FISCAL UPDATE March 12, 2001

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Revenue Estimating Conference Meeting

**REC Meeting** The Revenue Estimating Conference (REC) is scheduled to meet March 14 at 1:00 p.m. in Room 116. The REC will be reviewing its December estimate of the General Fund for Fiscal Years 2001 and 2002.

**December Estimate** The Conference established in December an estimated growth rate of 3.5% for FY 2001 and 4.4% for FY 2002. A growth rate of 3.5% will produce an increase of $178.4 million General Fund receipts as compared to FY 2000 receipts.



**FY 2001 Receipts** The LFB reported at the end of February that the receipts were only .3% ahead of the same period last year, rather than the estimated 3.5% increase as projected. If that .3% rate were to continue to June 30th, new receipts would only increase $15.3 million rather than the $178.4 million projected amount. Each 1.0% change in the General Fund receipts equates to $50.0 million.

STAFF CONTACT: Dennis Prouty (Ext. 13509)

Deappropriations Bill – SF 267 Passes the Senate and House

**SF 267 - Deappropriations** Senate File 267 was passed by the House on March 7. The Bill deappropriates $17.2 million from FY 2001 General Fund appropriations. The deappropriated amount is equal to 0.4% of the current total General Fund appropriated amount of $4.882 billion. Fiscal Year 2001 General Fund appropriations are reduced by 1.0% with certain exceptions.



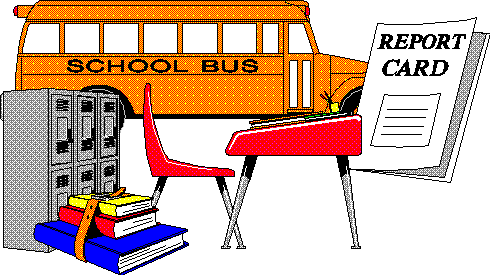
**General Fund Impact** The net impact on the General Fund is $25.6 million. Section 8.39, Code of Iowa, allows the Governor to transfer funds to adjust the reductions made in SF 267. The Bill also provides a supplemental appropriation of $142,000 to the Department of Revenue and Finance for the administration of the Local Option Sales and Services Taxes. The Bill makes $4.0 million in revenue transfers to increase FY 2001 General Fund receipts. The Bill has passed both the Senate and the House, but a motion to reconsider has been filed in the House.

STAFF CONTACT: Jennifer Dean (Ext. 17846) Jeff Robinson (Ext. 14614)

School Reorganization Incentives, Regional Academy Incentives, Budget Guarantee, and On-Time Funding Bill – HF 576 Passes House Education Committee

**HF 576** The House Education Committee passed HF 576 (formerly House Study Bill 157) on March 6. The Bill provides the following:

**Reorganization Incentives School District Reorganization Incentives**



School Districts are eligible to receive property tax incentives if they reorganize or dissolve.

* School districts with enrollments of 600 or less that reorganize or dissolve are eligible to lower the uniform levy rate from $5.40/1,000 of taxable valuation to $4.40/1,000 of taxable value in the year of the reorganization, $4.90/1,000 of taxable value in the first succeeding year, $5.15/1,000 of taxable value in the second succeeding year, and $5.40/1,000 of taxable value in the following years.
* School districts that reorganize or dissolve receive a per pupil weighting of 0.10 for a maximum of three years. If the school district reorganizes after the initial three years, they would be eligible to reorganize and receive incentives for an additional three years.

**Regional Academy Incentives Regional Academy Incentives**

School districts that establish a regional academy are eligible to receive a weighting of 0.10 for resident pupils who attend classes at a regional academy. The maximum amount of additional weighting cannot exceed 15.0 per school district.

**On-Time Funding On-Time Funding Provision**

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An on-time funding provision allows school districts with increasing enrollments to levy an adjustment of the difference between the actual enrollment for the budget year and the budget enrollment for the budget year, multiplied by the district cost per pupil.

The estimated FY 2002 statewide property tax cost of this provision is $11.7 million, with 113 school districts estimated to receive this provision.

**Budget Guarantee Budget Guarantee Provision**

A budget guarantee provision allows school districts with decreasing enrollments to levy for additional funds that will lessen the decrease of funding due to the decrease in enrollment.

* In FY 2002, the budget guarantee is 100.0% of the FY 2001 total regular program cost that includes the FY 2001 budget adjustment. The estimated FY 2002 statewide property tax cost of this provision is $7.7 million, with 115 school districts estimated to receive this provision.
* In FY 2003, a school district would receive the greater of the FY 2003 regular program district cost, or 101.0% of the previous year’s regular program district cost, or 90.0% of the FY 2002 total regular program district cost with the FY 2002 budget adjustment.



* In FY 2004, a school district would receive the greater of the FY 2004 regular program district cost, or 101.0% of the previous year’s regular program district cost, or 80.0% of the FY 2002 total regular program district cost with the FY 2002 budget adjustment.
* In FY 2005, a school district would receive the greater of the FY 2005 regular program district cost, or 101.0% of the previous year’s regular program district cost, or 70.0% of the FY 2002 total regular program district cost with the FY 2002 budget adjustment.
* In FY 2006, a school district would receive the greater of the FY 2006 regular program district cost, or 101.0% of the previous year’s regular program district cost, or 60.0% of the FY 2002 total regular program district cost with the FY 2002 budget adjustment.
* In FY 2007 and following years, a school district would receive the greater of the FY 2007 regular program district cost, or 101.0% of the previous year’s regular program district cost.

**More Information** For information concerning district estimates pertaining to this Bill, contact the Legislative Fiscal Bureau.

STAFF CONTACT: Shawn Snyder (Ext. 17799)

Foreign Exchange Student Bill – HSB 2.1 Passes House Education Committee

**Foreign Exchange Students** House Study Bill 2.1 passed the House Education Committee on March 8. The Bill allows that beginning in FY 2002 and succeeding fiscal years, a foreign exchange student enrolled in a school district will be included in the school district’s actual enrollment.



**Fiscal Impact** The estimated fiscal impact of this Bill in FY 2002 is approximately $1.0 million in additional State aid and $140,000 in property tax. The estimated impact in FY 2003 is approximately $1.0 million in additional State aid and $150,000 in property tax.

STAFF CONTACT: Shawn Snyder (Ext. 17799)

School Ready Children Grants - SF 379 Passes Senate Education Committee

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**School Ready Grants** The Senate Education Committee passed SF 379 (School Ready Children Grants Bill) on March 7. The Bill makes an FY 2002 appropriation of $2.4 million from the Savings Account for Healthy Iowans within the Tobacco Settlement Endowment Fund to the School Ready Children Grants Account within the Iowa Empowerment Fund.

**Bill Provisions** The Bill requires the appropriation be used to annualize the School Ready Children Grant amounts for those designated Community Empowerment Areas that first received a School Ready Children Grant in FY 2001. To be eligible for the annualized grant amount, a Community Empowerment Area board must amend its Comprehensive School Ready Children Grant Plan to extend the Plan by one year.

STAFF CONTACT: Robin Madison (Ext. 15270) Sue Lerdal (Ext. 17794)

Enterprise Zone Tax Credits - House File 349 Passes the House

**Enterprise Zone Program** House File 349, as passed by the House, amends the Enterprise Zone Program to do the following:



* Creates a new type of eligible business. A development business is eligible for incentives and assistance if the business constructs, expands, or rehabilitates a building space with a minimum capital investment of $500,000. The development business must have at least a five-year agreement with a non-retail business to utilize the space.
* Amends the housing business portion of the Enterprise Zone Program to eliminate the $120,000 maximum limit for a single-family home or for each unit of a multiple dwelling unit containing three or more units. The new investment may be used to compute the tax credit up to $140,000 of the investment.
* Extends the allowable area adjacent to the closed property that may be included in the Enterprise Zone from one to five miles.
* Permits cooperatives organized under Chapter 501 and electing to have the income taxed directly to an individual, to claim the tax credit. The amount of the tax credit is based upon the individual's pro rata share of the cooperative's earnings.



**Fiscal Impact** The Bill is not expected to create tax credits in FY 2002 due to the lag from developing projects, obtaining approval by the Department of Economic Development, and filing for tax credits. From FY 2003 forward, the Bill is projected to generate $762,000 in tax credits annually, which will decrease General Fund revenues by a similar amount.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561)

Transportation Policy Changes - HF 324 Passes House

**Trans. Policy – HF 324** House File 324 was passed by the House on March 5. The Bill provides several transportation-related policy changes to the Department of Transportation (DOT), including, but not limited to, the following:

* Counties may contract for certain public improvements without advertising for bids. The Bill requires the work to cost less than $100,000 rather than under $75,000, and it requires the county to notify the appropriate Iowa highway contractors’ associations of the proposed work.
* Cities that receive Road Use Tax Funds shall prepare an annual report to the DOT showing all street receipts and expenditures for the city for the previous fiscal year.



* Cities with a population of more than 50,000 are required to advertise and let for bid certain public improvements with an estimated cost of over $50,000.
* The Department shall report to the General Assembly by December 31, 2002, recommendations regarding potential cost savings in the purchase and use of highway and street construction and maintenance equipment.
* The Bill increases the compensation to an owner of property alongside a road construction project when the agency having jurisdiction of the road condemns, purchases property access rights, or alters by lengthening any existing driveway on the owner’s property.
* Persons eligible for Congressional Medal of Honor, Ex-Prisoner of War, Legion of Merit, or Disabled Veteran license plates, shall receive the armed forces plates at no charge, but must pay a $15 annual registration fee.
* “Tracked implement of husbandry” is defined as a fence-line feeder, grain cart, or tank wagon. As a result, these vehicles must now comply with certain weight and length provisions.
* The Bill amends several Code of Iowa provisions in Chapters 322, 322A, 322B, and 322C, relating to motor vehicle dealers, motor vehicle franchiser, mobile home dealers, and travel trailer dealers.
* The Department shall use first-class mail instead of certified mail when giving notice to a person in regard to laws regulating the operation of motor vehicles.
* The Department shall conduct a study and present a report to the General Assembly by January 31, 2002, regarding the compliance by utility companies when relocating electrical or telephone transmission lines or water and gas mains on highway construction projects.



**Fiscal Impact** It is anticipated that HF 324 will result in decreased revenues to the Road Use Tax Fund of approximately $102,000 annually and decreased expenditures to the Primary Road Fund of approximately $432,000 annually. House File 324 now moves to the Senate Transportation Committee for consideration.

STAFF CONTACT: Mary Beth Mellick (Ext. 18223)

IOWA ENGLISH LANGUAGE REAFFIRMATION ACT - SF 165 PASSES SENATE

**English Language – SF 165** The Senate passed SF 165 on March 7. The Bill establishes English as the official language of the State of Iowa and requires all official state and local government business to be conducted in English, with certain exceptions.

**Exemptions** The following areas are exempt from the English language requirements of SF 165:

* The teaching of languages.
* Federal requirements under the Individuals with Disabilities Education Act.

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* Actions, documents, or policies necessary for trade, tourism or commerce, or that protect public health and safety.
* Actions or documents that pertain to compiling any census of populations or that protect the rights of victims of crimes or criminal defendants.
* The use of proper names, terms of art, or phrases from language other than English.
* Any language usage required by or necessary to secure the rights guaranteed by the Constitution and laws of the United States of America or the Constitution of the State of Iowa.
* Any oral or written communications, examinations, or publications produced or utilized by a driver’s license station, provided public safety is not jeopardized.

**Other Provisions** In addition, an individual member of the General Assembly or officer of State government, while performing official business, is not prohibited from communicating through any medium with another person in a language other than English, if that member or officer deems it necessary or desirable to do so.

**Fiscal Impact** The fiscal impact to State Government is not anticipated to be significant. The impact to local governments could not be determined due to insufficient information from city and county governments; however, any impact is not expected to be significant.

STAFF CONTACT: Lisa Burk (Ext. 16765)

Hunting and Fishing License fees – HF 565 passes House Natural Resources Committee

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* A non-resident fishing license will increase from $22.50 to $36.00.
* A non-resident deer hunting license will increase from $150.50 to $220.00.
* A non-resident turkey license will increase from $75.50 to $100.00.

**Fish & Wildlife Trust Fund** The Department of Natural Resources estimates there will be an increase in revenue of $2.8 million to the Fish and Wildlife Trust Fund. The Agriculture and Natural Resources Subcommittee appropriates from the Fish and Wildlife Trust Fund to the Fish and Wildlife Division in the Department of Natural Resources for operations.

STAFF CONTACT: Deb Kozel (Ext. 16767)

Grain Infrastructure Assessment Study – SF 395 Passes Senate Agriculture Standing Committee

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**Grain Assessment Study** The Senate Agriculture Standing Committee passed SF 395 (Grain Infrastructure Assessment Study) on March 7. The Bill appropriates $50,000 from the General Fund to the Department of Agriculture and Land Stewardship. The Secretary of Agriculture is to appoint a Task Force to review the grain industry’s practices, systems, and facilities for the handling, storing, and transporting of grain. The Study would include grain originating from seed produced by conventional breeding methods and by genetic engineering. The Task Force will submit a report to the General Assembly by January 15, 2002.

STAFF CONTACT: Deb Kozel (Ext. 16767)

Enticement OF MINORS – HF 327 Passes house

**Enticement of Minors** The House passed HF 327 on March 6. The Bill amends Section 710.10, Code of Iowa, by changing the name of enticing a child away to enticing a minor away, and changes the penalties. The Bill increases the penalty from a Class D felony to a Class C felony in cases where sexual abuse or sexual exploitation of a minor was intended. House File 327 increases the penalty from an aggravated misdemeanor to a Class D felony in cases where a minor under 16 years of age is enticed away. The Bill creates an aggravated misdemeanor for attempting to entice a minor away. The Bill increases the penalty from a serious misdemeanor to an aggravated misdemeanor or Class D felony for purchasing or possessing media depicting minors in prohibited sexual acts. The Bill facilitates prosecution and conviction of people who use the Internet to entice or attempt to entice minors. A graduated system of penalties is imposed for this offense. The Bill adds enticing a minor away under the age of 13 to the list of sexually predatory offenses.

**Correctional/Fiscal Impact** The correctional and fiscal impact cannot be determined for the provisions of the Bill relating to prosecution and conviction of using the Internet to entice or attempt to entice away a minor. There may be additional charges and convictions due to this clarification. However, due to insufficient information, an accurate estimate cannot be provided. If law enforcement does prioritize for the apprehension of these offenders, then there will be additional convictions beyond what is shown in the fiscal note issued for the Bill, and the likelihood of a correctional impact on prisons will increase.

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**Jail Admissions** It is estimated there will be two more jail admissions during FY 2002, and three more admissions annually thereafter. On an annual basis, there will be one more aggravated misdemeanor case for attempting to entice a minor away. Under current law, there were seven convictions during FY 2000 for purchasing or possessing media depicting minors in prohibited sexual acts. Under HF 327, these serious misdemeanor convictions will be aggravated misdemeanor convictions. There will be one additional admission to probation. Convicted offenders already on probation will serve a longer sentence.



**Fiscal Impact** The fiscal impact of HF 327 for the State General Fund is $10,000 during FY 2002 and $11,000 during FY 2003. These costs include probation supervision, indigent defense, and court costs (costs for the Clerk of Court, court reporter, juries, and judges). The fiscal impact on county jails is estimated to be $2,000 during FY 2002 and $4,000 annually thereafter.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

Correction - Felonious Misconduct - House File 272

**C:\Program Files\Microsoft Office\Clipart\Pub60Cor\sy00642_.wmfHF 272** The March 5, 2001 issue of the ***Fiscal Update*** included an article that stated HF 272 passed the House of Representatives on February 28. However, the House actually passed the Bill on March 6. The Bill prohibits a public officer or employee from falsifying a writing, or knowingly delivering a falsified writing, with the knowledge that the writing will become a public record of a government body. The effect of HF 272 is to apply existing penalties earlier in a document’s life cycle. The penalty for felonious misconduct in office is a Class D felony. It is anticipated that HF 272 will have no significant correctional impact. The fiscal impact is not anticipated to be significant.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

Tobacco Revenue Update



**Preliminary Estimate** The Office of the Attorney General has been notified of a preliminary calculation of Iowa’s tobacco payment under the Master Settlement Agreement. The preliminary estimate is $34.9 million, to be received April 15. This preliminary estimate will be revised based on the Consumer Price Index and tobacco sales in the domestic market, before Iowa receives the payment in April.

**Next Meeting** A meeting is scheduled March 15 at 2:00 p.m. in the Office of the Treasurer of State to discuss the tobacco securitization process. The meeting will address which capital projects may be included in any proposed securitization of tobacco revenue. Certain projects and expenditures may not be eligible due to federal tax law.

STAFF CONTACT: Dennis Prouty (Ext. 13509) Beth Lenstra (Ext. 16301)

Nullification of administrative rule imposing a fee for the administration of Local Sales and Services Taxes – HJR 5 Passes senate ways and means

Administrative

Rule

**Rule Nullification – HJR 5** On March 7, the Senate Ways and Means Committee passed House Joint Resolution 5 (Local Option Tax Fee Nullification).

**Local Option Tax Fee** House Joint Resolution 5 provides for the nullification of an administrative rule (701 Iowa Administrative Code, Rule 107.16) imposing a fee for the direct costs incurred by the Department of Revenue and Finance in administering Local Sales and Services Taxes. Direct costs include, but are not limited to, costs related to taxpayer contacts and presentations, return processing, additional data entry, increased error processing, estimation, audits, and distribution of revenue. Fees do not include such indirect costs as policy and systems development, general agency administration costs and collection costs.



**Fee Authorized in HF 2545** The fee was to be imposed by the Department of Revenue and Finance upon all jurisdictions imposing Local Option Sales and Services Taxes. The Department was authorized to collect the fee during the 2000 Session in HF 2545 (Administration and Regulation Appropriations Act).

**Fiscal Estimate** The fee would allow the Department of Revenue and Finance to collect approximately $400,000 during FY 2001. The Department would also be allowed to collect the fee annually based upon the direct cost incurred by the Department in the administration of the Local Option Sales and Services taxes.



**Impact of Nullification** If the Department is not given an alternative source of funding and is unable to absorb the loss of the $400,000 in fee revenue, the Department may reduce services in the areas of providing estimates, educational services to new jurisdictions, and audits of local option returns. Tax return error resolutions could also be impacted and jurisdictions may not receive the appropriate distribution. Senate File 267, the FY 2001 Deappropriations Bill, makes a FY 2001 supplemental appropriation of $142,000 to the Department of Revenue and Finance for the administration of the Local Option Sales and Services Taxes. The Bill has passed both chambers, but has a motion to reconsider in the House.

STAFF CONTACT: Ron Robinson (Ext. 16256)

Road Use Tax Fund Revenues

**Road Use Tax Fund Receipts** Road Use Tax Fund receipts through February increased $2.4 million (0.4%) compared to the same eight-month period in FY 2000. While Motor Vehicle Use Tax receipts and registration and title fees had a combined increase of $10.0 million, fuel tax receipts and other miscellaneous revenues decreased $7.6 million.



**Motor Vehicle Use Tax** Motor Vehicle Use Tax revenues increased by $8.2 million (5.9%) despite a decrease in new truck and auto sales. New truck and auto sales in FY 2001 have slowed compared to FY 2000. For the first six months of FY 2001, new truck and auto sales were down 6.8% compared to the same period of FY 2000. Since information on pre-owned vehicle sales is unavailable, it is uncertain what effect this has had on receipts.

**Reason For Decline** Part of the reason new truck and auto sales have declined in FY 2001 is that the first six months of FY 2000 were exceptionally strong compared to FY 1999. Sales for July – December of FY 2000 increased 13.9% over the same period for FY 1999.



**Prior Law Changes** One contributing factor to the increased Use Tax receipts is prior law changes that have decreased standing appropriations from the Use Tax. In FY 2001, the Use Tax appropriation for the Value-Added Agricultural Products and Renewable Fuels Programs is being funded from the General Fund. This will provide an additional $4.0 million in Use Tax revenue deposited into the Road Use Tax Fund in FY 2001.

**Registration/Title Fees** Registration and title fees for the first eight months of FY 2001 experienced a modest increase of $1.8 million (0.9%) compared to FY 2000. The increase in vehicle registration fees is largely attributed to the increase in the price of vehicles being registered and the number of new and used auto sales.

**Fuel Tax Revenues** Fuel Tax revenues for the first eight-month period of FY 2001 decreased $5.5 million (2.0%) compared to FY 2000. The decrease may be attributed to two factors: total fuel sales and an increase in the market share of ethanol.

* Total fuel sales for gasoline, ethanol, and diesel, for the period of July 2000 to January 2001, decreased 2.5% compared to the same period of the previous year.
* ****The sale of ethanol-blended fuel has increased 18.6%, whereas regular gasoline sales have experienced a decrease of 18.8%. This has caused the market share of ethanol to increase from 43.5% in FY 2000 to 53.0% in FY 2001. Because ethanol is taxed at a penny less than gasoline, increasing the market share of ethanol will decrease fuel tax collections.

**Other Revenue** Other revenue types have experienced a combined decrease of $2.1 million (6.1%) during the first eight months of FY 2001. The following table compares the Road Use Tax Fund receipts through February for FY 2000 and FY 2001. The sum of the revenues may not equal totals due to rounding.





STAFF CONTACT: David Reynolds (Ext. 16934)

Highway Construction Contracts

**Contracts Awarded** The Department of Transportation notifies the Legislative Fiscal Bureau of all highway construction contracts in excess of $5.0 million for informational purposes. The Department awarded two contracts in January totaling $22.4 million. The contracts were granted as follows:

* $7.0 million to Cedar Valley Corporation of Waterloo for new pavement on U.S. 75 in Woodbury County. The new pavement will be approximately one-quarter mile southeast of 28th Street, north to approximately one-half mile north of 46th Street in Sioux City.
* $15.4 million to McAninch Corporation of Des Moines for two pavement grading projects on Iowa 5 in Polk County:

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* $10.4 million for grading from just east of the southwest connector, east to relocated Iowa 28.
* $5.0 million for grading from just east of South 50th Street, east to just east of the southwest connector.

STAFF CONTACT: Mary Beth Mellick (Ext. 18223)

Iowa Telecommunications and Technology Commission Meeting

**ITTC Meeting** The Iowa Telecommunications and Technology Commission met on March 8 at the STARC Armory at Camp Dodge and several remote Iowa Communication Network (ICN) sites. The Commission heard reports on and discussed the following:

* Technology Advisory Committee annual update.
* Update on the status of legislation and appropriations related to the ICN.



* Update on the appeal filed by U.S. Telephone Association regarding the Federal Communications Commission’s ruling that the ICN qualifies as a common carrier. The State of Iowa will file a motion to intervene so it can participate in the appeal and defend the decision.
* Reviewed and approved a temporary waiver so the First Baptist Bible School could receive Internet services from a private provider through June 30, 2001.
* Reviewed and approved filing notice to adopt a Uniform Waiver Rule as part of the Administrative Rules for the Commission.
* Reviewed and discussed the return on investment that ICN has generated for Iowa.
* Presentation on the activities and plans of the 21st Century Learning Infrastructure Initiative.
* Update on the development and implementation of a new purchasing and warehouse inventory system for ICN equipment.



* Update on the status of the Request for Proposals (RFPs) for a new prisoner operator service. The goal is to change the Iowa prison system phone service for inmates by eliminating all collect calling and implementing a phone card direct dialing system for the inmates. The reason for the change is that some individuals receiving the calls from inmates find ways to avoid paying for the calls. Inmates will be able to purchase phone credits and then use their phone cards to make calls. There is no plan to lower the cost of calls initially, although the cost of direct dial is less than collect call. If usage stays at its current levels or increases, the rates may be adjusted. The company selected to implement the new system is Public Services Communications (PSC) Company.
* Discussed and approved the development of new administrative rules to make the Commission’s rules for the cost level at which RFPs must be issued for equipment of personnel services contracts conform to the level used by the Department of General Services and the Department of Revenue and Finance.

**Next Meeting** The next meeting of the Commission is scheduled for May 10, 2001.

STAFF CONTACT: Douglas Wulf (Ext. 13250)



AUDIT REPORT - IOWA TURKEY MARKETING COUNCIL

**Audit Report** On February 1, the State Auditor issued the FY 1999 and FY 2000 Audit Report for the Iowa Turkey Marketing Council.

C:\Program Files\Microsoft Office\Clipart\standard\stddir1\an02368_.wmf**Background**  The purpose of the Iowa Turkey Marketing Council is to develop and expand the market for turkeys and turkey products and to improve production and marketing within Iowa.

**Reportable Conditions**The Report indicated there were no reportable conditions.

**More Information** For more information on these comments, please contact the Legislative Fiscal Bureau.

STAFF CONTACT: Deb Kozel (Ext. 16767)

FY 2001 Medical Assistance Expenditures Update



**Medical Asst. Program** For the week ending February 19, FY 2001 General Fund expenditures for the Medical Assistance Program in the Department of Human Services were $17.7 million. This is $1.1 million above the weekly budget established by the Department of $16.6 million. Year-to-date Medical Assistance General Fund expenditures are $249.1 million, which is $1.8 million above the $247.3 million budgeted by the Department for the fiscal year-to-date.

**Expenditure Monitored** The LFB will continue to monitor Medical Assistance Program expenditures and will provide regular updates to members of the General Assembly. More information is available from the Fiscal Bureau.

STAFF CONTACT: Sam Leto (Ext. 2816764) Sue Lerdal (Ext. 17794)

*Issue Review* - Iowa’s System of Libraries



***Issue Review*** The Legislative Fiscal Bureau recently released an ***Issue Review*** providing an overview of the State Library, regional libraries, and local public libraries. The ***Review*** includes information on:

* Services provided.
* Collections and materials available.
* Facilities and staffing.
* Funding.

**Copies Available** Copies of the ***Issue Review*** are available upon request and are available on the Fiscal Bureau’s web site at: <http://staffweb.legis.state.ia.us/lfb/ireview/ireview.htm>.

STAFF CONTACT: Robin Madison (Ext. 15270) Mary Shipman (Ext. 14617)

This document can be found on the LFB web site: <http://staffweb.legis.state.ia.us/lfb/fupdate/fupdate.htm>