

FISCAL UPDATE

January 24, 2007

Legislative Services Agency

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ADMINISTRATION AND REGULATION APPROPRIATIONS SUBCOMMITTEE MEETINGS

Subcommittee Meetings

The Administration and Regulation Appropriations Subcommittee met the week of January 15.

Department Overview

On January 17, the Legislative Services Agency (LSA) presented an overview of all departments within the Subcommittee.

Dept. of Human Rights

On January 18, Director Walter Reed, Department of Human Rights, and representatives from the various Department Divisions presented an update of the Department and new budget requests for FY 2008.

Tentative Schedule



The tentative schedule for the week of January 22 is as follows:

- Tuesday, January 22 – Department of Revenue
- Wednesday, January 23 – Secretary of State
- Thursday, January 24 – Treasurer of State, Office of Drug Control Policy

More Information

Copies of agendas, minutes, and selected handouts distributed to the Subcommittee are available on the General Assembly web site at: <http://www3.legis.state.ia.us/ga/committee.do?id=32>.

STAFF CONTACT: Jess Benson (Ext. 14613) Sam Leto (Ext. 16567)
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AGRICULTURE AND NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE MEETINGS

Subcommittee Meetings

The Agriculture and Natural Resources Appropriations Subcommittee met the week of January 15.

January 17

On January 17, introductions were made, subcommittee rules were adopted, and future topics and speakers were discussed.

January 18



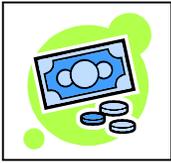
On January 18, members from the Sustainable Funding Committee presented findings regarding funding for natural resources and conservation that included:

- A brief overview of the Governor-appointed committee comprised of representatives from 18 organizations as directed in HF 2797 (FY 2006 Standing Appropriations Act).
- The development of funding categories that include conservation work related to parks and trails; soil and water conservation; and fish, wildlife, and natural areas.

IN THIS ISSUE:

Appropriations Subcommittee Meetings:
Administration/Regulation, pg. 1
Agriculture/Natural Resources, pg. 1
Economic Development, pg. 2
Education, pg. 3
Health/Human Services, pg. 3
Justice System, pg. 4

Appropriations Subcommittee Meetings (Cont.):
Transportation, Infrastructure./Capitals, pg. 4
Board of Corrections Meeting, pg. 5
FY 2004/2005 Dept. of Public Defense Reports, pg. 6
Issue Review – Child Care Assistance Program, pg. 7
Issue Review – State Fleet, pg. 7



- A summary of funding alternatives used by other states.
- **Recommendations on funding sources include:**
 - Dedicating gaming and gambling revenues from new and expanded casinos and retiring revenue bonds.
 - Dedicating revenues from a fractional percentage increase in the sales tax.
 - Dedicating a portion of lottery profits to conservation.
 - Utilizing bonding to ensure long-term funding stability.
- A summary of revenue needs. It is estimated that \$150.0 million in additional funding per year is needed for the following conservation actions:
 - \$20.0 million for the Resource Enhancement and Protection (REAP) Fund.
 - \$20.0 million for the Local Conservation Partnership Program.
 - \$35.0 million for the Department of Natural Resources (DNR) operations.
 - \$30.0 million for the Department of Agriculture and Land Stewardship (DALs).
 - \$15.0 million for work on trails.
- An overview of Iowa citizens' willingness to pay for additional funding. This was gauged by the 267 public comments received from the public hearing held and through a telephone survey of 800 residents.



Final Report Pending

The findings presented to the Subcommittee were based on a preliminary report. The Sustainable Funding Committee requested delivery of a final report by March 1.

More Information

Copies of agendas, minutes, and selected handouts distributed to the Subcommittee are available on the General Assembly web site at: <http://www3.legis.state.ia.us/ga/committee.do?id=33>.

STAFF CONTACT: Deb Kozel (Ext. 16767)

**ECONOMIC DEVELOPMENT APPROPRIATIONS
SUBCOMMITTEE MEETINGS**

Subcommittee Meetings

The Economic Development Appropriations Subcommittee met the week of January 15.

January 17

On January 17, the chairpersons and ranking members made opening remarks, subcommittee rules were adopted, and Ron Robinson, LSA, provided an overview of department requests.

January 18

On January 18, the LSA provided additional information on department requests and responded to questions.

More Information

Copies of agendas, minutes, and selected handouts distributed to the Subcommittee are available on the General Assembly web site at: <http://www3.legis.state.ia.us/ga/committee.do?id=34>.

STAFF CONTACT: Ron Robinson (Ext. 16256)

EDUCATION APPROPRIATIONS SUBCOMMITTEE MEETINGS

Subcommittee Meetings

The Education Appropriations Subcommittee met the week of January 15.

January 17

On January 17, the Subcommittee held an organizational meeting, adopted rules, and made introductions.

January 18

On January 18, Mary Shipman and Robin Madison, Fiscal Services Division, LSA, reviewed the FY 2007 budget and department requests for FY 2008.

Tentative Schedule



The tentative schedule for the week of January 22 includes:

- Tuesday, January 23 – Budget presentation by the Board of Regents Office and the Presidents of the three Regents universities.
- Wednesday, January 24 – Budget presentation by the Board of Regents Office and the Superintendents of the Iowa School for the Deaf and the Iowa Braille and Sight Saving School.
- Thursday, January 25 – Budget presentation by the College Student Aid Commission.

More Information

Copies of agendas, minutes, and selected handouts distributed to the Subcommittee are available on the General Assembly web site at: <http://www3.legis.state.ia.us/ga/committee.do?id=35>.

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

HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE MEETINGS

Subcommittee Meetings

The Health and Human Services Appropriations Subcommittee met the week of January 15.

Health Ins. Expansion

On January 17, Kala Ladenheim, National Conference of State Legislatures, presented state approaches to health care reform, and Jeanne Lambrew, George Washington University, provided information on options for improving and expanding health insurance.

Primary Health Care

On January 18, Bery Engebretsen, Primary Health Care, Inc., provided policy concepts for primary health care in Iowa. In addition, Chairpersons Foege and Hatch reviewed the various divisions included in the proposed Comprehensive Affordable Health Care for Small Business and Families Bill.

Tentative Schedule



The tentative schedule for the week of January 22 includes:

- Tuesday, January 23 – Discussion of the Comprehensive Affordable Health Care for Families and Small Businesses Bill. Testimony is expected from Susan Voss, Iowa Insurance Commissioner; Julie McMahon, Department of Public Health (DPH); representatives from the Department of Human Services (DHS); and the Iowa Medicaid Enterprise.
- Wednesday, January 24 – Continued discussion of the Comprehensive Affordable Health Care for Families and Small Businesses Bill. Testimony is expected from the DPH, the DHS, and the Department of Elder Affairs.



More Information

- Thursday, January 25 – Continued discussion of the Comprehensive Affordable Health Care for Families and Small Businesses Bill. Testimony is expected from Susan Voss, Iowa Insurance Commissioner; Dr. Alan Parks, Director, Division of Mental Health and Disability Services, DHS; other DHS officials; the DPH; Community Empowerment; the Department of Revenue; and the LSA.

Copies of agendas, minutes, and selected handouts distributed to the Subcommittee are available on the General Assembly web site at: <http://www3.legis.state.ia.us/ga/committee.do?id=37>.

STAFF CONTACT: Lisa Burk (Ext. 17942) Kerri Johannsen (Ext. 14611)
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JUSTICE SYSTEM APPROPRIATIONS SUBCOMMITTEE MEETINGS

January 17

On January 17, the Subcommittee approved the joint rules and heard presentations from the LSA on the previous year's legislation, HF 2557 (FY 2007 Judicial Branch Appropriations Act) and HF 2558 (FY 2007 Justice System Appropriations Act).

January 18

On January 18, the Subcommittee heard a presentation on the Judicial Branch budget and received a tour of the Judicial Branch Building.

Tentative Schedule

The tentative schedule for the week of January 22 includes:



- Tuesday, January 23 – Presentations from the Judicial Branch, the Attorney General, and Iowa Legal Aid.
- Wednesday, January 24 – Tour of the Fifth District Community-Based Corrections Facility at Fort Des Moines and Electronic Monitoring Presentation.
- Thursday, January 25 – Presentations from the Civil Rights Commission and the State Public Defender.

More Information

Copies of agendas, minutes, and selected handouts distributed to the Subcommittee are available on the General Assembly web site at: <http://www3.legis.state.ia.us/ga/committee.do?id=38>.

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

TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS APPROPRIATIONS SUBCOMMITTEE MEETINGS

Subcommittee Meetings

The Transportation, Infrastructure, and Capitals Appropriations Subcommittee met on January 17.

January 17

On January 17, the Subcommittee approved rules, and the Fiscal Services Division of the LSA reviewed the FY 2008 Department requests and funding sources. The following table shows the requests by fund.

Summary of FY 2008 Appropriations Requests

(Dollars in Millions)



Department of Transportation

Primary Road Fund	\$ 269.8
Road Use Tax Fund	46.7
Total	<u>\$ 316.5</u>

Infrastructure and Capitals

Rebuild Iowa Infrastructure Fund	\$ 364.4
Environment First Fund	44.9
Vertical Infrastructure Fund	40.0
Technology Reinvestment Fund	19.1
Endowment for Iowa's Health Account	5.0
State Aviation Fund	1.6
Total	<u>\$ 475.0</u>

Grand Total	<u><u>\$ 791.5</u></u>
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More Information

Copies of agendas, minutes, and selected handouts distributed to the Subcommittee are available on the General Assembly web site at: <http://www3.legis.state.ia.us/ga/committee.do?id=40>.

STAFF CONTACT: David Reynolds (Ext. 16934) Mary Beth Mellick (Ext. 18223)

BOARD OF CORRECTIONS MEETING

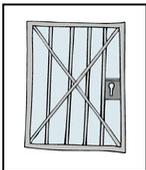
Board Meeting

The Board of Corrections met on January 11. Future meeting dates were set for February 2 and March 2 in Des Moines.

Director's Remarks

Director Gary Maynard, Department of Corrections (DOC), stated that the DOC hired a Central Records Coordinator and an Offender Re-Entry Coordinator. The DOC is also in the process of creating a team to visit each prison to evaluate staff needs across the system using valid, consistent criteria.

Durrant Study



Michael Lewis, Managing Principal of the Durrant Group, Inc., presented the preliminary results of their study of the Corrections System. Basic programs need to be enhanced and expanded. Aging facilities should be replaced. More beds should be constructed at Mitchellville. The maximum security unit at the Iowa State Penitentiary at Fort Madison should be demolished and replaced. The Risk/Needs Classification System needs to be updated and validated. Additional beds will be required in the future, but the Classification System should determine the security level of those beds. It is not feasible to make specific recommendations for prison construction until the Classification System is revised and validated.

Oakdale

Construction of the 178-bed Special Needs Unit at the Iowa Medical Classification Center at Oakdale is almost completed. Primary functions include:

- House offenders with significant health care challenges.
- Provide health care services to offenders who have been discharged from hospital care, have long-term medical problems, and serve as a reception center for newly admitted offenders.



Closed Session

- Coordinate medical appointments of DOC offenders with the University of Iowa Hospitals and Clinics.
- House offenders with mental health and behavioral challenges.

The Board went into closed session for a legal update.

More Information

Additional information is available from the LSA upon request.

STAFF CONTACT: Beth Lenstra (Ext. 16301)

DEPARTMENT OF PUBLIC DEFENSE - FY 2004 AND FY 2005 ANNUAL REPORTS

Annual Reports

The Department of Public Defense submitted Annual Reports for FY 2004 and FY 2005.

FY 2004

In FY 2004, the Iowa National Guard employed 1,543 federal full-time support personnel, 919 Army National Guard, and 620 Air National Guard. In addition, there were 346 State employees in the Military Division and 56 in the Emergency Management Division.

FY 2005

In FY 2005, those figures increased to 1,619 federal full-time support personnel, 999 Army National Guard, and 620 Air National Guard. There were 341 State employees in the Military Division and 56 in the Emergency Management Division.

NG Asst. Program



The National Guard Assistance Program provides funds for the cost of attending an Iowa institution of postsecondary education in accordance with Section 261.86, Code of Iowa. The Adjutant General determines eligibility. The funding was \$1.2 million for FY 2004 and 751 National Guard members received a total of \$1.0 million. For FY 2005, the funding was \$3.7 million and 1,095 National Guard members received a total of \$3.4 million.

Awards

The Iowa Army National Guard awarded 233 federal and State awards in FY 2004. In FY 2005, 228 federal and State awards were awarded as follows:

- Meritorious Service Medal - 112
- Army Commendation Medal - 59
- Army Achievement Medal - 23
- Iowa Medal of Valor - 0
- Iowa Distinguished Service Medal - 1
- Iowa Medal of Merit - 0
- Iowa Meritorious Service Medal - 10
- Iowa Commendation Medal - 5
- Commander's Award for Public Peace - 18



Personnel

The Department reports the number of personnel (officer and enlisted) on Army rolls at the end of FY 2004 was 2,674 (675 officers and 1,999 enlisted). For FY 2005, the Department reports 2,893 personnel (718 officers and 2,175 enlisted).

More Information Additional information is available from the LSA upon request.

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ISSUE REVIEW - CHILD CARE ASSISTANCE PROGRAM

Issue Review

The Fiscal Services Division of the LSA recently published an *Issue Review* on the Child Care Assistance Program under the Department of Human Services (DHS).

Summary

The Issue Review provides an overview of the Program, including eligibility guidelines and funding sources, and fiscal issues for the Program in FY 2008.

Caseload



The Program serves a caseload that expands each month. In December 2006, the average caseload was 18,330. A significant factor impacting the increasing caseload, outside demand, is the State's emphasis on early childhood activities, which has resulted in better public information regarding the availability of child care subsidy, especially in the last five years.

Funding

The Program is expected to need an increase of an estimated \$17.0 million for FY 2008. The need for the increase can be attributed to three factors, including the depletion of federal carryforward funds used to maintain caseload in previous fiscal years; new caseload growth; and the need to annualize the provider increase authorized in FY 2007. The DHS included this in the Department's budget request for FY 2008.

More Information

Copies of the *Issue Review* may be accessed on the LSA web site at: <http://www.legis.state.ia.us/Fiscal/ireview/>. Additional information is available from the LSA upon request.

STAFF CONTACT: Lisa Burk (Ext. 17942)

ISSUE REVIEW - STATE FLEET

Issue Review

The Fiscal Services Division of the LSA recently published an *Issue Review* on the State Fleet.

Background Summary

The *Issue Review* provides an update on the numbers of vehicles in the fleet, the number of underutilized vehicles, the number of vehicles assigned to different Executive Branch departments, and alternatives to consider for the future.

Current Situation

The average number of vehicles in the State fleet is 2,735 for FY 2006. This is an increase of 4.5% over FY 2002. There were 53.5 million miles driven in FY 2006.

More Information

Copies of the *Issue Review* may be accessed on the LSA web site at: <http://www.legis.state.ia.us/Fiscal/ireview/>. Additional information is available from the LSA upon request.

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