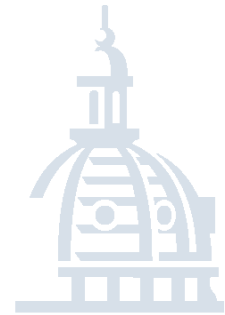


FISCAL UPDATE

Fiscal Services Division



March 4, 2013

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REVENUE ESTIMATING CONFERENCE (REC) MARCH MEETING DATE SET

REC Meeting Date. The REC is scheduled to meet on Friday, March 22, 2013, at 10:00 a.m. in the State Capitol Building in a room to be determined.

STAFF CONTACT: Holly Lyons (Ext. 515-281-5279) holly.lyons@legis.iowa.gov

STATUS OF APPROPRIATION BILLS

Subcommittee Bills		
Transportation Appropriations Bill	LSB 1007JB	Passed Joint Subcommittee – 2/28
Other Bills		
Cigarette Fire Safety Standard Bill	HF 245	Passed House Appropriations – 2/14
County Mental Health Supplemental Appropriation Bill	HF 160	Passed the House – 2/13
Education Reform Appropriations Bill	HF 215	Passed the House – 2/14
Property Tax and Equity Relief Fund Appropriation Bill	SF 53	Passed the Senate – 1/30

RECENT PUBLICATIONS

Recently Published. The Fiscal Services Division has recently published the following:

Fiscal Notes:

SF 199	Alzheimer's Disease Response Strategy	2/28/2013
SF 88	Earned Income Tax Credit Increase	2/28/2013
HF 3	Income Tax, Alternative System for Individuals	2/28/2013
HF 312	Manure Application Education Training	2/27/2013
SF 219	School Physical Plant and Equipment Levy Uses	2/26/2013
SF 205	Targeted Jobs Withholding Changes	2/20/2013
HF 215	Education Reform	2/19/2013
HF 221	Military Retirement Pay Exemption	2/19/2013
HF 167	Newborns and Illegal Drugs	2/19/2013

NOBAs:

- [Cigarette Fire Safety Standard Fund](#) (House Appropriations Committee Action)
- [Education Reform Appropriations Bill](#) (House Floor Action)

[Monthly Twelve Month Total Tax Memo](#) (12-month receipts through January 31, 2013)

[Monthly Revenue Memo](#) (receipts through February 28, 2013)

[Monthly Medicaid Forecast](#) (dated February 27, 2013)

APPROPRIATION SUBCOMMITTEES

Subcommittee Meetings. The Appropriation Subcommittees are meeting on a weekly basis. For more information, see the Subcommittee websites listed below. These websites include: committee members, links to subcommittee meeting notices and minutes, and materials distributed.

Subcommittee	Staff
Administration and Regulation	Dwayne Ferguson (281-6561) dwayne.ferguson@legis.iowa.gov
Agriculture and Natural Resources	Adam Broich (281-8223) adam.broich@legis.iowa.gov Deb Kozel (281-6767) deb.kozel@legis.iowa.gov
Economic Development	Kent Ohms (725-2200) kenneth.ohms@legis.iowa.gov
Education	John Parker (725-2249) john.parker@legis.iowa.gov Robin Madison (281-5279) robin.madison@legis.iowa.gov
Health and Human Services	Estelle Montgomery (281-6764) estelle.montgomery@legis.iowa.gov Jess Benson (281-4611) jess.benson@legis.iowa.gov
Justice System	Beth Lenstra (281-6301) beth.lenstra@legis.iowa.gov Jennifer Acton (281-7846) jennifer.acton@legis.iowa.gov
Transportation, Infrastructure, and Capitals	Dave Heuton (725-0509) david.heuton@legis.iowa.gov Marcia Tannian (281-7942) marcia.tannian@legis.iowa.gov

APPROPRIATION BUDGET TARGETS

Appropriation Budget Targets Released. Both the House and Senate released appropriation budget targets during the week of February 25. The graphic below shows the targets by subcommittee.

Appropriation Subcommittees	Actual	Estimated	Gov Rec	House Targets	Senate Targets	Senate vs
	FY 2012	FY 2013	FY 2014	FY 2014	FY 2014	House
Administration and Regulation	\$ 52,669,829	\$ 54,116,293	\$ 56,806,536	\$ 55,120,931	\$ 55,986,431	\$ 865,500
Agriculture and Natural Resources	32,287,828	35,354,860	35,354,860	36,354,860	63,304,860	26,950,000
Economic Development	36,632,425	37,704,041	67,149,235	45,014,541	78,504,941	33,490,400
Education	811,237,186	861,022,195	920,116,019	894,926,944	964,159,280	69,232,336
Health and Human Services	1,568,079,274	1,667,772,557	1,825,443,902	1,698,550,336	1,894,017,902	195,467,566
Justice System	669,986,315	684,939,992	701,844,579	702,198,121	727,802,235	25,604,114
Transportation, Infrastructure, and Capitals	0	0	5,500,000	0	5,500,000	5,500,000
Unassigned Standings	2,841,560,459	2,886,226,002	2,931,248,408	2,981,745,827	3,111,710,279	129,964,452
Total Appropriations	\$6,012,453,316	\$6,227,135,940	\$6,543,463,539	\$6,413,911,560	\$6,900,985,928	\$487,074,368

STAFF CONTACT: Dave Reynolds (Ext. 515-281-6934) dave.reynolds@legis.iowa.gov

IEDA BOARD ACTION – TAMA PROPERTY SALE

Background. The General Assembly passed the Iowa Agricultural Industry Finance Act in 1998 ([1998 Iowa Acts chapter 1207](#)). Under the legislation, the Iowa Agricultural Finance Corporation was formed as a private, for-profit investor in privately held growth companies in value-added agricultural processing and biotechnology with ties to the State of Iowa or Iowa agricultural producers. The initial financing for the Corporation was provided in the legislation with an appropriation of \$25.0 million to the Department of Economic Development (DED) from the Iowa Comprehensive Petroleum Underground Storage Tank

Marketability Fund from revenues generated by motor vehicle use tax. The DED then provided the Corporation with a \$25.0 million interest-free loan in FY 1999 repayable in \$1.0 million installments over a 25-year period.

Loan to Iowa Quality Beef. The Iowa Agricultural Finance Corporation provided Iowa Quality Beef a \$3.0 million loan. The loan, combined with expected interest repayments of \$3.5 million, was then assigned to the DED as specified in [2003 Iowa Acts chapter 122](#). Iowa Quality Beef closed in 2004, and the DED was in the first position on the mortgage lien for the property owned by the company.

Tama Property Sale. At the February 22, 2013, Iowa Economic Development Authority (IEDA) board meeting (successor to the DED), the board sold the property located in Tama County for \$1.07 million. Currently, the LSA, IEDA, and Department of Management are working to determine if the proceeds of this sale should be deposited in the Road Use Tax Fund or the Economic Development (formerly Grow Iowa Values) Fund. Also being determined is whether or not part of a Community Development Block Grant Economic Development Set Aside Award of \$480,000 made to Iowa Quality Beef needs to be repaid.

STAFF CONTACT: Kent Ohms (Ext. 515-725-2200) kenneth.ohms@legis.iowa.gov

MEETINGS MONITORED

The following meeting was monitored by Fiscal Services staff. Please contact the staff listed for more information.

Meeting	Date	Staff Contact
Iowa Economic Development Authority Board	2/22/2013	Kent Ohms (725-2200)

This document is available online at: <https://www.legis.iowa.gov/LSAReports/fiscalUpdate.aspx>