

# FISCAL UPDATE

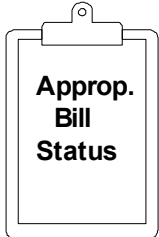
April 7, 2003

Legislative Fiscal Bureau

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## STATUS OF APPROPRIATIONS BILLS



Appropriations Subcommittee Bills			
Appropriations Subcommittee		LSB/File #	Status
Admin./Regulation		HF 655	Passed Senate Appropriations on April 1.
Ag./Natural Resources		SF 425	Passed House Appropriations on April 1.
Economic Development		SF 433	Passed House Appropriations on April 1.
Education		HF 662	Passed House on April 3.
Health & Human Services		HSB 309	Passed House Appropriations on April 3.
Justice System		SF 439	Passed Senate Appropriations on April 1.
Judicial Branch		SF 435	Passed House Appropriations on April 1.
Infrastructure			Starts in the Senate.
Transportation		HF 652	Passed Senate Appropriations on April 1.

Other Appropriations Bills			
Block Grant and Federal Funds Bill		HF 472	Passed Senate Appropriations on April 1.
Animal Biotechnology Commercialization Fund		HF 453	Passed House on March 17.

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| HF 594 – Electrical/Mechanical Devices, pg. 12 | Audit Report, Iowa Egg Council, pg. 21           |

<b>Other Appropriations Bills (cont.)</b>			
Enhanced Tobacco Enforcement		SF 375	Passed Senate on March 26.
Property Tax Replacement Supplemental		SF 202	Passed Senate on February 26.
REAP License Plates		SF 380	Passed Senate on April 1.
Fire Fighter License Plates		HF 656	Passed Senate Appropriations on April 1.
Electrical & Mech. Amusement Devices		HF 594	Passed House on April 1.
Environment First Fund		SF 436	Passed Senate Appropriations on March 31.
Homestead Tax Credit		HF 1	Passed House Appropriations on January 15.
Grant Enterprise Management System		SF 438	Passed Senate Appropriations on April 1.
Private Water Supply		HF 429 SF 237	HF 429 passed House Appropriations on March 3. SF 237 passed Ways and Means on March 19.
Breast Cancer Awareness License Plates		SF 127	Signed by the Governor on March 12.
Non-Medicaid Supplemental Act		SF 36	Signed by the Governor on February 17.
Healthy Iowans Tobacco Trust Fund Bill			Starts in the House.
Salary Bill			Starts in the Senate.
Standings Bill			Starts in the Senate.

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**ADMINISTRATION AND REGULATION APPROPRIATIONS BILL– HF 655 PASSES SENATE APPROPRIATIONS COMMITTEE**

**Admin. & Regulation Bill**



On April 1, the Senate Appropriations Committee passed HF 655 (FY 2004 Administration and Regulation Appropriations Bill). The Bill appropriates \$86.7 million from the General Fund and 1,923.9 FTE positions for FY 2004. This is an increase of \$7.1 million and a decrease of 2.1 FTE positions compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$1.4 million was provided from non-General Fund sources for FY 2003. Of this salary adjustment total, \$1.3 million has been included in the General Fund appropriations for FY 2004. The Bill also appropriates a total of \$23.7 million in other funds.

Additionally, the Bill provides contingent appropriations for the creation of the proposed Department of Administrative Services. The new Department would be appropriated \$16.8 million from the General Fund and 445.0 FTE positions and would consolidate the Departments of Personnel, General

Services, Information Technology, and the accounting functions of the Department of Revenue and Finance, and related revolving funds.

**Bill Summary**

The Notes on Bills and Amendments (NOBA) for HF 655 can be found on the LFB web site: <http://staffweb.legis.state.ia.us/lfb/noba/index.jsp>.



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**AGRICULTURE AND NATURAL RESOURCES  
APPROPRIATIONS BILL– SF 425 PASSES HOUSE  
APPROPRIATIONS COMMITTEE**

**Ag/Natural Resources**

The House Appropriations Committee passed SF 425 (FY 2004 Agriculture and Natural Resources Appropriations Bill) on April 1. The Bill appropriates \$32.5 million and 1,551.3 FTE positions from the General Fund for FY 2004. This is a General Fund increase of \$594,000 (1.9%) and 4.0 FTE positions (0.3%) compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$563,000 was provided from non-General Fund sources for FY 2003. Of this salary adjustment total, \$563,000 has been included in the General Fund appropriations for FY 2004.

**Dept. of Agriculture**



The Bill appropriates \$17.0 million and 472.1 FTE positions to the Department of Agriculture and Land Stewardship. This is an increase of \$280,000 and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation for:

- An increase of \$249,000 to replace the non-General Fund FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$249,000 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
- A decrease of \$19,000 for the elimination of the Feed Grain Verification Pilot Program.
- An increase of \$50,000 for the Senior Farmer Market Nutrition Program.

**Dept. of Natural Resources**

The Bill appropriates \$15.5 million and 1,079.1 FTE positions to the Department of Natural Resources (DNR). This is an increase of \$314,000 and 4.0 FTE positions compared to the FY 2003 estimated net General Fund appropriation for:

- An increase of \$314,000 to replace the non-General Fund FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$314,000 in other funds for FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.
- An increase of 4.0 FTE positions for the federal Clean Water Act State Revolving Loan Fund. The positions will be paid with federal funds.

**Non-General Fund**

Other non-General Fund appropriations in the Bill include:

- \$29.3 million to the DNR from the Fish and Game Protection Fund. This is an increase of \$100,000 compared to the FY 2003 estimated net appropriation to match federal funds for non-game wildlife research.

- \$1.4 million from the Boat Registration Fees Fund to the Fish and Game Protection Fund. This is no change in funding compared to the FY 2003 estimated net appropriation.
- \$200,000 from the Unassigned Revenue Fund (Underground Storage Tank Fund) to the DNR for administration of underground storage tank activities. This is an increase of \$125,000 compared to the FY 2003 estimated net appropriation.

**Bill Summary**

The Notes on Bills and Amendments (NOBA) for SF 425 can be found on the LFB web site: <http://staffweb.legis.state.ia.us/lfb/noba/index.jsp>.



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**ECONOMIC DEVELOPMENT APPROPRIATIONS BILL – SF 433 PASSES HOUSE APPROPRIATIONS COMMITTEE**

**Economic Development**

Senate File 433 (FY 2004 Economic Development Appropriations Bill) passed the House Appropriations Committee on April 1. The Bill appropriates \$22.3 million and 433.7 FTE positions from the General Fund. This is a General Fund decrease of \$2.7 million (10.6%) and 5.0 FTE positions (0.4%) compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$289,000 was provided from non-General Fund sources for FY 2003. This has been included in the General Fund appropriations for FY 2004. The Bill includes the following:

**General Fund**

The Bill appropriates \$13.6 million from the General Fund and 154.5 FTE positions to the Department of Economic Development, a decrease of \$2.9 million (17.5%) and an increase of 1.0 (0.7%) FTE position compared to the FY 2003 estimated net General Fund appropriation.

**Board of Regents**

The Bill appropriates \$3.0 million from the General Fund and 67.3 FTE positions to the Board of Regents, an increase of \$139,000 (4.8%) and a decrease of 6.4 (8.7%) FTE positions compared to the FY 2003 estimated net General Fund appropriation.

**Workforce Development**

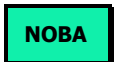
The Bill appropriates \$4.8 million from the General Fund and 202.0 FTE positions to the Iowa Workforce Development, an increase of \$33,000 (0.7%) and an increase of 0.4 (0.2%) FTE position compared to the FY 2003 estimated net General Fund appropriation.

**Public Employment**

The Bill appropriates \$869,000 from the General Fund and 10.0 FTE positions to the Public Employment Relations Board, an increase of \$73,000 (9.2%) and no change in FTE positions compared to the FY 2003 estimated net General Fund appropriation.

**Bill Summary**

The Notes on Bills and Amendments (NOBA) for SF 433 can be found on the LFB web site: <http://staffweb.legis.state.ia.us/lfb/noba/index.jsp>.



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## EDUCATION APPROPRIATIONS BILL – HF 662 PASSES HOUSE

### Education Bill

The House passed HF 662 (FY 2004 Education Appropriations Bill) on April 3. The Bill appropriates a total of \$919.4 million from the General Fund and 17,252.2 FTE positions to the College Student Aid Commission, the Department for the Blind, the Departments of Cultural Affairs and Education, and the Board of Regents. This is an increase of \$68.0 million and a decrease of 48.9 FTE positions compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$25.2 million was provided from non-General Fund sources for FY 2003. Of this salary adjustment total, \$25.2 million has been included in the General Fund appropriations for FY 2004.

The House added the following to the Bill compared to the previous action by the House Appropriations Committee:

- \$300,000 to the Tuition Grant Program within the College Student Aid Commission. Total funding for FY 2004 for this Program will be \$46.4 million.
- \$1.4 million to general aid for community colleges. Total funding for community colleges for FY 2004 will be \$140.0 million. The increased funding added by the House includes:
  - \$675,000 from the General Fund.
  - \$762,000 from FY 2003 funds remaining from the Teacher Quality Program for the Variable Pay Pilot Project.
- \$25.0 million to the Board of Regents. The increase replaces one-time non-General Fund FY 2003 salary adjustment funding with a General Fund appropriation for FY 2004.

In addition to funding changes, the House also amended the Code of Iowa to allow carryover of funds available in the National Guard Educational Assistance Program.

### Bill Summary



NOBA

The Notes on Bills and Amendments (NOBA) for HF 662 can be found on the LFB web site: <http://staffweb.legis.state.ia.us/lfb/noba/index.jsp>.

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## HEALTH AND HUMAN SERVICES APPROPRIATIONS BILL – HSB 309 PASSES HOUSE APPROPRIATIONS COMMITTEE

### Health & Human Services



On April 3, the House Appropriations Committee approved House Study Bill 309 (FY 2004 Health and Human Services Appropriations Bill). The Bill appropriates \$772.4 million from the General Fund and 6,586.2 FTE positions to the Departments of Elder Affairs, Public Health, Human Services, and the Commission on Veterans Affairs and the Veterans Home for FY 2004. This is a decrease of \$11.7 million and an increase of 137.9 FTE positions compared to the FY 2003 estimated net General Fund appropriations.

In addition, the Bill appropriates \$161.3 million from the Senior Living Trust Fund to the Departments of Elder Affairs, Human Services, and Inspections and Appeals, an increase of \$75.8 million compared to the FY 2003 estimated net appropriations. The Bill also appropriates \$15.0 million from the Hospital Trust Fund, an increase of \$3.0 million compared to the FY 2003 estimated net appropriation. The majority of the increase is for the increased cost of the Medical Assistance Program (Medicaid).

The Bill appropriates \$146.6 million of federal Temporary Assistance to Needy Families (TANF) funds, an increase of \$1.5 million compared to the FY 2003 estimated net appropriation.

All comparisons to the FY 2003 estimated net appropriation do not include the pending FY 2003 supplemental appropriation for the Medical Assistance Program (Medicaid).

Highlights of the Bill include:

**Elder Affairs**

Appropriates \$2.7 million from the General Fund to the Department of Elder Affairs, a decrease of \$1.3 million compared to the FY 2003 estimated net General Fund appropriation. The change includes:

- A decrease of \$1.0 million, which may be offset by an increase of \$589,000 from the Senior Living Trust Fund and the availability of \$484,000 previously transferred to other departments for assisted living regulation.
- An unspecified decrease of \$300,000.
- An increase of \$37,000 to replace the non-General Fund FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$37,000 in other funds for the Department in FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

**Public Health**

Appropriates \$24.1 million from the General Fund to the Department of Public Health, a decrease of \$372,000 compared to the FY 2003 estimated net General Fund appropriation. The change includes:

- An unspecified decrease totaling \$800,000 for Adult Wellness, Child and Adolescent Wellness, Chronic Conditions, Community Capacity, Infectious Diseases, Public Protection, and Resource Management.
- An increase of \$300,000 for child lead testing.
- A decrease of \$100,000 for communications staff.
- A decrease of \$74,000 for various bonus and supplemental salaries paid in FY 2003.
- An increase of \$100,000 to the University of Iowa for a vision screening program for children ages six months to four years.
- An increase of \$202,000 to replace the non-General Fund FY 2003 salary adjustment with a General Fund appropriation. This is a decrease of \$202,000 in other funds for the Department in FY 2004 compared to the FY 2003 estimated net appropriation for the elimination of one-time salary funding.

Human Services



Appropriates \$731.2 million to the Department of Human Services (DHS), a decrease of \$10.3 million compared to the FY 2003 estimated net General Fund appropriations. The change includes:

- An increase of \$1.0 million for the Family Investment Program. This includes \$800,000 for the Statewide Expansion of the Electronic Benefit Transfer (EBT) Program, which will replace the current food stamp process, and a seven-cent transaction fee to be paid to retailers participating in the EBT Program.
- A decrease of \$268,000 for the Child Support Recoveries Program to reflect previously available funding.
- A decrease of \$19.7 million for the Medical Assistance Program (Medicaid). Changes include:
  - A decrease of \$15.5 million to shift funding to the Senior Living Trust Fund.
  - A decrease of \$4.3 million due to shifting the cost of hospital crossover claims to Medicare for individuals eligible for both Medicare and Medicaid.
  - Programmatic changes to adjust expenditures to match the funding of \$357.5 million that will be considered by the General Assembly in separate legislation this Session.
- A decrease of \$340,000 for the Children's Health Insurance Program (Healthy and Well Kids in Iowa [hawk-i]) due to expected carry forward funds from FY 2003.
- A decrease of \$1.5 million for the Juvenile Home at Toledo and the Training School at Eldora. The majority of the decrease is due to the expected enactment of HF 568 (FY 2004 Department of Human Services Institutions' Education Bill), which provides for the utilization of the K-12 School Aid Formula for the educational costs of students at the two institutions.
- An increase of \$5.4 million for Child and Family Services. This includes an increase for decategorization efforts, group care, family preservation services, and school-based liaisons.
- An increase of \$640,000 for the four mental health institutes. Major changes include:
  - A decrease of \$544,000 due to expected enactment of utilizing the K-12 School Aid Formula for the educational costs of students at the Mental Health Institute at Independence.
  - An increase of \$850,000 for the Mental Health Institute at Independence to resolve accounting issues.
  - An increase of \$462,000 for the Mental Health Institute at Mount Pleasant to annualize the FY 2003 supplemental appropriation.
- An increase of \$517,000 for the two State Resource Centers. This includes:
  - An increase of \$784,000 for restoration of the FY 2003 salary funding.
  - A decrease of \$267,000 due to a portion of the expected carry forward funds to be utilized in FY 2004.
- A decrease of \$400,000 in the State Cases Program to reflect previously available funding.

- A decrease of \$700,000 for the Sexual Predator Commitment Program due to a carry forward of funds, reduction from one-time moving expenditures, and a stabilization of the number of clients.
- An increase of \$4.9 million for the mental health property tax growth. This was enacted in HF 2623 (FY 2003 Omnibus Budget Act I).
- An increase of \$206,000 for field operations and administration for the Department of Human Services.

**Veterans Affairs**

Appropriates \$14.5 million for the Commission on Veterans Affairs and the Veterans Home, an increase of \$214,000 compared to the FY 2003 estimated net General Fund appropriation. The increase includes funds to replace the FY 2003 salary adjustment with a General Fund appropriation and carry forward funds available for expenditure in FY 2004.

**More Information**

Spreadsheets that compare the changes to the FY 2003 estimated net appropriations and to the FY 2004 Governor's recommendations for the General Fund, Senior Living Trust Fund, and the Temporary Assistance to Needy Families (TANF) funds are available on the LFB web site at: [http://staffweb.legis.state.ia.us/lfb/subcom/human\\_serv/human\\_serv.htm](http://staffweb.legis.state.ia.us/lfb/subcom/human_serv/human_serv.htm).

**Bill Summary**



The Notes on Bills and Amendments (NOBA) is available on the LFB web site at: <http://staffweb.legis.state.ia.us/lfb/noba/index.jsp>.

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**JUSTICE SYSTEM APPROPRIATIONS BILL – SF 439  
PASSES SENATE APPROPRIATIONS COMMITTEE**

**Subcommittee Bill**



The Senate Appropriations Committee passed SF 439 (the FY 2004 Justice System Appropriations Bill) on April 1. The Bill appropriates \$367.6 million for FY 2004 as follows:

- Department of Justice - \$10.0 million for the Office of the Attorney General and the Office of the Consumer Advocate. This is an increase of \$167,000 compared to the FY 2003 estimated net General Fund appropriation to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- Civil Rights Commission - \$807,000, a decrease of \$79,000 compared to the FY 2003 estimated net General Fund appropriation.
- Department of Corrections (DOC) - \$251.4 million, an increase of \$8.6 million compared to the FY 2003 estimated net General Fund appropriation. The increase includes:
  - An increase of \$4.0 million to fund FY 2003 salary adjustment from the General Fund in FY 2004.
  - An increase of \$1.0 million for the Inmate Education Program.
  - An increase of \$1.0 million for the Community-Based Corrections (CBC) District Departments to partially fund the FY 2003 salary adjustment shortfall.



- An increase of \$2.1 million to annualize the operating costs of the new 200-bed Clinical Care Unit at Fort Madison.
- An increase of \$500,000 for sewer and water needs at Fort Madison and Oakdale.
- A decrease of \$657,000 at Fort Madison, Anamosa, and Mount Pleasant prisons to reflect the savings associated with installing a perimeter security fence.
- An increase of \$700,000 to restore the FY 2003 furlough reduction in the Fourth, Fifth, Sixth, and Seventh CBC District Departments.
- Iowa Communications Network (ICN) - \$500,000, a decrease of \$502,000 compared to the FY 2003 estimated net General Fund appropriation.
- Office of the State Public Defender - \$36.2 million, an increase of \$360,000 compared to the FY 2003 estimated net General Fund appropriation. The change includes:
  - An increase of \$230,000 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
  - An increase of \$716,000 to fully fund all currently authorized FTE positions in the Office.
  - A decrease of \$586,000 to the Indigent Defense allocation to reflect the savings associated with filling all currently authorized FTE positions in the Office.
- Iowa Law Enforcement Academy (ILEA) - \$1.0 million, an increase of \$27,000 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
- Board of Parole - \$1.0 million, an increase of \$53,000 as follows:
  - An increase of \$5,000 to fund FY 2003 salary adjustment from the General Fund in FY 2004.
  - An increase of \$48,000 to fully fund a currently authorized Administrative Law Judge and add a part-time clerk.
- Department of Public Defense - \$6.1 million, an increase of \$101,000 compared to the FY 2003 estimated net appropriation.
- Department of Public Safety - \$60.6 million, an increase of \$900,000 compared to the FY 2003 estimated net appropriation. Major changes include:
  - An increase of \$364,000 for the Division of Criminal Investigation.
  - An increase of \$98,000 for the Division of Narcotics Enforcement.
  - A decrease of \$109,000 for the Fire Marshal's Office.
  - An increase of \$603,000 for the Iowa State Patrol.
  - A decrease of \$56,000 for the Department of Public Safety Sick Leave Payout Fund.

**Bill Summary**

The Notes on Bills and Amendments (NOBA) for SF 439 can be found on the LFB web site: <http://staffweb.legis.state.ia.us/lfb/noba/index.jsp>



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**JUDICIAL BRANCH APPROPRIATIONS BILL – SF 435  
 PASSES HOUSE APPROPRIATIONS COMMITTEE**

**Judicial Bill**

Senate File 435 (FY 2004 Judicial Branch Appropriations Bill) passed the House Appropriations Committee on April 1. The Bill appropriates a total of \$115.4 million to the Judicial Branch. Of this amount, \$113.4 million was appropriated for the Judicial Branch operating budget and \$2.0 million was appropriated for Judicial Retirement. This is an increase of \$4.2 million compared to the FY 2003 estimated net General Fund appropriation. Salary adjustment funding of \$4.0 million was provided from non-General Fund sources for FY 2003. Of this salary adjustment total, \$4.0 million has been included in the General Fund appropriations for FY 2004. The remaining \$200,000 increase is to fund heating and cooling expenses in the new Judicial Branch Building.

**Bill Summary**

The Notes on Bills and Amendments (NOBA) for SF 435 can be found on the LFB web site: <http://staffweb.legis.state.ia.us/lfb/noba/index.jsp>.



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**DEPARTMENT OF TRANSPORTATION APPROPRIATIONS  
 BILL – HF 652 PASSES SENATE APPROPRIATIONS  
 COMMITTEE**

**Transportation Bill**



House File 652 (FY 2004 Department of Transportation Appropriations Bill) passed the Senate Appropriations Committee on April 1. The Bill appropriates \$267.0 million to the Department of Transportation (DOT), which includes \$43.5 million from the Road Use Tax Fund, \$223.4 million from the Primary Road Fund, and 3,442.0 FTE positions. This is a decrease of \$1.7 million (0.6%) and 16.0 FTE positions (0.5%) compared to the FY 2003 estimated net appropriation. Total appropriations by fund are listed in the following table.

**DEPARTMENT OF TRANSPORTATION**

(Dollars in Millions)

	Estimated FY 2003	Proposed Legis. Action FY 2004	Change	Percent Change
Primary Road Fund	\$ 224.8	\$ 223.4	\$ -1.4	-0.6%
Road Use Tax Fund	43.9	43.5	-0.4	-0.9%
<b>Total</b>	<b>\$ 268.7</b>	<b>\$ 267.0</b>	<b>\$ -1.7</b>	<b>-0.6%</b>

\* Totals may not add due to rounding.

**Bill Summary**

The Notes on Bills and Amendments (NOBA) for HF 652 can be found on the LFB web site: <http://staffweb.legis.state.ia.us/lfb/noba/index.jsp>.

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**ENVIRONMENT FIRST FUND APPROPRIATIONS BILL – SF 436 PASSES GENERAL ASSEMBLY**

**Env. First Fund**



The General Assembly passed SF 436 (FY 2004 Environment First Fund Appropriations Bill) on April 1. The Bill provides a supplemental appropriation from the Cash Reserve Fund to the Environment First Fund for FY 2003. The funding was necessary due to a projected revenue shortfall in the Rebuild Iowa Infrastructure Fund (RIIF) resulting from the Iowa Supreme Court ruling on June 12, 2002, that reduced the State tax on racetrack establishments from 32.0% to 20.0%. The Environment First Fund receives funding through a standing appropriation from the RIIF. Contracts to continue implementing environmental programs through the remainder of the Fiscal Year were in jeopardy due to lack of funds in the Environment First Fund and the RIIF.

The Bill also provides that if the United State Supreme Court overturns the Iowa Supreme Court ruling, the Cash Reserve Fund will be credited \$16.6 million from the increased wagering tax revenues that the racetracks will reimburse to the State.

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**FIRE FIGHTER LICENSE PLATE BILL – HF 656 PASSES SENATE APPROPRIATIONS COMMITTEE**

**Fire Fighter Plates**



House File 656 (FY 2004 Fire Fighter License Plate Bill) was passed by the Senate Appropriations Committee on April 1. The Bill provides the following:

- Creates a Paul Ryan Memorial Fire Fighter Safety Training Fund in the State Treasury under the control of the Department of Public Safety (DPS). Fees charged for the issuance of special fire fighter license plates will be transferred from the State Treasurer to the Paul Ryan Memorial Fund. The funds will be used by the Fire Service Training Bureau to offset costs for fire fighter training.
- Specifies that the special plates' fees will not revert to the General Fund.
- Specifies that retired fire fighters, as well as current fire fighters, are eligible to receive the special plates.

The estimated fiscal impact of HF 656 is an increase in revenue of \$28,000 annually to the Paul Ryan Memorial Fire Fighter Safety Training Fund, and a decrease in revenue of \$28,000 annually to the Road Use Tax Fund.

**Bill Summary**



The Notes on Bills and Amendments (NOBA) for HF 656 can be found on the LFB web site: <http://staffweb.legis.state.ia.us/lfb/noba/index.jsp>.

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**RESOURCE ENHANCEMENT AND PROTECTION LICENSE  
PLATE FEES – SF 380 PASSES SENATE**

**REAP License Plates**



Senate File 380 (FY 2004 Resource Enhancement and Protection Fund License Plate Fees Bill) passed the Senate on April 1. The Bill increases the fees for the initial issuance of the Resource Enhancement and Protection Fund (REAP) license plates from \$35 to \$45 and increases renewal fees from \$10 to \$25. Revenues collected from the fee increases will be transferred from the REAP Fund to the Department of Natural Resources (DNR) Wildlife Bureau for non-game wildlife programs.

**Fiscal Impact**

The estimated fiscal impact of SF 380 to the DNR cannot be determined, as it is unknown how many new plates will be sold. The following is an example of the amount of revenue that would be generated based on the sale of 52,000 license plate renewals:

**Revenues Credited to the REAP Fund from  
the Renewal of Natural Resources Plates**

	Current Law	Proposed Law	Difference
Nonpersonalized Plates (50,000)	\$ 500,000	\$ 1,250,000	\$ 750,000
Personalized Plates (2,000)	20,000	50,000	30,000
Total	<u>\$ 520,000</u>	<u>\$ 1,300,000</u>	<u>\$ 780,000</u>

\* Additional revenues collected will be credited to the REAP Fund and transferred to the Wildlife Bureau of the Department of Natural Resources.

Additional revenues will be used to assist in providing a State match of \$1.2 million to federal funds for non-game wildlife programs. To receive the full allotment of FFY 2001 and FFY 2002 federal funds, the DNR must provide a match of approximately \$484,000 by October 1, 2003. To receive the full allotment of FFY 2003 federal funds, the DNR must provide a match of approximately \$732,000 by October 1, 2004.

Additional revenues will also be used to assist in repaying a \$149,000 loan balance from the Fish and Wildlife Trust Fund of the DNR.

**More Information**

The Fiscal Note for SF 380 can be obtained by visiting the LFB web site at: <http://staffweb.legis.state.ia.us/lfb/fiscalnotes/index.jsp>.

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**ELECTRICAL AND MECHANICAL AMUSEMENT DEVICES  
BILL - HF 594 PASSES HOUSE**

**Amusement Devices**



House File 594 (FY 2004 Electrical and Mechanical Amusement Devices Bill) passed the House on April 1. Significant actions include:

- Requiring licensure of all electrical and mechanical amusement devices where the outcome is not primarily based on skill, allowing no more than four devices at any single location or premise, and requiring an annual fee of \$25 for each device.

- Requiring that awards given for use of the devices can only be redeemed on the premises where the devices are located and only for merchandise sold in the normal course of business.
- Requiring manufacturers, manufacturers' representatives, and distributors of amusement devices to register with the Department of Inspections and Appeals (DIA).
- Authorizing the DIA to revoke registrations of amusement devices and specifies the procedures and reasons for revocation.
- Reducing the penalty for violations of the provisions of Section 99B.10, Code of Iowa, from a Class D felony to a simple misdemeanor.
- Requiring fees generated from the licensing of the amusement devices to be deposited in a special fund and appropriated to the DIA and Public Safety (DPS) during FY 2004 and FY 2005 for administration and enforcement purposes.
- Requiring the DIA, in consultation with the DPS, to submit a written report to the General Assembly by December 31, 2004, with copies to the State Government and Government Oversight Committees of both Chambers. The report shall focus on the revenues and expenses related to the implementation of this Bill and specify if the fees being collected are sufficient to cover the continued costs.

**Fiscal Impact**

The DIA and the DPS estimate there are between 10,000 and 18,000 of these devices in Iowa. The amount of fees generated would be between \$250,000 and \$450,000. The increased costs for the DIA would be \$72,000 for FY 2004 and \$45,000 for FY 2005 and includes 1.0 FTE position for a typist to handle the registrations. The increased costs for the DPS would be \$177,000 for FY 2004 and \$144,000 for FY 2005 and includes 2.0 FTE positions for Special Agents.

**Bill Summary**


The Notes on Bills and Amendments (NOBA) for HF 594 can be found on the LFB web site: <http://staffweb.legis.state.ia.us/lfb/noba/index.jsp>.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

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## **PROCESSING FLUNITRAZEPAM – HF 249 PASSES SENATE**

**Date Rape Drug Bill**

House File 249 (FY 2004 Processing Flunitrazepam Bill) relates to the manufacture, delivery, possession with the intent to manufacture or deliver, or conspiring to manufacture, deliver, or possess with the intent to manufacture or deliver Flunitrazepam (date rape drug). House File 249 increases the penalty for criminal offenses related to Flunitrazepam from an aggravated misdemeanor to a Class D felony.

**Correctional Impact**

The correctional impact of HF 249 is not anticipated to be significant. However, if law enforcement officers would target Flunitrazepam in the future, there may be more Class D felony convictions.

**Fiscal Impact**

The fiscal impact of HF 249 is not anticipated to be significant. The increase for one conviction for processing Flunitrazepam from an aggravated misdemeanor to a Class D felony is \$3,400.

The Bill has been sent to the Governor.

**More Information**

The fiscal note for HF 249 can be accessed on the LFB web site at:  
<http://staffweb.legis.state.ia.us/lfb/fiscalnotes/index.jsp>.

STAFF CONTACT: Jennifer Dean (Ext. 17846)

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**FY 2004 BLOCK GRANT AND FEDERAL FUNDS BILL – HF 472 PASSES SENATE APPROPRIATIONS COMMITTEE**

**Block Grant Bill**

On April 1, the Senate Appropriations Committee approved HF 472 (FY 2004 Block Grant and Federal Funds Bill). The Bill provides the mechanism for the State to receive an estimated \$164.2 million in federal block grants and an estimated \$3.127 billion in federal categorical and non-State funds in Federal Fiscal Year 2004.

**Bill Summary**



The Notes on Bills and Amendments (NOBA) for HF 472 can be found on the LFB web site: <http://staffweb.legis.state.ia.us/lfb/noba/index.jsp>.

STAFF CONTACT: Lisa Burk (Ext. 17942) Sue Lerdal (Ext. 17794)

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**MEDICAID COST CONTAINMENT BILL – HF 619 PASSES HOUSE**

**Medicaid Bill**

The House passed HF 619 (FY 2004 Medicaid Cost Containment Bill), as amended, on April 2. The Bill includes \$32.5 million in savings in the Medical Assistance (Medicaid) Program and assumes savings of \$13.9 million from rule and other reimbursement changes, for a total of \$46.4 million in General Fund savings. The provisions for which a fiscal impact can be determined include:

- Implementation of a Preferred Drug List based on the State of Michigan's Program is projected to save \$7.0 million in General Fund money.
- Decreasing the dispensing fee paid to pharmacists from \$5.17 to \$4.26 is projected to save \$2.2 million in General Fund money.
- Increasing the co-payments on prescription drugs and physician visits is projected to save \$854,000 in General Fund money.
- Decreasing the drug ingredient reimbursement to pharmacies to the Average Wholesale Price (AWP) minus 20.0% is projected to save \$2.0 million in General Fund money.
- Expansion of the State Maximum Allowable Cost Program is projected to save \$1.9 million in General Fund money.
- The Bill assumes savings from rule changes and current statute related to nursing home reimbursement totaling \$7.8 million. The Bill allows the Department of Human Services (DHS) to adjust an inflation factor in the nursing facility rate calculation that is projected to save up to \$3.0 million. These savings combined offset a budgeted increase of \$10.7 million in nursing facility reimbursement rates.
- Conducting targeted audits and reviewing utilization is projected to save \$2.0 million in General Fund money.
- The Bill increases reimbursement to the University of Iowa Hospital and Broadlawns Hospital for physician services. The two hospitals will transfer the

increased reimbursement back to DHS through an intergovernmental transfer. This results in a net increase in Federal revenues of \$13.5 million.

**Fiscal Impact**

The Bill includes other provisions that have no estimated fiscal impact or for which a fiscal impact cannot be determined. The House passed three amendments that did not affect the fiscal impacts discussed above.

**More Information**

The Fiscal Note for HF 619 can be obtained from the LFB web site at: <http://staffweb.legis.state.ia.us/lfb/fiscalnotes/index.jsp>.

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STAFF CONTACT: Jennifer Vermeer (Ext. 14611)

**REGULATORY REFORM PACKAGE BILL – SF 344 PASSES SENATE****Regulatory Reform Bill**

Senate File 344 (FY 2004 Regulatory Reform Package Bill) passed the Senate on April 2. The Bill makes several changes in Iowa law relating to various statutory and regulatory requirements that impact business, employers and employees, property rights, and the environment. Changes include, but are not limited to, the following:

- Establishes the Punitive Damages Standard Act and provides a standard of actual malice for liability for punitive damages, provides for a clear and convincing evidence standard, allows a bifurcated trial on the question of whether the defendant is liable for punitive damages, and generally limits the amount of a punitive damages award to twice the amount of compensatory damages.
- Eliminates indexing of the maximum weekly unemployment compensation benefit amount and the taxable wage base by capping the benefit amount for each dependent and by capping the taxable wage base at the current \$19,200.
- Adds a number of new requirements for an individual to be able and available for work in order to be eligible for unemployment benefits.
- Establishes a one-week waiting period in which an individual would not receive unemployment benefits for the first week they are unemployed.
- Requires an individual to have a minimum of 20 weeks of employment in the base period to be eligible for unemployment compensation benefits.
- Increases the earnings requirement for a second unemployment compensation benefit year claim from \$250 to ten times the individual's weekly benefit amount.
- Eliminates plant-closing benefits under unemployment compensation benefits. An employee, who is laid off due to a plant closing, would receive one-half of the wage credits instead of one-third of the wage credits.
- Provides that an individual will be disqualified for unemployment compensation if they are in labor negotiations and the employer performs a lockout of the employees.
- Defines traumatic and cumulative injury and provides for apportionment of workers' compensation benefits. Employers will only be responsible for paying workers' compensation benefits directly tied to injuries or illness sustained on the job without regard to pre-existing injuries or illness.

- Requires the Labor Commissioner or Commissioner's representative to inspect and investigate only businesses for which the representative received industry-specific training.
- Requires the Labor Commissioner to increase training and consultation services prior to implementation of new occupational safety standards.
- Specifies disclosure and confidentiality requirements of safety audit reports. Specifies that a person who violates the confidentiality requirement is guilty of a simple misdemeanor.
- Requires the Labor Commissioner to develop a safety auditor training program and allows fees to be charged to cover the training costs.
- Specifies that costs associated with implementing the provisions of the Bill related to the safety audit are to be funded by a General Fund appropriation to the Labor Commissioner, Department of Workforce Development.

**Fiscal Impact**

The Fiscal Impact of SF 344 cannot be determined due to insufficient information. However, the following estimated costs would be incurred:

- The Department of Workforce Development would incur costs of approximately \$1.0 million annually for additional FTE positions, including fringe benefits and support costs. The Department would incur costs of \$97,000 associated with providing training for industry-specific safety audits. Fees for training are to be charged to cover this cost. The Department would incur one-time costs of approximately \$1.3 million related to software and technology upgrades, as well as automated telephone system enhancements.
- There would be an additional cost to the Courts due to increased workloads, ranging from \$1,200 to \$2,000 per case, not including additional jury time (\$260 per day). The number of additional cases that would be tried is unknown.

**More Information**

The Fiscal Note for SF 344 can be obtained from the LFB web site at: <http://staffweb.legis.state.ia.us/lfb/fiscalnotes/index.jsp>.

STAFF CONTACT: Russell Trimble (Ext. 14613)

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**FALSE USE OF CREDIT CARDS – HF 504 SIGNED BY THE GOVERNOR**

**Credit Cards Bill**



The Governor signed House File 504 on March 31. The Act relates to the criminal offense of fraudulent use of a credit card. House File 504 sets the limit on the value of property illegally obtained. The Act permits separate acts to be combined into one scheme, if one person, or multiple people at different locations, commits the illegal acts. House File 504 creates a new crime, illegal possession of a scanning device or reencoder. The Act enhances existing penalties for credit card fraud and creates a graduated system of penalties for illegal use of a scanning device or reencoder.

There will be at least ten offenders convicted as Class D felons annually that would have been aggravated misdemeanors under current law. All ten offenders would have been sentenced to prison under current law. However, under HF 504, the offenders will be sentenced as Class D felons and their length of stay in prison will be longer than under current law.



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- Correctional Impact** The correctional impact of creating a new crime cannot be estimated due to a lack of data. However, creating a new offense and imposing a Class C or Class D felony as the penalty may increase court caseloads and increase demand for prison, Community-Based Corrections, and county jail resources. Felony convictions, imprisonment rates, and prison length of stay will increase under this provision.
- Fiscal Impact** The estimated fiscal impact of HF 504 to the General Fund will be an increased cost of \$2,200 in FY 2004 and \$26,000 in FY 2005. Most of the cost increase is attributed to sentencing offenders to prison for a longer period, 15 months rather than eight under current law.
- Due to insufficient information, the fiscal impact of creating a new offense under HF 504 cannot be determined. However, the State's cost for one Class D felony conviction ranges from \$1,600 to \$8,300. The State's cost for one Class C felony conviction ranges from \$1,700 to \$11,000. These costs will be incurred over multiple years while the offender is being supervised in State prison or the local community.
- More Information** The Fiscal Note for HF 504 can be obtained by visiting the LFB web site at: <http://staffweb.legis.state.ia.us/lfb/fiscalnotes/index.jsp>.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

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**DEPARTMENT OF TRANSPORTATION OMNIBUS ACT – SF 97 SIGNED BY GOVERNOR**

- DOT Omnibus Act** Senate File 97 (FY 2004 Department of Transportation Omnibus Act) was signed by the Governor on March 28. The estimated fiscal impact of the Act is as follows:
- Aviation Fund** The General Aviation Fund will receive annual payments of \$14,000 in loan repayments over a ten-year period. The total amount of the loans is \$140,000 and a 3.0% interest rate will be applied to the amount loaned. The total amount, including interest, to be repaid and deposited in the Fund over the ten-year period is \$156,000.
- Driver's License** The Act increases revenues by \$50,000 for the Road Use Tax Fund and \$750,000 for the counties' General Fund.
- Of the \$9.9 million in revenues generated from the one-time surcharge fee for driver's licenses, approximately \$9.0 million will be expended on upgrading the Driver's License Issuance and Records System, and approximately \$800,000 will be retained by the counties. Moneys in excess of the amount needed to fund the System rewrite and the amount retained by counties will be deposited into the Road Use Tax Fund.
- County Study** Costs associated with the County Driver's License Issuance Study will be absorbed by the Department of Transportation and County Treasurer's Association. No additional staff will be needed.

STAFF CONTACT: Mary Beth Mellick (Ext. 18223)

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## **CHILD WELFARE MEDIATION**

### **Child Welfare Update**

In October 2000, the Court Improvement Project of the Iowa Supreme Court received a \$600,000 three-year Adoptions Opportunity Grant from the federal Department of Health and Human Services, Adult, Children, and Families. The Project included the development of community planning teams across the State to develop and implement models for alternative dispute resolution in child welfare cases. The following counties participated in the project: Polk, Cerro Gordo, Pottawattamie, Woodbury, Linn, and the Clay/Dickinson/Osceola/O'Brien cluster. Teams consisted of representatives from the Judicial Branch, Human Services, Juvenile Court, Court-Appointed Special Advocates, attorneys, school representatives, representatives of the faith communities, private agencies, mental health providers, foster and adoptive parents, and substance abuse treatment agencies.

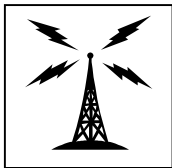
During calendar year 2002, Child Welfare Mediation has been used as an alternative to the court process in 144 cases. It is estimated that court time for one of these Child Welfare Mediation cases has decreased by a minimum of 40 hours per case, saving from one half day to three days in court time. The total cost savings generated from one case being sent to mediation rather than to trial is approximately \$10,280.

STAFF CONTACT: Jennifer Dean (Ext. 17846)

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## **COURT TECHNOLOGY UPGRADES**

### **Technology Upgrades**



The Judicial Branch will be upgrading the network bandwidth of 49 counties. The line upgrade will cost the Judicial Branch \$62,500 in one-time funding to install and \$263,100 annually to maintain. In addition to the line upgrade, a corresponding upgrade of the Judicial Branch firewall is required. The firewall enhancement will cost \$52,000 in one-time funding to install and \$15,000 annually to maintain. Both upgrades will be funded from the Court Technology Fund, which is generated from fine and fee collections, and earmarked for technology improvements.

STAFF CONTACT: Jennifer Dean (Ext. 17846)

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## **PART III LEASE AND MAINTENANCE COSTS FOR FY 2004**

### **ICN Part III**

The Iowa Communications Network (ICN) has received bids for the Part III leases due to expire at the end of FY 2003. The ICN is predicting an increase of approximately \$86,000 for FY 2004 lease costs compared to the FY 2003 costs. The ICN estimates that the increase will compound each year for the next six years as the remainder of the Part III leases expire. There are a total of 399 seven-year Part III leases. Of those, 63 will expire on June 30, 2003. The ICN intends to issue a request for quotes for the 100 Part III leases due to expire at the end of FY 2004 prior to the FY 2005 appropriation process.

STAFF CONTACT: Jennifer Dean (Ext. 17846)

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**IOWA COMMUNICATIONS NETWORK BUDGET UPDATE**

<b>ICN Budget</b>	The Iowa Communications Network (ICN) reported the following budget information (through February 2003):
<b>Video Services</b>	Video revenues for FY 2003 are 1.4% below budgeted projections. Video billings are \$1.1 million ahead of FY 2002. During February, the ICN began billing for video scheduling services. Video expenses have increased due to costs associated with scheduling and professional services related to video.
<b>Voice Services</b>	Voice Services revenues for FY 2003 are 1.5% below budget projections and \$530,000 less than FY 2002 Voice revenues. The largest sources of revenue are toll-free usage, local access, and inmate calling.
<b>Data Services</b>	Gross revenues from data services for FY 2003 are 3.2% below budget projections. Data services expenses were down for the month of February 2003 due to one-time credits applied against circuit expenses.
<b>Subscription Services</b>	Gross revenues from subscription services are 4.2% above budget projections.
<b>Installation Charges</b>	Installation revenues are 62.8% above budget projections. This is due to telephone and fiber installations. There was also a large phone switch purchase and video classroom installation.
<b>Indirect Expenses</b>	Indirect expenses are approximately 14.2% under budget projections. General Administrative Expenses are also under budget projections by 6.5%. This is primarily due to the savings related to the current vacancy factor.

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STAFF CONTACT: Jennifer Dean (Ext. 17846)

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**DEPARTMENT OF HOMELAND SECURITY FEDERAL GRANT ALLOCATIONS**

<b>Homeland Security</b>	On March 1, 2003, the State Homeland Security Grant Program was transferred along with the Office of Domestic Preparedness to the Department of Homeland Security from the Department of Justice. The Federal Emergency Management Agency became a part of the Department of Homeland Security on March 1, 2003.
<b>Dom. Preparedness</b>	The Office of Domestic Preparedness has allocated \$566.3 million in grant money for State homeland security. The \$556.3 million represents a 33.7% increase from FFY 2002. The FFY 2003 grants are divided into four categories: equipment, training, exercise, and planning. The amount for equipment grants totals \$397.4 million, the exercise grants total \$99.4 million, the planning grants' total \$39.7 million, and \$29.8 million for training grants.
<b>FEMA</b>	The Federal Emergency Management Agency has allocated \$165.0 million for Emergency Management Performance Grants. This is a 24.0% increase from FFY 2002. In FFY 2003, the non-terrorism and terrorism grants have been consolidated and a 50.0% State match is required.
<b>Supp. Request</b>	The federal Supplemental FFY 2003 request of \$74.7 billion is before Congress. The request includes \$2.0 billion for homeland security grants to

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State and local governments. Of that amount, \$1.5 billion would be for State and local preparedness grants. Another \$450.0 million would go to protecting "critical infrastructure" such as bridges and power plants. This money could also be used for personnel overtime expenses. There would also be \$50.0 million in grants to metropolitan areas determined by the Secretary of Homeland Security to be at high risk.

The FFY 2004 budget consolidates the Office of Domestic Preparedness and the Emergency Management Performance Grants into the State and Local Terrorism Prevention and Preparedness Grants funded at approximately \$3.0 billion. The formula for these grants has not yet been determined.

**Fiscal Impact**

Of the Office of Domestic Preparedness State Homeland Security Grants, it is estimated that Iowa will receive approximately \$20.3 million of the FFY 2003 supplemental. The total FFY 2003 amount anticipated for Iowa is \$27.9 million. The FFY 2003 Office of Domestic Preparedness State Homeland Security Grants for Iowa are anticipated to be \$5.4 million for equipment, \$1.3 million for exercise, \$400,000 for training, and \$537,000 for planning, for a total of \$7.7 million. Iowa's portion of the Emergency Management Performance Grants for FFY 2003 is anticipated to be \$2.2 million, an increase of 19.8% compared to FFY 2002.

STAFF CONTACT: Jennifer Dean (Ext. 17846)

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**LOTTERY REVENUES AND EXPENDITURES THROUGH  
FEBRUARY**

**February Rev./Exp.**

Lottery game revenues for FY 2003 Lottery increased \$922,000 from operating expenses decreased \$589,000, and transfers to State funds the FY 2002 level. Lottery prize expenses increased \$1.8 million, increased \$483,000. The following table details revenues, expenditures, and balances of the State Lottery. Rows and columns may not add, due to rounding.



**STATE LOTTERY**July Through February  
(Dollars in millions)

	FY 2002	FY 2003	Increase/ Decrease	% Increase
Fiscal Year Beginning Balance	\$ 2.2	\$ 2.3	\$ 0.2	
Game Revenues	\$ 118.7	\$ 119.6	\$ 0.9	0.8%
Interest	0.7	0.4	-0.2	-34.4%
Total Revenue	\$ 119.4	\$ 120.1	\$ 0.7	0.6%
Prize Expense	\$ 67.9	\$ 69.7	\$ 1.8	2.6%
Operating Expense	25.3	24.7	-0.6	-2.3%
Transfer of Profits	25.8	26.3	0.5	1.9%
Total Expense	\$ 119.0	\$ 120.7	\$ 1.7	1.4%
Feb. Ending Balance	\$ 2.5	\$ 1.7	\$ -0.8	

**Comparison to FY 2002**

Fiscal year sales through February, compared to the same time period of FY 2002, were as follows:

- Instant ticket sales increased \$2.4 million (4.7%).
- Pick 3 sales increased \$687,000 (22.9%).
- Multi-State Powerball sales decreased \$4.6 million (10.7%).
- Rolldown sales decreased \$1.0 million (100.0%).
- Freeplay Replay sales decreased \$28,000 (11.5%).
- Daily Game sales increased \$37,000 (1.3%).
- Pull-tab sales increased \$995,000 (5.9%).

**Ticket Sales**

Total Lottery sales through February were \$119.6 million, an increase of \$922,000 (0.8%) compared to February 2002. July through February 2002 sales for the Instant Tickets, Pick 3, Daily Game, and Pull-tabs were above sales for the same period during FY 2002.

Hot Lotto, which was not offered until April 7, 2002, had sales through February of \$3.6 million. Hot Lotto replaced Rolldown, which ended April 6, 2002, and had sales through February 2002 of \$1.0 million.

**Estimated Transfers**

The Revenue Estimating Conference (REC) projected FY 2003 Lottery profit transfers to the General Fund will total \$34.0 million on December 6. Actual profit transfer for FY 2002 was \$40.0 million. Therefore, the REC is currently estimating General Fund Lottery transfers will be \$6.0 million (15.0%) lower in FY 2003 than in FY 2002. Through February, FY 2003 transfers to the General Fund are \$481,000 (1.9%) above FY 2002.

House File 2627 (FY 2003 Omnibus II – Second Special Session) required the lottery to deduct \$500,000 from its calculated retained earnings before making lottery proceeds transfers to the State General Fund during FY 2003. The impact was a one-time increased transfer of \$500,000.

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**Sales Tax** In addition to the amount transferred to the State as profits, the Lottery has transferred \$6.0 million in sales tax during FY 2003.

STAFF CONTACT: Ron Robinson (Ext. 16256)

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**AUDIT REPORT - IOWA EGG COUNCIL**

**Audit Report** The State Auditor issued the FY 2001 and FY 2002 Audit Report for the Iowa Egg Council on March 10, 2003. The purpose of the Iowa Egg Council is to assist in the maintenance and development of markets for poultry products.

**Reportable Conditions** The Report indicated there was one reportable condition related to segregation of accounting duties. One employee completes the majority of the tasks, including financial reporting, preparing and signing checks, reconciling bank statements, and purchasing fixed assets. It was recommended that the Council review reconciliation of bank statements, invoices, checks, and financial statements. The Council agreed to implement oversight control procedures. The response was accepted.

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

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