

FISCAL UPDATE

January 27, 2004

Legislative Services Agency

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<http://staffweb.legis.state.ia.us/lfb>

HOUSE PASSES 98.0% EXPENDITURE LIMITATION BILL – HF 2039

Expenditure Limitation



The House passed HF 2039 (98.0% Expenditure Limitation Bill) on January 14, which reduces the expenditure limitation rate from 99.0% to 98.0%. The expenditure limitation reduces the amount that the General Assembly and the Governor can appropriate from the General Fund for the succeeding budget year.

Calculations

Expenditure limitation is calculated by multiplying the expenditure limitation rate by the adjusted revenue estimate that is established by the Revenue Estimating Conference (REC). For example, the current adjusted revenue estimate for FY 2005 is \$4.550 billion. Under current law, the Governor and the General Assembly can only appropriate \$4.505 billion (99.0%) for FY 2005, leaving \$45.5 million (1.0%) as an ending balance. However, during the Legislative Session, the expenditure limitation would change if the adjusted revenue estimate was to change by a new proposal or the revenue estimate was decreased.

Effective Date

The expenditure limitation provisions of the Bill are effective on December 15, 2004. This would require the Governor and the General Assembly to use the 98.0% expenditure limitation for developing the State's FY 2006 budget.

Fiscal Impact

By reducing the expenditure limitation percentage from 99.0% to 98.0%, the maximum FY 2006 expenditure level would be approximately \$46.0 million lower than allowed under current law.

Senior Living Trust Fund

The Bill changes statutory provisions that direct Reserve Fund moneys to the Senior Living Trust Fund. Under current law, the Senior Living Trust Fund begins receiving excess General Fund revenues after the following occur:

- The Cash Reserve and Economic Emergency Fund balances total 10.0% of the adjusted revenue estimate.

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- \$40.0 million is transferred from the excess balance of the Economic
- Emergency Fund to Endowment for Iowa's Health Account.

Appropriations

At the close of FY 2006, HF 2039 appropriates an amount equal to 1.0% of the adjusted revenue estimate from the General Fund surplus to the Senior Living Trust Fund before surplus funds are transferred to the Cash Reserve Fund. If the surplus were less than 2.0%, then the amount to be appropriated to the Senior Living Trust Fund would be equal to one-half of the surplus. Appropriations to the Senior Living Trust Fund would continue until a total of \$118.0 million has been deposited.

Cash Reserve Fund

In addition, HF 2039 transfers \$45.8 million from the Cash Reserve Fund to the General Fund. The Bill makes the transfer effective upon enactment and retroactive to June 30, 2003. The transfer is necessary in order to fund the FY 2003 General Fund deficit that resulted from lower than anticipated accrued revenues, under-estimated FY 2003 standing appropriations, and lower than projected reversions.

NOBA

More Information

Additional information is available from the LSA upon request. The Notes on Bills and Amendments (NOBA) for HF 2039 is available on the LSA web site at: <http://www3.legis.state.ia.us/noba/index.jsp>.

STAFF CONTACT: David Reynolds (Ext. 16934)

FY 2005 GOVERNOR'S RECOMMENDATIONS FOR THE ADMINISTRATION AND REGULATION APPROPRIATIONS SUBCOMMITTEE

Governor's Recomm.



The Governor is recommending \$92.4 million from the General Fund and 1,962.4 FTE positions for the 13 departments of the Administration and Regulation Appropriations Subcommittee. This is a decrease of \$1.9 million (2.0%) and an increase of 5.9 (0.3%) FTE positions compared to estimated net FY 2004. Significant changes include:

- Department of Administrative Services - An increase of \$2.4 million and 6.1 FTE positions compared to estimated net FY 2004. The changes include:
 - An increase of \$2.0 million for one-time, start-up cash flow needs for the new Department.
 - An increase of \$713,000 for increased utility costs at the Capitol Complex.
 - A decrease of \$237,000 and 5.0 FTE positions to transfer the resources used for Terrace Hill Operations to the Governor's Terrace Hill Quarters appropriation.
- Office of the Governor - An increase of \$237,000 and 5.0 FTE positions compared to estimated net FY 2004 to transfer the resources used for Terrace Hill Operations to the Governor's Terrace Hill Quarters appropriation.
- Department of Management - A decrease of \$5.6 million and an increase of 1.0 FTE position compared to estimated net FY 2004. Significant changes include:

- A decrease of \$8.6 million for one-time funding for reinvention savings, local government innovation loans, and charter agency loans.
- The Governor is recommending \$3.0 million from the General Fund to be distributed to State agencies to provide the State share for the purchase of technology services. The funding would be built into agency budgets beginning in FY 2006.



- Department of Revenue – An increase of \$270,000 and no change in FTE positions compared to estimated FY 2004 to provide General Fund support for positions that are being funded with a Charter Agency Grant during FY 2004.
- Office of the Secretary of State – An increase of \$750,000 and no change in FTE positions compared to estimated net FY 2004 to provide the 5.0% State match required for anticipated federal funds to continue implementation of the federal Help America Vote Act.
- The Governor is also recommending \$6.5 million for the budgeted amount for the State Appeal Board standing unlimited appropriation for FY 2005. This is an increase of \$2.0 million compared to estimated net FY 2004. From FY 1999 through FY 2003, the State has paid an average of \$7.4 million in claims annually.

More Information

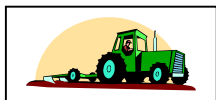
Additional information is available from the LSA upon request. The Analysis of the Governor's FY 2005 Budget Recommendations is available on the LSA web site at:

<http://staffweb.legis.state.ia.us/lfb/docs/BudgAnalysis/BudgAnalysis.htm>.

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FY 2005 GOVERNOR'S RECOMMENDATIONS FOR THE AGRICULTURE AND NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE

Governor's Recomm.



The Governor is recommending \$34.2 million from the General Fund and 1,549.2 FTE positions for the two Departments of Agriculture and Natural Resources Appropriations Subcommittee. This is no change in funding and an increase of 12.0 (0.8%) FTE positions compared to estimated net FY 2004.

Agriculture

The Governor is recommending a total of \$17.6 million from the General Fund and 469.1 positions for FY 2005 for the Department of Agriculture and Land Stewardship. This is no change in funding and an increase of 12.0 (2.6%) FTE positions compared to estimated net FY 2004 as follows:

- An increase of 10.0 FTE positions for the Watershed Protection Fund that is funded from the Environment First Fund.
- An increase of 2.0 FTE positions for programs not appropriated by the Agriculture and Natural Resources Subcommittee.

Natural Resources

The Governor is recommending a total of \$16.6 million from the General Fund and 1,080.1 FTE positions for FY 2005 for the Department of Natural Resources (DNR). This is no change compared to estimated net FY 2004.



Other Funds

The DNR has been designated a Charter Agency and received a General Fund reduction of \$50,000 for FY 2004. The DNR has also agreed to increase fees by \$150,000 for FY 2004 and by \$200,000 for FY 2005, which will be deposited into the General Fund. (Division XII of SF 453, Reinvention of State Government Act).

The Governor is recommending the following from Other Funds for FY 2005:

- A total of \$14.0 million from the Environment First Fund for the Department of Agriculture and Land Stewardship. This is no change in funding compared to estimated net FY 2004.
- Department of Natural Resources:
 - A transfer of \$30.7 million from the Fish and Wildlife Trust Fund to the Fish and Wildlife Bureau, which is no change compared to estimated net FY 2004.
 - A transfer of \$800,000 from the Underground Storage Tank Fund, which is an increase of \$600,000 compared to estimated net FY 2004 for administration of the Underground Storage Tank Program.
 - A recommendation of \$25.6 million from the Environment First Fund. This is an increase of \$5.0 million compared to estimated net FY 2004 to fund the Water Quality Summit Initiatives.
 - A recommendation of \$2.5 million from the Restricted Capital Account of the Tobacco Settlement Trust Fund for payment to the Lewis and Clark Rural Water System. This is an increase of \$950,000 compared to estimated net FY 2004.
 - A recommendation of \$3.0 million from the Restricted Capital Account of the Tobacco Settlement Trust Fund for the development of the State Destination Park located near Lake Rathbun. This is no change compared to estimated net FY 2004.



More Information

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**FY 2005 GOVERNOR'S RECOMMENDATIONS FOR THE
ECONOMIC DEVELOPMENT APPROPRIATIONS
SUBCOMMITTEE**

Governor's Recomm.



The Governor is recommending \$46.2 million from the General Fund and 1,271.3 FTE positions for the three departments and the Regents University programs of the Economic Development Appropriations Subcommittee. This is an increase of \$23.8 million (105.6%) and no change in FTE positions compared to estimated net FY 2004. Significant recommendations include:

- Department of Economic Development – An increase of \$23.5 million (170.7%), which includes an increase of \$23.0 million for Grow Iowa Values Fund activities and an increase of \$500,000 for tourism advertisements.

- Department of Workforce Development – An increase of \$302,000 (6.2%) and 5.5 (3.1%) FTE positions compared to estimated net FY 2004. This includes an increase of \$180,000 and 5.0 FTE positions for the Labor Services Division for Safety/Health Consultants, and an increase of \$120,000 and 1.0 FTE position for the Worker's Compensation Division for a Deputy Commissioner.

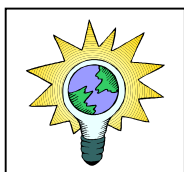
Other Funds



The Governor did not recommend any changes for appropriations for Other Funds for FY 2005. Recommendations that may be addressed by other Appropriations Subcommittees include:

- A recommendation of \$5.0 million from the Restricted Capital Fund for vertical infrastructure projects at community colleges to support the Accelerated Career Education (ACE) Program.
- A recommendation of \$500,000 from the Environment First Fund for the Brownfield Redevelopment Program.
- A recommendation of \$800,000 from the Rebuild Iowa Infrastructure Fund (RIIF) for the Housing Trust Fund administered by the Iowa Finance Authority (IFA) to provide financial assistance to communities and organizations to increase available housing.
- A recommendation of \$100.0 million for continuation of the Vision Iowa Program. The Governor is recommending the funds be appropriated from the Governor's proposed Capital Bonding Account.
- A recommendation of \$50.0 million for continuation of the Community Attractions and Tourism (CAT) Program. The Governor is recommending the funds be appropriated from the Governor's proposed Capital Bonding Account.
- A recommendation of \$10.0 million from the Restricted Capital Account for the Community Attractions and Tourism (CAT) Program.

Grow Iowa Values Fund



The Department of Economic Development submitted a FY 2005 budget request for funds from the Grow Iowa Values Fund that represent 62.1% of the actual funds appropriated in HF 683 (FY 2004 Grow Iowa Values Fund Act). The request was based on revenues received from federal funds, which totaled \$99.5 million for FY 2004 and FY 2005 combined. The other source of revenue for the Fund comes from the implementation of the Streamline Sales and Use Tax. After implementation, increased sales and use tax revenue in excess of 2.0% of the previous year's receipts will be deposited into the Grow Iowa Values Fund. Iowa is scheduled to implement the Streamline Sales and Use Tax on July 1, 2004. The projections from the Fiscal Services Division, LSA, estimate the Fund could receive \$30.0 to \$40.0 million in revenue for FY 2006.

Governor's Recomm.

The Governor is recommending \$23.0 million in General Fund revenues be appropriated to the Grow Iowa Values Fund for FY 2005, as specified in House File 683 (FY 2004 Grow Iowa Values Fund Act), without consideration of the revenue increase required by statute. This would be in addition to the federal funds appropriated to the Fund for FY 2005, as specified in the Act. The Governor is recommending appropriations of \$61.0 million from the Grow Iowa Values Fund as follows:

- Marketing – \$7.0 million; HF 683 appropriated \$7.5 million.
- Economic Development Programs – \$37.9 million; HF 683 appropriated \$41.0.



- University and College Assistance – \$6.5 million; HF 683 appropriated \$7.0 million.
- Loan and Credit Guarantee – \$4.6 million; HF 683 appropriated \$5.0 million.
- Endow Iowa Tax Credits – \$231,000; HF 683 appropriated \$250,000.
- Endow Iowa Grants – \$231,000; HF 683 appropriated \$250,000.
- Workforce Training & Economic Development Funds – \$4.6 million; HF 683 appropriated \$5.0 million.

More Information

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FY 2005 GOVERNOR'S RECOMMENDATIONS FOR THE EDUCATION APPROPRIATIONS SUBCOMMITTEE

Governor's Recomm.



Student Aid Commission

The Governor is recommending \$933.6 million from the General Fund and 26,387.2 FTE positions for the five departments of the Education Appropriations Subcommittee. This is an increase of \$53.2 million (6.0%) and an increase of 96.0 (0.4%) FTE positions compared to estimated net FY 2004. The Governor has recommended the following: significant changes:

The Governor is recommending a total increase of \$3.7 million (7.1%), for the Student Aid Commission including:

- \$1.8 million for the National Guard Tuition Assistance Program to increase the amount of tuition assistance and the number of recipients.
- \$1.9 million for the Iowa Tuition Grant Program to increase the effective maximum grant to \$3,850.

Department of Education

The Governor is recommending a total increase of \$19.6 million (8.9%), for the Department of Education including:

- \$10.0 million for grants to local school districts to fund teacher professional development. This includes an allocation of \$500,000 for the Waterloo Community School District to address recommendations related to sanctions facing Logan Middle School under the No Child Left Behind Act.
- \$4.3 million for the Student Achievement and Teacher Quality Program to maintain the FY 2004 teacher salary levels.
- \$3.1 million for Community College General Aid.
- \$1.5 million to expand early childhood development programs, including Community Empowerment and the Shared Visions Program currently funded from the Child Development standing appropriation.
- \$400,000 to restore State funding to the Jobs for America's Graduates Program (JAG), last funded in FY 2002 with a General Fund appropriation of \$142,000.
- \$300,000 for Iowa Public Television to operate new digital transmitters.

Board of Regents

The Governor is recommending a total increase of \$30.0 million (5.0%) and 100.7 (0.4%) FTE positions for the Board of Regents including:

- \$13.6 million and 32.5 FTE positions for the University of Iowa to increase salaries and restore faculty lost through attrition as a result of previous budget reductions.
- \$10.7 million and 32.0 FTE positions for Iowa State University to increase salaries and restore faculty lost through attrition as a result of previous budget reductions.
- \$4.8 million and 15.0 FTE positions for the University of Northern Iowa to increase salaries and restore faculty lost through attrition as a result of previous budget reductions.
- \$498,000 and 1.0 FTE position for the Iowa School for the Deaf to restore the FY 2004 across-the-board reduction and restore funding for the elementary program.
- \$279,000 and 1.0 FTE position for the Iowa Braille and Sight Saving School to restore the FY 2004 across-the-board reduction and restore faculty lost through attrition as a result of previous budget reductions.

More Information

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FY 2005 GOVERNOR'S RECOMMENDATION FOR INFRASTRUCTURE-RELATED PROJECTS

Governor's Recomm.**Dept. of Admin. Services**

The Governor is recommending \$285.8 million to fund capital projects, environmental programs, and debt service payments on certain bonds in FY 2005. The recommendations include \$25.6 million from the Rebuild Iowa Infrastructure Fund (RIIF), \$40.0 million from the Environment First Fund, \$73.6 million from the Restricted Capital Fund, and \$146.5 million from the Governor's proposed Capital Bonding Account.

Department of Administrative Services recommendations include:

- \$62.0 million from the Capital Bonding Account for major maintenance improvements to State facilities.
- \$9.7 million from the Capital Bonding Account for the renovation of the Records and Property Building.
- \$7.2 million from the Capital Bonding Account for Americans with Disabilities Act (ADA) improvements to State facilities.
- \$6.0 million from the Restricted Capital Fund for the purchase and implementation of the Integrated Information for Iowa (I/3) System.
- \$4.0 million from the RIIF for routine maintenance costs of State facilities.
- \$4.0 million from the RIIF for the Pooled Technology Account.



- \$2.3 million from the RIIF for temporary lease costs and moving expenses associated with the relocation of State employees on the Capitol Complex due to building renovations.
- \$160,000 from the RIIF to provide six months of funding for routine and preventive maintenance for the new laboratory facility in Ankeny.

Agriculture



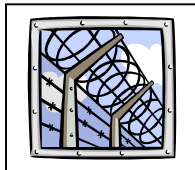
Department of Agriculture and Land Stewardship recommendations from the Environment First Fund include:

- \$5.5 million for the Soil Conservation Cost Share Program.
- \$2.7 million for the Iowa Watershed Protection Program.
- \$2.0 million for the Conservation Reserve Program (CRP).
- \$1.5 million for the Conservation Reserve Enhancement Program (CREP).
- \$850,000 for the Farm Management Demonstration Program.
- \$500,000 for the Alternative Drainage System Assistance Program.
- \$600,000 for the Loess Hills Conservation and Development Authority.
- \$300,000 for the Southern Iowa Conservation and Development Authority.

Dept. for the Blind

Department for the Blind recommendation includes \$67,000 from the Restricted Capital Fund for improvements to the Department's Orientation Center.

Corrections



Department of Corrections recommendations include:

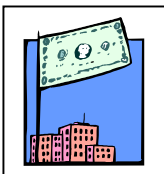
- \$23.4 million from the Capital Bonding Account to complete the funding for the construction of a 170-bed special needs unit at Oakdale.
- \$10.5 million from the Capital Bonding Account to construct a 120-bed community-based correctional facility in Davenport.
- \$333,000 from the RIIF to pay the annual debt service for a lease purchase agreement with Alliant Energy at the Fort Madison Special Needs Facility.

Cultural Affairs

Department of Cultural Affairs recommendations from the RIIF include:

- \$830,000 for the Historical Preservation Grant Program.
- \$100,000 for the preservation of the Iowa Battle Flag collection.

Economic Development



Department of Economic Development recommendations include:

- \$5.0 million from the Restricted Capital Fund for the Accelerated Career Education (ACE) Program.
- \$800,000 from the RIIF for deposit in the Housing Trust Fund under the administration of the Iowa Finance Authority (IFA).
- \$500,000 from the Environment First Fund for the Brownfield Redevelopment Program.

Education

Department of Education recommendations include:

- \$18.3 million from the Capital Bonding Account to complete the funding for the conversion of eight public television transmitter sights and headquarters to digital transmission.
- \$2.7 million from the RIIF to pay the costs of maintenance and leases associated with the build-out of Part III of the Iowa Communications Network (ICN).
- \$1.0 million from the RIIF for the Enrich Iowa Libraries Program.
- \$304,000 from the RIIF for design and remodeling costs of the Jesse Parker Building Complex.

Natural Resources

Department of Natural Resources recommendations include:

- Environment First Fund:
 - \$11.0 million for the Resource Enhancement and Protection Fund.
 - \$5.0 million for the Governor's Water Quality Summit Initiatives.
 - \$3.0 million for water quality monitoring stations.
 - \$2.3 million for Marine Fuel Tax projects.
 - \$2.0 million for operation and maintenance of State park facilities.
 - \$1.0 million for lake dredging.
 - \$500,000 for the Water Quality Protection Program.
 - \$500,000 for air quality monitoring equipment.
 - \$195,000 for the Geographic Information System.
 - \$100,000 for management of local water quality volunteers programs.
- Restricted Capital Fund:
 - \$3.0 million for development of the Destination State Park located at Honey Creek State Park.
 - \$2.5 million for the Lewis and Clark Rural Water System.

**Public Defense**

Department of Public Defense recommendations from the RIIF include:

- \$2.2 million for design and construction of a National Guard Readiness Center and organization maintenance shop in Iowa City.
- \$1.3 million for maintenance and renovation projects at National Guard facilities.
- \$1.1 million for construction of an addition to the Boone Readiness Center.
- \$750,000 for the second year of funding for the design and construction of a National Guard Readiness Center located near Fort Dodge.

Public Safety

Department of Public Safety recommendations from the RIIF include:

- \$1.0 million for upgrades to the security systems of State buildings located on the Capitol Complex.

- \$550,000 for the lease purchase of a new Automated Fingerprint Information System (AFIS).
- \$500,000 for matching funds to upgrade Iowa's Control Terminal, which connects to the National Crime information Center (NCIC).
- \$500,000 to fund a study and begin planning for the development of a regional fire service training facility.

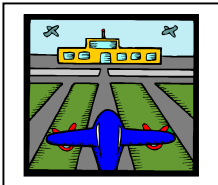
Board of Regents



Board of Regents recommendations include:

- \$15.4 million from the Capital Bonding Account for major maintenance to facilities at the Regents institutions.
- \$10.4 million from the Restricted Capital Fund to pay the debt service on Academic Revenue Bonds.
- \$392,000 from the RIIF to reimburse the Board of Regents for debt services paid on Academic Revenue Bonds issued.
- \$9.9 million from the Restricted Capital Fund for continued funding for the renovation of the Innovative Teaching Center at the University of Northern Iowa.
- \$3.6 million from the Restricted Capital Fund for construction of a new classroom facility to house the School of Journalism at the University of Iowa.
- \$1.9 million from the Restricted Capital Fund for renovation and improvements to Iowa State University's classrooms and auditoriums.

Dept. of Transportation



Department of Transportation recommendations include:

- \$1.1 million from the Restricted Capital Fund for continued funding of the Commercial Service Airport Program.
- \$581,000 from the Restricted Capital Fund for the Aviation Hangar Grant Program.
- \$500,000 from the RIIF to fund the State Aviation Assistance Program.

Treasurer of State

Treasurer of State recommendations from the Restricted Capital Account include:

- \$13.0 million for the FY 2005 debt service payments on the Iowa Communications Network (ICN) bonds.
- \$10.0 million for continued funding of the Community Attraction and Tourism Development Fund.
- \$5.4 million to fund a portion of the FY 2005 debt service payment on the prison infrastructure bonds.
- \$1.1 million to continue funding for county fair societies that are members of the Association of Iowa Fairs.

Veterans Affairs

Commission on Veterans Affairs recommendation includes \$400,000 from the RIIF for various infrastructure-related improvements to the Iowa Veterans Home.

Bonding Proposal

The Governor is recommending issuing \$300.0 million in bonds and depositing the proceeds into a Capital Bonding Account. The Account will be used to fund projects associated with economic development and capital improvements. The Governor is using this funding source to appropriate \$146.5 million for capital projects and \$150.0 million for two economic development programs.

State Wagering Tax

The Governor is proposing to use State Wagering Tax revenue for the repayment of the bonds. The first year's interest will be capitalized resulting in the first debt service payment to be due in FY 2006. The estimated debt service on a \$300.0 million bond issue will total approximately \$24.0 million annually. The Governor's bonding recommendation is contingent upon the following:

- The State prevailing in the lawsuit against the Racing Association of Central Iowa (RACI). The case is pending in the Iowa Supreme Court.
- The State Wagering Tax rates are adjusted to generate sufficient revenues to pay the debt service.

More Information

Additional information is available from the LSA upon request. The Analysis of the Governor's FY 2005 Budget Recommendations is available on the LSA web site at:

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GOVERNOR'S FY 2005 RECOMMENDATIONS FOR THE HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE

Governor's Recomm.

The Governor is recommending \$838.2 million from the General Fund and 6,853.1 FTE positions for the four Departments of the Health and Human Services Appropriations Subcommittee for FY 2005. This is an increase of \$87.7 million (11.7%) and 94.0 (1.4%) FTE positions compared to estimated net FY 2004. The recommendations include:

Dept. of Elder Affairs

The Governor is recommending a total of \$2.6 million from the General Fund and 26.8 FTE positions for the Department of Elder Affairs for FY 2005, which is no change compared to estimated net FY 2004.

Dept. of Public Health

The Governor is recommending a total of \$25.9 million from the General Fund and 387.3 FTE positions for the Department of Public Health for FY 2005. This is an increase of \$2.0 million (8.4%) and 0.2 (0.1%) FTE position compared to estimated net FY 2004, including:

- Addictive Disorders - An increase of \$1.0 million (78.9%) and no change in FTE positions compared to estimated net FY 2004 as follows:
 - An increase of \$500,000 for substance abuse treatment.
 - An increase of \$500,000 for tobacco cessation programs.
- Child and Adolescent Wellness - An increase of \$1.1 million (134.8%) and 1.0 (2.3%) FTE position compared to estimated net FY 2004 as follows:

- An increase of \$761,000 for seven vans that will serve as mobile dental clinics in order to provide services to children and seniors in under-served areas.
- An increase of \$174,000 for a Loan Forgiveness Program for dentists who practice in under-served areas.
- An increase of \$100,000 to reflect the FY 2004 transfer of funds to the Child Health Program.
- An increase of \$65,000 and 1.0 FTE position to manage and coordinate the Mobile Dental Clinic Program.

Dept. of Human Services



The Governor is recommending a total of \$792.0 million from the General Fund and 5,558.5 FTE positions for the Department of Human Services (DHS) for FY 2005. This is an increase of \$84.7 million (12.0%) and 92.9 (1.7%) FTE positions compared to estimated net FY 2004, including:

- Economic Assistance - An increase of \$2.5 million (6.0%) and a decrease of 1.0 (0.2%) FTE position compared to estimated net FY 2004. The changes include:
 - Family Investment and Promise Jobs Programs - An increase of \$2.5 million and a decrease of 1.0 FTE position, including:
 - An increase of \$2.7 million to maintain the maintenance of effort requirement in the federal Temporary Assistance to Needy Families (TANF) Program.
 - A decrease of \$334,000 to eliminate the seven-cent per transaction fee paid to retailers for the Electronic Benefit Transfer (EBT) Program for Food Stamps.
- Medical Services - An increase of \$60.9 million (16.3%) and an increase of 1.0 (4.5%) FTE position compared to estimated net FY 2004, including:
 - Medical Assistance (Medicaid) Program – An increase of \$57.9 million, including:
 - An increase of \$10.0 million to decrease expenditures from the Senior Living Trust Fund for Medicaid and shift the costs to the General Fund.
 - An increase of \$47.9 million for 4.5% enrollment growth in the Program.
 - Medical Contracts - An increase of \$1.8 million and 1.0 FTE position for start-up costs associated with a new fiscal agent contract in FY 2005.
 - State Children’s Health Insurance Program - An increase of \$1.5 million for enrollment and expenditure growth in the Healthy and Well Kids in Iowa (*hawk-i*) Program.
 - County Hospitals - A decrease of \$312,000 for State government assistance to Broadlawns Medical Center in FY 2004 in SF 458 (FY 2004 Standing Appropriations Act).
- Child Welfare - An increase of \$7.8 million (6.4%) and a decrease of 5.3 FTE positions (1.5%) compared to estimated net FY 2004. The changes include:
 - An increase of \$10.0 million for Child and Family Services to restore the FY 2004 General Fund reduction that was implemented due to the requirement in SF 453 (Government Reinvention Act).



- A decrease of \$1.2 million to eliminate funding that was provided in FY 2004 as a one-time appropriation for training and technology changes resulting from the child welfare redesign.
- A decrease of \$1.0 million to eliminate funding that was provided in FY 2004 as a one-time appropriation for loans to enable providers to adapt to changes resulting from the child welfare redesign.
- A decrease of 5.4 FTE positions for the Eldora Training School to reflect FY 2004 actual usage.
- An increase of 0.04 FTE position for the Toledo Juvenile Home to reflect FY 2004 actual usage.
- Mental Illness/Mental Retardation/Developmental Disabilities/Brain Injuries (MI/MR/DD/BI) – An increase of \$13.5 million (12.8%) and 99.2 FTE positions (4.2%) compared to estimated net FY 2004. This includes:
 - State Resource Centers – An increase of \$3.1 million and 88.2 FTE positions. This includes:
 - A decrease of \$400,000 due to the increase in federal matching funds from FY 2004 salary adjustment funding.
 - An increase of \$3.4 million and 88.2 FTE positions for additional staff to respond to the federal Department of Justice requirements.
 - A decrease of \$1.2 million due to not receiving FY 2004 Medicaid salary transfer funds.
 - An increase of \$1.3 million for clients without legal settlement at Glenwood State Resource Center.
 - Sexual Predator Commitment Program - An increase of \$730,000 and 11.0 FTE positions. This includes:
 - An increase of \$75,000 for inflation and salary annualization.
 - An increase of \$892,000 and 11.0 FTE positions for the expected increase in the number of clients at the Program. The estimated increase is 12 in one year, at a rate of one per month.
 - A decrease of \$237,000 for one-time expenditures related to being located at Oakdale and the transition to the Cherokee site.
- Mental Health Property Tax Growth - An increase of \$4.7 million, which has been enacted in SF 458 (FY 2004 Standings Appropriations Act). Appropriated growth for FY 2006 is expected to be considered during the 2004 Legislative Session.
- Implementation of the Mental Health Redesign - An increase of \$5.0 million for the initial implementation of the recommendations from the Mental Health and Developmental Disabilities Commission regarding the Mental Health redesign.



Comm. of Veterans Affairs



The Governor is recommending a total of \$17.6 million from the General Fund and 852.9 FTE positions for the Commission of Veterans Affairs for FY 2005. This is an increase of \$1.0 million (6.0%) and 1.0 (0.1%) FTE position compared to estimated net FY 2004 to replace FY 2003 carry forward funds.

The Governor is recommending the following appropriations from Other Funds for FY 2005:

- Senior Living Trust Fund - A total of \$151.6 million for the Departments of Human Services, Elder Affairs, and Inspections and Appeals. This is a decrease of \$10.0 million (9.8%) compared to estimated net FY 2004.
- Temporary Assistance to Needy Families (TANF) - A total of \$140.2 million for the DHS, a decrease of \$8.9 million compared to estimated net FY 2004.
- Healthy Iowans Tobacco Trust Fund - A total of \$59.3 million for the Departments of Human Services and Public Health, which is no change compared to estimated net FY 2004.
- Hospital Trust Fund - A total of \$35.0 million for the DHS, an increase of \$6.0 million compared to estimated net FY 2004.
- Gambling Treatment Fund - A total of \$3.9 million for the Department of Public Health, which is an increase of \$200,000 (9.8%) compared to estimated net FY 2004.



More Information

Additional information is available from the LSA upon request. The Analysis of the Governor's FY 2005 Budget Recommendations is available on the LSA web site at:
<http://staffweb.legis.state.ia.us/lfb/docs/BudgAnalysis/BudgAnalysis.htm>.

Burk (Ext. 17942)

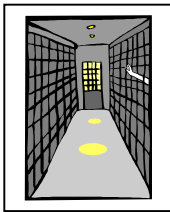
STAFF CONTACT: Sue Lerdal (Ext. 17794) Jennifer Vermeer (Ext. 14611) Lisa

FY 2005 GOVERNOR'S RECOMMENDATION FOR THE JUSTICE SYSTEM APPROPRIATIONS SUBCOMMITTEE

Governor's Recomm.

The Governor is recommending \$521.4 million from the General Fund and 8,039.1 FTE positions for the Judicial Branch and the nine departments of the Justice System Appropriations Subcommittee for FY 2005. This is an increase of \$18.3 million (3.6%) and 58.4 (0.7%) FTE positions compared to estimated net FY 2004.

Dept. of Corrections



The Governor is recommending a total of \$271.0 million from the General Fund and 4,205.9 FTE positions for FY 2005 for the Department of Corrections. This is an increase of \$5.7 million (2.2%) and 24.7 (0.6%) FTE positions compared to estimated net FY 2004. Significant recommendations include:

- An increase of \$1.3 million for increased usage and costs for drugs and biologicals in the nine Institutions.
- An increase of \$250,000 to conduct Hepatitis C testing for all new admissions to the Iowa Medical Classification Center at Oakdale.
- An increase of \$1.1 million for utility rate increases at all nine Institutions and five of the Community-Based Corrections (CBC) District Departments.
- A net increase of \$2.2 million and 42.9 FTE positions to annualize the operating costs for the new minimum-security Lodge. This amount eliminates the FY 2004 one-time costs and provides 10 months of additional funding to operate the 225-bed facility.
- An increase of \$901,000 to fund 19.0 currently authorized FTE positions in the CBC District Departments.

- A decrease of 18.2 FTE positions to eliminate unfunded positions in the CBC District Departments and Institutions.

Iowa Comm. Network

The Governor did not have a General Fund recommendation for FY 2005 due to the elimination of the Network's video subsidy request. The ICN was designated as a common carrier in December 2000, qualifying it as a Universal Service Fund (USF) provider for eligible authorized users starting in FY 2002. The Governor is recommending 107.0 FTE positions, a decrease of 8.1 (7.0%) FTE positions compared to estimated net FY 2004. The estimated net FY 2004 appropriation for the ICN was reduced by \$12,500 due to the Governor's 2.5% across-the-board reduction in FY 2004.

Office of Public Defender



The Governor is recommending an increase of \$2.0 million (5.6%) and no change in FTE positions compared to estimated net FY 2004. The changes include:

- An increase of \$917,000 to restore the FY 2004 2.5% across-the-board reduction.
- An increase of \$636,000 to fill all currently authorized FTE positions and related services in the Office of the State Public Defender in order to avoid increased costs to the Indigent Defense appropriation. According to the Department of Management, the impact of not funding this recommendation will be an increase in indigent defense costs, as private attorneys will handle more cases.
- An increase of \$447,000 to the Indigent Defense appropriation to pay for private attorney claims at a level that assumes the Office of the State Public Defender will be fully staffed.

Judicial Branch

The Governor is recommending \$125.8 million from the General Fund and 1,922.9 FTE positions for FY 2005. This is an increase of \$6.0 million (5.0%) and no change in FTE positions compared to estimated net FY 2004.

Dept. of Public Safety



The Governor is recommending an increase of \$5.0 million (8.1%) and 11.0 (1.2%) FTE positions compared to estimated net FY 2004. Significant changes include:

- An increase of \$1.6 million to restore the FY 2004 across-the-board reduction for FY 2005 for the Department.
- An increase of \$867,000 for vehicle depreciation.
- An increase of \$1.2 million to the Iowa State Patrol to replace one-time federal funds received due to the .08 alcohol legislation.

Civil Rights Commission

The Governor is recommending a total of \$925,000 from the General Fund and 30.0 FTE positions for FY 2005. This is an increase of \$99,000 (12.0%) and 2.0 (7.1%) FTE positions compared to estimated net FY 2004. The recommendation funds two new Civil Rights Specialists and upgrades for computers.

Other Funds

The Governor is recommending the following appropriations from Other Funds for FY 2005:

- Department of Public Safety – The Governor is recommending \$1.0 million from the Rebuild Iowa Infrastructure Fund (RIIF) to the Department of Public Safety for capital upgrades.

- Department of Corrections – The Governor is recommending \$1.8 million from tobacco settlement revenues in FY 2005, a decrease of \$310,000 to eliminate the value-based treatment program at the Newton Correctional Facility. This was a new appropriation in FY 2004.

More Information

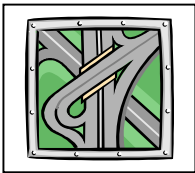
Additional information is available from the LSA upon request. The Analysis of the Governor's FY 2005 Budget Recommendations is available on the LSA web site at:

<http://staffweb.legis.state.ia.us/lfb/docs/BudgAnalysis/BudgAnalysis.htm>.

STAFF CONTACT: Beth Lenstra (Ext. 16301) Jennifer Acton (Ext. 17846)

FY 2005 GOVERNOR'S RECOMMENDATIONS FOR THE DEPARTMENT OF TRANSPORTATION

Governor's Recomm.



The Governor is recommending \$276.9 million and 3,424.0 FTE positions from the Road Use Tax Fund and Primary Road Fund for Operations, Special Purpose, and Capital appropriations within the Department of Transportation (DOT) for FY 2005. This is a decrease of \$4.7 million (1.7%) and a decrease of 18.0 (0.5%) FTE positions compared to estimated net FY 2004. This includes:

- \$276.2 million for Operations and Special Purpose projects, a decrease of \$3.0 million (1.1%) compared to estimated net FY 2004.
- \$650,000 for Capital projects, a decrease of \$1.7 million (71.7%) compared to estimated net FY 2004.

Operations Division

A decrease of \$280,000 and an increase of 1.0 FTE position. This includes a decrease of \$725,000 from the Road Use Tax Fund and an increase of \$445,000 from the Primary Road Fund. This includes:

- An increase of \$73,000 to fund inflationary increases on existing leases.
- A decrease of \$418,000 to transfer funds to the County Treasurer Support appropriation.
- An increase of \$65,000 and 1.0 FTE position to transfer the position from the Motor Vehicle Division to the Information Technology Division, which is under the Operations Division.

Highway Division

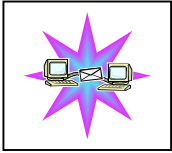
A decrease of \$1.4 million and 18.0 FTE positions from the Primary Road Fund. The change is due to a net savings resulting from the transfer of road jurisdictions.

Special Purpose Projects



The following summarizes recommendations for the Special Purpose projects:

- Workers' Compensation – An increase of \$403,000. This includes an increase of \$18,000 from the Road Use Tax Fund and an increase of \$385,000 from the Primary Road Fund. The increase is due to an adjustment in premium calculations.
- Vehicle Registration System Rewrite – A decrease of \$5.0 million from the Road Use Tax Fund. A total of \$10.0 million was appropriated in FY 2003 and FY 2004 to fund the projected cost of hiring a consultant to redesign the System.



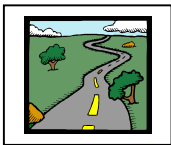
- County Treasurer Support – An increase of \$1.1 million from the Road Use Tax Fund for resources to issue drivers' licenses, vehicle registrations, and titles at County Treasurer Offices throughout the State. This is a new recommendation for FY 2005, which includes:
 - \$30,000 recommended in previous years as a separate appropriation for the county issuance of drivers' licenses.
 - \$418,000 for existing automation and telecommunications costs at counties that issue drivers' licenses, vehicle registrations, and titles. This amount will be transferred from the Operations Division base budget.
 - \$648,000 for costs associated with improving data transmission between counties and the DOT. This includes upgrading the current system to meet Internet protocol (necessary for the redesigned Vehicle Registration System) and increasing capacity and speed.
- Integrated Information for Iowa (I/3) Implementation – A new recommendation of \$2.5 million from the Primary Road Fund to convert the Department's current budget system to the Integrated Information for Iowa State Budget System.

Capital Projects

The Governor is recommending \$650,000 from the Primary Road Fund to fund infrastructure improvements to various buildings at the DOT complex.

Requested Adjustments

The DOT is requesting that the Transportation, Infrastructure, and Capitals Subcommittee consider the following adjustments to the Governor's FY 2005 recommendations:



- A decrease of \$150,000 from the Primary Road Fund for the Operations Division, for a total decrease of \$430,000. The DOT recently renegotiated lease rates at the Park Fair Mall and reconfigured space at buildings located at the Ames complex, resulting in cost-savings for existing leases.
- A decrease of \$2.5 million from the Primary Road Fund to eliminate the Integrated Information for Iowa (I/3) appropriation recommendation. A consultant recently determined that the DOT could upgrade to the current budget system at a lower rate than if the Department converted to the Integrated Information for Iowa Budget System. The DOT reports the upgrade would allow accessibility to the same information provided by the new system.
- A decrease of \$233,000 and 3.0 FTE positions for the Highway Division, for a total decrease of \$1.6 million. The decrease is due to an additional net savings resulting from the transfer of road jurisdictions.

More Information

Additional information is available from the LSA upon request. The Analysis of the Governor's FY 2005 Budget Recommendations is available on the LSA web site at:

<http://staffweb.legis.state.ia.us/lfb/docs/BudgAnalysis/BudgAnalysis.htm>.

STAFF CONTACT: Mary Beth Mellick (Ext. 18223)

GOVERNMENT OVERSIGHT COMMITTEE MEETINGS

Oversight Meeting



The Government Oversight Committee met on January 20 and 21 and conducted the following business:

- Discussed the annual 2003 Government Oversight Committee report to the Legislative Council. Additionally, the Committee reviewed the list of topics selected for study during 2004.

- Discussed the status of the implementation of HF 594 (FY 2004 Electrical and Mechanical Amusement Devices Act) with the following representatives:
 - Iowa Lottery - Ed Stanek discussed the impact of both legally and illegally operated gaming devices on the Iowa Lottery revenue. While legally operated machines have some impact, the Iowa Lottery is developing new machines that should regain lost revenue. The illegally operated machines that are used by operators as gambling devices that pay cash to winners have a far greater impact.
 - Department of Inspections and Appeals - Sherry Hopkins described the web site that has been developed for use in the registration process and explained that as soon as the administrative rules are finalized, a large number of registrations are anticipated to be received.
 - Department of Public Safety - Steve Bogle and Joe Diaz discussed enforcement issues connected with the legislation. Additional agents for enforcement may be needed when the rules are implemented and registration fees are imposed.

More Information

Additional information is available from the LSA upon request. Copies of the agenda and handouts from the meeting are available at:
<http://staffweb.legis.state.ia.us/lfb/committee/oversight/oversight.htm>.

STAFF CONTACT: Sam Leto (Ext. 16764) Douglas Wulf (Ext. 13250)

**HEALTH AND HUMAN SERVICES APPROPRIATIONS
SUBCOMMITTEE MEETING**

Subcommittee Meeting



The Health and Human Services Appropriations Subcommittee met the week of January 19 and conducted the following business:

- On January 20, the Subcommittee reviewed the priorities of individual members.
- On January 21, Gene Gessow, Medicaid Director, Department of Human Services, provided information to the Subcommittee regarding intergovernmental transfers and revenues.
- On January 22, staff from the Fiscal Services Division, LSA, provided information to the Subcommittee regarding the FY 2005 Governor's budget recommendations, and also provided an update on the Medicaid reform efforts passed by the 2003 General Assembly in HF 619 (Medicaid Reform Act).

More Information

Copies of agendas, minutes, and selected handouts distributed to Subcommittee members are available on the LSA web site at:
http://staffweb.legis.state.ia.us/lfb/subcom/human_serv/human_serv.htm

STAFF CONTACT: Sue Lerdal (Ext. 17794) Jennifer Vermeer (Ext. 14611)

**JUSTICE SYSTEM APPROPRIATIONS SUBCOMMITTEE
MEETING**

Subcommittee Meeting



The Justice System Appropriations Subcommittee met on January 20 and reviewed and approved amended rules. The Subcommittee received a presentation from the Fiscal Services Division of the LSA that included:

- List of staff contacts and a review of the LSA web site redesign.

- Review of SF 435 (FY 2004 Judicial Branch Appropriations Act) and SF 439 (Justice System Appropriations Act).

More Information

Copies of agendas, minutes, and selected handouts distributed to Subcommittee members are available on the LSA web site at:

<http://staffweb.legis.state.ia.us/lfb/subcom/justice/justice.htm>.

STAFF CONTACT: Beth Lenstra (Ext. 16301) Jennifer Acton (Ext. 17846)

TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS APPROPRIATIONS SUBCOMMITTEE MEETING

Subcommittee Meeting

The Transportation, Infrastructure, and Capitals Appropriations Subcommittee met on January 21. The Fiscal Services Division of the LSA presented an overview of the Governor's FY 2005 budget recommendations for the Department of Transportation and Capitals-related projects and programs.

More Information

Copies of agendas, minutes, and selected handouts distributed to Subcommittee members are available on the LSA web site at:

http://staffweb.legis.state.ia.us/lfb/legis_committees.htm

STAFF CONTACT: David Reynolds (Ext. 16934)

JANUARY COUNCIL ON HUMAN SERVICES MEETING

Council Meeting

The Council on Human Services met on January 14 and conducted the following business:

Approved the following Administrative Rules:

- Money savings for the State Payment Program. The changes are estimated to save \$43,000. Proposed reductions in the reimbursement rates to providers have been delayed.
- Implementation of the Preferred Drug List (PDL). Information indicates that savings to the General Fund is expected to be \$2.7 million for FY 2004 and \$6.7 million for FY 2005.

Other Business

Other agenda items included:

- Received information regarding the Report of Special Needs Population at the State Resource Centers.
- Received an update regarding the Mental Health Redesign.
- Received an update regarding the federally required program improvement plan for Child and Family Services.
- Received information regarding the status of the Child Welfare Redesign.

Next Meeting

The next meeting is scheduled for February 11.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Sue Lerdal (Ext. 17794) Jennifer Vermeer (Ext. 14611)

MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES COMMISSION MEETING

Mental Health

The Mental Health and Developmental Disabilities Commission met on January 15 and conducted the following business:

- Approved various accreditation applications.
- Discussed proposed legislation and timeframes related to the December release of the Mental Health Redesign Report.
- Discussed plans for proposing a Children's Mental Health Redesign.

Next Meeting

The next meeting is scheduled for February 19 at the Public Library in Altoona.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Sue Lerdal (Ext. 17794)

COLLEGE STUDENT AID COMMISSION MEETING

College Student Aid



The College Student Aid Commission met on January 20. Significant agenda items included:

- Status report on the revision of administrative rules.
- Review of the Governor's budget recommendations for the Commission for FY 2005.
- Recommendation by Commission staff to waive the guarantee fee charged to borrowers for the 2004-2005 academic year. Federal law allows the Commission to charge a guarantee fee of up to 1.0% of the loan amount. The Commission began waiving these fees in 1999, based on a recommendation by a consultant. The recommendation was made based on the financial strength of the Commission's federal student loan reserve fund.
- Recommendation by Commission staff to extend the integrated marketing contract with Mathis, Earnst, and Vandeventer (ME&V) through calendar year 2004 at a cost not to exceed \$72,200.
- Postsecondary school registration update.

Next Meeting

The next meeting is scheduled for March 16.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Mary Shipman (Ext. 14617)

ISSUE REVIEW – CORPORATE INCOME TAX

Issue Review

The Fiscal Services Division of the Legislative Services Agency (LSA) recently published an *Issue Review* entitled "Iowa Corporate Income Tax Revenue."

Revenue



In FY 1999, the General Fund received \$250.6 million in net cash corporate tax revenue. Net (receipts minus refunds) corporate tax revenues have

decreased substantially since FY 1999, and the Revenue Estimating Conference (REC) estimates \$61.7 million in revenue for FY 2004.

Summary

The **Issue Review** explores the reasons for the decline and compares Iowa's revenue history with the corporate tax revenue of all states and the federal governments. The **Issue Review** also provides several recommendations for research and investigation into the cause of the revenue decline.

More Information

Copies of the **Issue Review** are available from the LSA or may be accessed at the LSA web site at: <http://staffweb.legis.state.ia.us/lfb/ireview/ireview.htm>.

STAFF CONTACT: Jeff Robinson (Ext. 14614)

ISSUE REVIEW – GENERAL FUND BUDGET CHANGES

Issue Review



The Fiscal Services Division of the Legislative Services Agency (LSA) recently published an **Issue Review** entitled, "State of Iowa General Fund Budget Changes."

The **Issue Review** examines actions taken by the General Assembly and the Governor to address decreased revenues to the State's General Fund from FY 2002 through FY 2005 and provides information regarding FY 2005 budget issues to be addressed by the General Assembly during the 2004 Legislative Session.

Tax Revenue

Iowa's General Fund revenues experienced record declines in FY 2002 resulting from a weakened national economy and exacerbated by the events of September 11, 2001. Since FY 2002, the State's General Fund tax revenues have continued to decline. The projected FY 2004 revenues are projected to be 4.2% below the FY 2002 level. The Revenue Estimating Conference (REC) is projecting revenue for FY 2005 to increase by 1.5% over the FY 2004 level; however, this is still 2.8% below the FY 2002 level.

Revenue Transfers

To address the growing inequities between revenues and expenditures, the General Assembly and the Governor have enacted legislation that has included a variety of revenue transfers from non-General Fund sources to the General Fund, shifting expenditures traditionally funded from the General Fund to non-General Fund sources, as well as numerous reductions to State agencies and programs.

More Information

Copies of the **Issue Review** are available from the LSA or may be accessed at the LSA web site at: <http://staffweb.legis.state.ia.us/lfb/ireview/ireview.htm>.

STAFF CONTACT: David Reynolds (Ext. 16934)

ISSUE REVIEW – IOWA INNOVATIONS FUND

Issue Review



The Fiscal Services Division of the Legislative Services Agency (LSA) has published an **Issue Review** entitled, "Iowa Innovations Fund," which provides an overview of the establishment of the Iowa Innovations Fund and the Fund's operations and investment activities. The loan fund was created in SF 475 (State Financial Provisions Act) during the 1995 Legislative Session to stimulate and encourage innovation and entrepreneurship in State government by awarding repayable loans to State agencies.

Loan Repayment

Enterprise loans are to be repaid with interest by an agency through the provision of internal services to government. The agency is to receive payment for services and use those payments to cover expenses, including repayment of the loan. Project loans are to be repaid with interest by a department from the increase in General Fund revenues or from the savings realized from the project.

Fiscal Impact

Ten Innovation Fund loans have been made through FY 2003. Since the establishment of the Fund in FY 1996, a total of \$11.2 million in identified savings has been divided evenly between the departments and the Fund. The Fund had a balance of \$2.9 million at the close of FY 2003 and \$610,000 in outstanding loan principal as of October 21, 2003.

More Information

Copies of the **Issue Review** are available from the LSA or may be accessed at the LSA web site at: <http://staffweb.legis.state.ia.us/lfb/ireview/ireview.htm>.

STAFF CONTACT: Ron Robinson (Ext. 16256)

FISCAL SERVICES DIVISION, LEGISLATIVE SERVICES AGENCY

Fiscal Services



The Fiscal Services Division, formerly known as the Legislative Fiscal Bureau, is part of the consolidated, non-partisan Legislative Services Agency (LSA). The Fiscal Services Division provides the following services:

- Information and analysis on the revenue and expenditures of State government.
- Evaluation of legislative proposals involving State and local government through Fiscal Note summaries on legislation and Fiscal Impact Statements on Administrative Rules.
- Review of State department operations for effectiveness and efficiency.

Offices Moved

During the 2003 Interim, the offices of the Fiscal Services Division moved from the Lucas Building to the second floor of the Ola Babcock Miller Building. The Director's Office remains on the Second Floor in the Capitol. This issue of the **Fiscal Update** includes a listing of Fiscal Services Division staff and assignments.

More Information

Additional information is available from the LSA upon request. The publications of the Fiscal Services Division may be accessed on the LSA web site at: <http://staffweb.legis.state.ia.us/lfb/>.

STAFF CONTACT: Holly Lyons (Ext. 17845) Debra Kozel (Ext. 16767)

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

**FISCAL SERVICES DIVISION
LEGISLATIVE SERVICES AGENCY**

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Capitol, Second Floor
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Web site: <http://staffweb.legis.state.ia.us/lfb>

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Institutions			
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Retardation/Developmental			
Disabilities Enhanced Services			
Social Services Block Grant			
Veteran's Affairs			
Veteran's Home			
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Family Investment Program,			
Promise Jobs, Food Stamps			
Medical Services/Medicaid			
Temporary Assistance for Needy			
Families (TANF) Block Grant			
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