract of ruminants, which is typically spread by the consumption of feed or water contaminated by manure from infected animals. Symptoms of Johne’s Disease include diarrhea, rapid weight loss, reduced milk production, and eventually death.

**Study Results** The National Animal Health Monitoring System Dairy 1996 Study, by the United States Department of Agriculture, found that in herds where at least 10.0% of the cull cows showed symptoms of Johne’s Disease, the average cost to the producer was $227 per cow, per year. The same Study found an estimated 22.0% of the United States dairy herds are infected with Johne’s Disease.

**Other States** Illinois, Ohio, and Wisconsin have voluntary cattle herd testing programs. Similar aspects of these programs include assigning herd level status depending on the number of times a herd or a subset of a herd tested negative for Johne’s Disease. Under the Ohio program, whole herd tests are free to the cattle industry and are provided by the Ohio Department of Agriculture. Herd testing is not paid by the state under the Illinois and Wisconsin programs. Currently the State of Iowa does not have a herd testing program for Johne’s Disease.

**Copies Available** Copies of the ***Issue Review*** are available upon request from the LFB.

STAFF CONTACT: Sherry Weikum (Ext. 17846)

*Issue Review* - Gypsy Moth Program



***Issue Review*** The Legislative Fiscal Bureau (LFB) recently released an ***Issue Review*** on the Iowa Gypsy Moth Program. The ***Issue Review*** discusses the spread of the gypsy moth since its introduction to North America and federal and state programs designed to slow its spread.

**Gypsy Moth** The gypsy moth, which was introduced to North American in 1869 near Boston, is a forest pest whose larva feed on the foliage of hundreds of species of plants. Its most common hosts are oaks and aspen. In areas of high egg mass densities, trees may become completely defoliated and several successive years of defoliation may lead to tree mortality.

**Spread of the Moth** Since the female gypsy moth cannot fly, the spread of the gypsy moth has occurred by the movement of moths and eggs as hitchhikers on outdoor and recreational equipment. Egg masses can also be transported to uninfested areas on nursery stock from infested areas.

**USDA Project** The United States Department of Agriculture (USDA) began the National Gypsy Moth Slow the Spread Project in 1999. The goal of this Project is to reduce the rate of the spread of gypsy moths by 50.0%. This is done by detecting and eradicating new colonies of gypsy moths between areas infested and uninfested by the moths.



**Iowa Experience** The Gypsy Moth Program in Iowa uses pheromone trapping to capture male moths and delimination trapping to find sources of gypsy moth introduction. Once introduction sites are found, the areas are sprayed with a bacterium that destroys gypsy moth larva. There have been 29 sites in the State treated with bacterium from 1989 to 1998.

**Funding** The Gypsy Moth Program has been receiving a line item appropriation through the Laboratory Division of the Department of Agriculture and Land Stewardship since FY 1992. The Program also receives funding from the USDA, as part of a federal cooperative, to pay half the cost of delimination trapping and the treatment of introduction sites.

**Copies Available** Copies of the ***Issue Review*** are available upon request from the LFB.

STAFF CONTACT: Sherry Weikum (Ext. 17846)