FISCAL UPDATE March 10, 1998

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Status of Appropriations Bills



| **Appropriations Subcommittee Bills** | | | | |
| --- | --- | --- | --- | --- |
| **Appropriations Subcommittee** |  | **LSB/File #** |  | **Status** |
| Admin./Regulation |  | HF 2498 |  | Passed House Approps. on Feb. 25. |
| Ag./Natural Resources |  | SF 2295 |  | Passed Senate on March 4. |
| Economic Development |  | SF 2296 |  | Passed Senate Approps. on  Feb. 19. |
| Education |  | HF 2533 |  | Passed House Approps. on March 4. |
| Health/Human Rights |  | SF 2280 |  | Passed Senate Approps. on Feb. 18. |
| Human Services |  | LSB3174 |  | Passed Joint Subcommittee on March 5. |
| Justice System |  |  |  | Expect to finalize Subcommittee bill this week. |
| Oversight & Comm. |  | LSB 3181JA |  | Joint Subcommittee passed bill on March 2. |
| Trans., Infrastruc- ture, & Capitals |  | HF 2499  SF 2381 |  | Transportation Appropriations Bill passed House on Mar. 4.  Infrastructure Bill passed Senate Approps. on Feb. 25. |
| **Other Appropriations Bills** | | | | |
| **Subject** |  | **File #** |  | **Status** |
| On-Time Funding  $4 mil GF |  | HF 2130 |  | Passed House Educ. In House Approps. |
| Oil Overcharge |  | HF 2210 |  | Passed Senate Approps. on Feb. 24. |
| Fed. Block Grant |  | HF 2218 |  | Passed Senate Approps. on March 5. |
| Obsolete & Unneces-sary Provisions of the Code |  | HF 2271 |  | Passed House on March 5. |
| FY 1998 Supplemental Appropriations |  | HF 2395 |  | Passed House on March 2. |
| Early Childhood Imperatives Program  $9 mil GF |  | HF 2458 |  | Passed House Education Standing Committee on Feb. 24. In House Approps. |
| Teacher Certification/Teacher Induction |  | HF 2501 |  | Passed House Education Standing Committee. In House Approps. |
| School Ready Grant Program - House Bill |  | HF 2500 |  | Passed House Education Standing Committee. In House Approps. |
| K-3 Funding  $7 mil GF |  | SF 2193 |  | On Senate Calendar |
| Mentoring  $180,000 GF |  | SF 2215 |  | Passed Senate Educ. Standing Committee. On Senate Calendar |
| Education Reform  $12.02 mil GF |  | SF 2366 |  | Passed Senate on March 4. |
| School Ready Grant Program - Senate Bill  $5.2 mil GF |  | SF 2406 |  | Passed Senate on March 4. |

STAFF CONTACT: Holly Lyons (Ext. 17845)

Agriculture and Natural Resources Appropriations Bill - SF 2295 passes senate

**Ag,/Natural Resources Bill** On March 4, SF 2295**,** the Agriculture and Natural Resources Appropriations Bill was passed by the Senate. The Bill appropriates $50.2 million from the General Fund and 1,078 FTE positions for FY 1999. This is an increase of $1.3 million and 12.0 FTE positions compared to the estimated FY 1998 appropriation. The Bill provides the following:



* Appropriates $24.8 million from the General Fund to the Department of Agriculture and Land Stewardship, an increase of $447,000 compared to the estimated FY 1998 appropriation.
* Appropriates $25.4 million from the General Fund to the Department of Natural Resources, an increase of $1.3 million compared to the estimated FY 1998 appropriation.
* Appropriates $23.1 million from the Fish and Game Protection Fund to the Fish and Wildlife Division in the Department of Natural Resources, an increase of $370,000 compared to the estimated FY 1998 appropriation.
* Appropriates $9.0 million from the General Fund to the Resource Enhancement and Protection (REAP) Program, which is no change compared to the estimated FY 1998 appropriation.
* Appropriates $50,000 from the General Fund to Iowa State University (ISU) for research to manage or eradicate porcine reproductive and respiratory syndrome (PRRS). This is a new appropriation.
* Transfers any unobligated balances from the Odor Control Study conducted by ISU to the Livestock Disease Research Fund for use by ISU.

**NOBA**

**Bill Summary** Copies of the Notes on Bills and Amendments (NOBA) are available from the Legislative Fiscal Bureau.

STAFF CONTACT: Deb Kozel (Ext. 16767) Sherry Weikum (Ext. 17846)

House Appropriations Committee Approves the Education Appropriations Bill - HF 2533

**Education Approp. Bill** The House Appropriations Committee approved the Education Appropriations Bill, HF 2533, on March 4. The Bill appropriates $863.2 million from the State General Fund for the College Student Aid Commission, the Department of Cultural Affairs, the Department of Education, and the Board of Regents. This is an increase of $13.6 million (1.60%) compared to the estimated FY 1998 appropriation.

**Major Changes** The Appropriations Committee approved the following major changes from the Subcommittee action:

* Made technical changes regarding wording and clarification.
* Reduction of $11,000 from the Board of Regents Board Office appropriation and eliminated language prohibiting the Board Office from charging the institutions for Office operations.
* Added a request for an interim study of the Iowa State University Cooperative Extension Service.
* Eliminated the Educational Excellence standing appropriation allocations of $300,000 for the National Teacher Certification awards and $190,000 for the Beginning Teacher Induction Program.



* Added language to a study of Digital Television conversion by Iowa Public Television authorized in HF 2395 (FY 1998 Supplemental Appropriations Bill). The new language requires the study to include costs and requirements associated with addition of equipment for public radio transmission.
* Added a requirement for the State Auditor to audit certain items of the area education agencies.
* Delayed certain Code of Iowa changes regarding the First In the Nation in Education (FINE) Foundation from July 1, 1998, to December 31, 1998.
* Added language that requires up to $2.0 million of the appropriation for the Vocational Rehabilitation Division of the Department of Education be used to provide services to persons without regard to an order of selection process and requires the Division to seek matching funds to avoid the loss of federal funds.
* Eliminated language which required the College Student Aid Commission to utilize the Department of Revenue and Finance for 25.0% of its claims actions.

**NOBA**

**Bill Summary** Copies of the Notes on Bills and Amendments (NOBA) are available from the Legislative Fiscal Bureau.

STAFF CONTACT: Sue Lerdal (Ext. 17794) Mary Shipman (Ext. 14617)

Oversight and Communications Appropriations Subcommittee

**Oversight/Communication** The Oversight and Communications Appropriations Subcommittee met March 2 and approved proposed FY 1999 appropriations for agencies in the Subcommittee.



**FY 1999 Appropriations** The Subcommittee approved LSB 3181JA, which appropriates $23.6 million from the General Fund and 267.0 FTE positions for FY 1999. This is an increase of $1.0 million (4.6%) and 17.0 (6.8%) FTE positions compared to estimated FY1998. This is a decrease of $292,000 (1.3%) and an increase of 4.0 (1.6%) positions compared to the Governor’s FY 1999 recommendation. Significant changes compared to estimated FY 1998 include:

**Treasurer**  Treasurer of State - An increase of $267,000 for payment of debt service on Parts I and II of the Iowa Communications Network (ICN) due to a one-time reduction in FY 1997.

**ITTC** Iowa Telecommunications and Technology Commission (ITTC)-



* An increase of $725,000 for subsidization of operations of the ICN. (NOTE: This was appropriated to the Department of Education in FY 1998.)
* A new appropriation of $35,000 to the ITTC to transfer two staff from Iowa Public Television to the ITTC.
* An increase in the FY 1999 Rebuild Iowa Infrastructure Fund (RIIF) appropriation by $1.2 million to the ITTC for Part III of the ICN build out made in the 1997 Oversight and Communications Appropriations Act, bringing the total RIIF appropriation to $18.9 million.

**Legislative Council** Legislative Council - Appropriates $75,000 to the Legislative Council to be used by the Legislative Oversight Committee to hire a consultant to study options related to the ICN after completion of the build out of Part III.

**IPTV** Iowa Public Television (IPTV) - An increase in the General Fund appropriation to IPTV by $113,000 due to the increased number of Part III sites coming on line and needing support.

**General Services** Department of General Services - A decrease of $192,000 for the Information Technology Services Division due to savings generated through better allocation of staffing.



**Changes to the Code** Significant changes to the Code of Iowa-

* Reversion Technology Initiatives Account - Provides for the funding and expenditure of resources from a Reversion Technology Initiatives Account, for the purpose of supporting various technology programs. Notwithstands Sections 8.33 and 8.62, Code of Iowa, to provide that 75.0% of the funds that would otherwise have reverted to the General Fund from operating accounts and 100.0% of funds that would otherwise have reverted from a non-operational account are appropriated to the Reversions Technology Initiatives Account. The Bill specifies the projects that shall be funded if sufficient funds are available in the descending order that the projects are to be funded.
* Specifies that funds appropriated for FY 1999 to the ITTC from the Rebuild Iowa Infrastructure Fund will not revert at the end of FY 1999, but remain available in FY 2000 to complete any authorized connections that were unable to be completed in FY 1999.
* Authorizes the ITTC to utilize funds appropriated for Part III connections to convert any leased analog circuit to a leased DS-3 circuit for a Part III site when the existing vendor agrees to upgrade the services.
* Authorizes the ITTC to substitute a K - 12 classroom or a library that was not part of the original Part III contract to be connected to the ICN if a K - 12 classroom or library that was part of the original contract withdraws from the contract.

**Intent Language** Intent Language - Specifies that 1.0 FTE position authorized for the Information Technology Services Division of the Department of General Services and 15.0 FTE positions authorized for ITTC in FY 1999 relate to the transition from personnel services contractors to adding FTE positions. Also specifies that the merit system and collective bargaining agreements do not apply to these positions until September 1, 1998.

STAFF CONTACT: Douglas Wulf (Ext. 13250) Glen Dickinson (Ext. 14616)

Transportation Appropriations Bill - HF 2499 Passes House

**Transportation Approp. Bill**  The House passed the Department of Transportation (DOT) Appropriations Bill. The Bill appropriates a total of $249.3 million, which includes $4.0 million from the General Fund, $32.5 million from the Road Use Tax Fund, $212.8 million from the Primary Road Fund, and $25,000 from the Motorcycle Rider Education Fund. This is an increase of $4.0 million (1.6%) compared to estimated FY 1998.

**Amendments** The House passed the following two amendments to the Bill:

* Requires the DOT to provide electronic bid notices to the Department of Economic Development for distribution on the Targeted Small Business web page. Requires the bid documents to be submitted 48 hours prior to the issuance of all bid notices.
* Restricts the DOT from mowing roadside vegetation on any primary or interstate highway beginning on January 1, 2003, except under the following circumstances:
* On rights-of-way within three miles of the corporate limits of a city.
* On rights-of-way which include drainage ditches.
* To promote native species of vegetation or other long-lived and adaptable vegetation.
* For establishing control of damaging insect populations, noxious weeds, and invader plant species.
* For visibility and safety reasons.

**NOBA**

**Bill Summary** Copies of the Notes on Bills and Amendments (NOBA) are available from the LFB.

STAFF CONTACT: David Reynolds (Ext. 16934)

FY 1998 Supplemental Appropriations Bill - HF 2395 Passes House

**FY 1998 Supplemental Bill** On March 2, the House passed HF 2395, the FY 1998 Supplemental Appropriations Bill. The Bill appropriates General Fund and Other Funds money to various State agencies and programs for FY 1998. The appropriations include:

* $1.3 million from the General Fund for FY 1998 for the following purposes:
* $60,000 to the Department of General Services for utility costs exceeding estimates due to weather conditions.



* $720,000 to the Department of Education for subsidization of video rates.
* $150,000 to the Public Broadcasting Division of the Department of Education for a study of the digital television conversion.
* $350,000 to the Parks and Preserves Division of the Department of Natural Resources for the sick leave payout due to the retirement of personnel in the Division.



* $3.9 million from the Rebuild Iowa Infrastructure Fund for FY 1998 for the following purposes:
* $2.2 million to the Department of Corrections for the construction of two buildings to provide work space for prisoners.
* $1.7 million to the Judicial Department for design and development of a new judicial building.
* $245,000 from the State Fish and Game Protection Fund for FY 1998 to the Fish and Wildlife Division of the Department of Natural Resources for the sick leave payout due to the retirement of personnel in the Division.

**Enhanced Court Collections** The Bill provides a maximum deposit of $6.0 million for the Enhanced Court Collections Fund for FY 1998. The Bill also amends Section 215.2(6 and 7), 1997 Iowa Acts, to revise the specifications of the amount the Department of General Services may spend on the parking lots.

**NOBA**

**Bill Summary** Copies of the Notes on Bills and Amendments (NOBA) are available from the LFB.

STAFF CONTACT: Carolyn India Black (Ext. 16765) Paige Piper/Bach (Ext. 14613)

BLOCK GRANTS BILL - HF 2218 PASSES SENATE APPROPRIATIONS



**Fed. Block Grants Bill**  On March 5, the Senate Appropriations Committee passed HF 2218 (Federal Block Grants Bill). The Bill appropriates $136.7 million of federal block grant funds, a decrease of $984,000 (0.7%) compared to SF 240 (1997 Federal Block Grants Act). The Bill appropriates:

* $11.9 million to the Department of Public Health for the Substance Abuse Block Grant.
* $2.7 million to the Department of Human Services for the Community Mental Health Services Block Grant.
* $6.9 million to the Department of Public Health for the Maternal and Child Health Services Block Grant.
* $2.1 million to the Department of Public Health for the Preventive Health and Health Services Block Grant.



* $5.8 million to the Office of the Governor for the Drug Enforcement and Abuse Prevention Coordinator for the Drug Control and System Improvement Block Grant.
* $1.6 million to the Office of the Governor for the Drug Enforcement and Abuse Prevention Coordinator for the Stop Violence Against Women Block Grant.
* $382,000 to the Office of the Governor for the Drug Enforcement and Abuse Prevention Coordinator for the Local Law Enforcement Grant Program.
* $237,000 to the Office of the Governor for the Drug Enforcement and Abuse Prevention Coordinator for the Residential Substance Abuse Treatment for State Prisoners Formula Grant.
* $5.3 million to the Department of Human Rights for the Community Services Block Grant.
* $30.4 million to the Department of Economic Development for the Community Development Block Grant.
* $18.1 million to the Department of Human Rights for the Low-Income Home Energy Assistance Block Grant.
* $24.7 million to the Department of Human Services for the Social Services Block Grant.
* $26.5 million to the Department of Human Services for the Child Care Development Block Grant.

**Other Provisions** House File 2218 also provides the mechanism for State agencies to receive $2.204 billion in federal and nonstate funds based upon the purposes set forth in the grants, receipts, or conditions accompanying the funds, unless otherwise provided by law.

**NOBA**

**Bill Summary** Copies of the Notes on Bills and Amendments (NOBA) are available from the LFB.

STAFF CONTACT: Ron Robinson (Ext. 16256) Valerie Thacker (Ext. 15270)

Obsolete and Unnecessary Provisions of the Code of Iowa - HF 2271 passes House

**HF 2271** On March 5, the House passed HF 2271, Obsolete and Unnecessary Provisions of the Code of Iowa Bill. The Bill amends and repeals sections of the Code of Iowa for the following Departments:

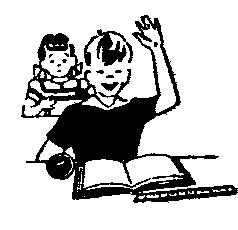
* Ethics and Campaign Disclosure Board
* Department of Commerce
* Department of General Services
* Department of Inspections and Appeals
* Department of Personnel
* Department of Revenue and Finance
* Secretary of State

**NOBA**

**Bill Summary** Copies of the Notes on Bills and Amendments (NOBA) are available from the LFB.

STAFF CONTACT: Carolyn India Black (Ext. 16765) Paige Piper/Bach (Ext. 14613)

School Ready Children Grant Program - SF 2406 Passes Senate



**School Ready Grt. Program** On March 4, the Senate approved SF 2406, which appropriates $5.2 million to establish a School Ready Children Grant Program. The Bill does the following:

* Creates and defines community empowerment areas and boards.
* Requires the Departments of Education, Human Services, and Public Health to jointly develop and promote a School Ready Children Grant Program.
* Requires the Departments to identify core indicators of performance to be used to assess the effectiveness of the Program, including:
* Increasing the health status of children.
* Reducing the incidence of child abuse and neglect.
* Increasing the access of children to an adult mentor.
* Increasing parental involvement with children.
* Increasing the quality and accessibility of child care.
* Specifies that a School Ready Children Grant shall, at a minimum, provide the following:
* Preschool services for children deemed at risk of not succeeding in elementary school.
* Parent education programs for parents of children from birth through age five.
* A comprehensive School Ready Children Grant Plan developed by the community empowerment area board for providing services for children from birth through age five.
* Requires grants be awarded for a five-year period with annual payments made on or before October 1. Continued receipt of funds is contingent on filing an annual report.
* Funds appropriated are to be distributed to the community empowerment area boards based on each community area’s percentage share of the statewide total of students in grades one through six that qualify for the federal free and reduced price lunch program.

**Effective Date** The Bill is effective upon enactment.

**NOBA**

**Bill Summary** Copies of the Notes on Bills and Amendments (NOBA) are available at the LFB.

STAFF CONTACT: Mary Shipman (Ext. 14617) Margaret Buckton (Ext. 17942)

Number of Supreme Court Justices - HF 2471 passes the House



**HF 2471** House File 2471 passed the House on March 5. The Bill changes the number of Supreme Court Justices from nine to seven, and the number of Court of Appeals Judges from six to nine. It is estimated that the Bill will increase expenditures for the Judicial Department by $359,000 in FY 2000 and decrease expenditures by $208,000 for FY 2001.

STAFF CONTACT: Darlene Kruse (Ext. 16301)

Sex Offender Registry - SF 2292 passes the Senate

**SF 2292** Senate File 2292 passed the Senate on March 5. The Bill amends the Sex Offender Registry chapter and makes provisions for notification and offender risk assessments. It is estimated that the Bill will increase expenditures by the Department of Public Safety by $83,000 in FY 1999.

STAFF CONTACT: Darlene Kruse (Ext. 16301)

Hormonal Therapy for Sex Offenders - SF 2398 Passes Senate

**SF 2398** The Senate passed SF 2398, which deals with repeat sex offenders and provides for hormonal intervention therapy for sex offenders on probation or parole.

**Provides For Life Sentence** The Bill provides for imposition of a life sentence for an offender who commits repeat acts of sexual abuse against children age 12 and younger. Under current sentencing practices, there will be no significant impact on the prison system.

**Hormonal Therapy** The hormonal therapy for sex offenders could be required of first-time offenders placed on probation and is mandatory for second offenders upon their release from prison. It is estimated that there will be 176 probationers annually who will be eligible for the treatment. It is not known how many probationers the Courts will sentence to the treatment. No parolees are expected to be released from prison during the projection period.

**Fiscal Impact** The average weekly cost of the program is projected to be $72 per offender. If all eligible offenders were sentenced to the treatment (i.e., the maximum cost), the FY 1999 costs would be $662,000; the FY 2000 costs would be $1.3 million; and the FY 2003 costs would be $3.8 million. Since the Bill provides for charging the offenders a fee for participating in the program, some of the program costs would be recovered.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561) Darlene Kruse (Ext. 16301)

Electronic Benefits Transfer Bill - HF 2468 Passes House

**HF 2468** On March 5, the House passed the Electronic Benefits Transfer Bill, (HF 2468), which establishes an Electronic Benefits Transfer Program (EBT) and provides benefits, including food stamps to eligible individuals through the use of an EBT card, similar to a “Shazam” or cash station card at retailers.

**Background** There are approximately 419,000 food stamp transactions monthly in the State of Iowa, for an estimated total of $114.6 million in food expenditures in FY 1998. House File 2468 includes a $0.15 transaction fee paid to retailers providing electronic funds transfer equipment, or provides equipment for retailers participating in food stamp redemption without equipment. A pilot project in Linn County has provided EBT cards to recipients, with approximately 85.0% of transactions occurring on retailer-owned equipment. With the additional cost per transaction of $0.15, the total annual cost of EBT statewide is approximately $641,000. The $0.15 transaction fee is the difference between current food stamps administrative costs experienced by retailers and retailers’ estimates of administrative costs of handling electronic benefits transfers. According to data compiled by the U. S. Department of Agriculture, of the 28 states with operative EBT programs, 19 do not pay a retailer transaction fee. Of the seven paying a fee, the highest transaction fee is $0.05 per transaction. Federal funds for food stamps administration will cover 40.0% of the costs, resulting in a net State funding obligation of $192,000 in FY 1999 and $385,000 in FY 2000 (the EBT program is scheduled to be phased into effect January 1, 1999, with only six months of cost realized in the first year of operation).



**Fiscal Impact** Costs for providing equipment to retailers forgoing the transaction fee and requiring equipment are included in the Department of Human Services budget for FY 1999. State funds of $193,000 fund a contract for equipment, training of retailers and recipients, maintenance of equipment, and staff to verify benefits if retailers experience any equipment failures. The Bill does not specify a mechanism for paying transaction fees to retailers. The Request for Proposals for the equipment and training contractor could be altered to include a payment and transaction verification mechanism.

**Potential Savings** An EBT system is likely to reduce fraud associated with food stamps, including black market sales of food stamps for cash or attempts to maximize change back from food stamps to spend on nonfood items. Savings from reductions in fraud would have no effect on State expenditures, but would insure proper use of food stamps and potential savings to the federal government.

STAFF CONTACT: Margaret Buckton (Ext. 17942)

ROAD Use Tax Fund Revenues

**Road Use Tax Fund Receipts** Road Use Tax Fund receipts through February are $19.2 million (3.4%) higher than the same period a year ago. Of the $19.2 million increase, $17.4 million is attributed to increased Motor Vehicle Use Tax collections and fees collected relating to the issuance of vehicle registrations and certificates of title.

**Motor Vehicle Use Tax** Year-to-date Motor Vehicle Use Tax receipts are up $8.3 million (8.6%) compared to the same period for FY 1997. The increase in these receipts is primarily attributed to the increase in car and truck sales in Iowa. The most recent information available shows that for the first six months of FY 1998, sales were 12.2% higher than the same period of FY 1997.

**Registration & Title Fees** Registration and title fees have increased $9.2 million (5.3%) compared to the same period for FY 1997. The increase in vehicle registration fees is largely attributed to the increase in the price of vehicles being registered. This also corresponds with the increase in new car and truck sales being experienced this fiscal year.



**Motor Vehicle Fuel Tax** Motor Vehicle Fuel Tax revenues experienced an increase of $3.1 million (1.2%) compared to the same period for FY 1997.

**Driver License Fees** Driver License Fees are down $2.7 million (32.1%) compared to the same six-month period in FY 1997. This decrease is due to the normal license issuance cycle. Total driver license receipts for FY 1998 are estimated to be approximately $5.0 million (40.0%) less than FY 1997 due to fewer anticipated license renewals. Changes in other revenue sources were relatively insignificant.

**Comparison to FY 1997** The following table compares the Road Use Tax Fund receipts for the first seven months of FY 1997 and FY 1998 by revenue source. Totals may not add due to rounding.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **ROAD USE TAX FUND RECEIPTS** | | | | | | | | | |
| **(Dollars in Millions)** | | | | | | | | | |
| July - February | | | | | | | | | |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  | Increase/ |  | Percent |
|  |  |  | FY 1997 |  | FY 1998 |  | Decrease |  | Change |
| Motor Vehicle Use Tax | |  | $ 96.1 |  | $ 104.4 |  | $ 8.3 |  | 8.6% |
| Motor Vehicle Fuel Tax | |  | 257.9 |  | 261.0 |  | 3.1 |  | 1.2% |
| Registration/Title Fees & Misc. | |  | 171.2 |  | 180.4 |  | 9.2 |  | 5.3% |
| Underground Tank Fees | |  | 10.2 |  | 10.8 |  | 0.6 |  | 5.5% |
| Driver License Fees | |  | 8.4 |  | 5.7 |  | -2.7 |  | -32.1% |
| Interest | |  | 8.3 |  | 9.2 |  | 0.8 |  | 9.9% |
| Other Fees | |  | 4.5 |  | 3.8 |  | -0.7 |  | -16.2% |
| Motor Carrier Fines | |  | 0.0 |  | 0.7 |  | 0.7 |  |  |
|  |  |  |  |  |  |  |  |  |  |
| TOTAL RECEIPTS | |  | $ 556.7 |  | $ 575.8 |  | $ 19.2 |  | 3.4% |

*Note: For Road Use Tax Fund reporting, receipts are considered in the month for which they are distributed by formula rather than the month in which they are collected. For example, September revenues were collected in August but distributed to the various State and local road funds in September.*

STAFF CONTACT: David Reynolds (Ext. 16934)

Iowa Communications Network (ICN) Video Classrooms



**Three Classrooms Added** The ICN added three additional interactive video classrooms during the last half of February. Two of the classrooms were at Indian Hills Community College in Bloomfield and one at Newman Catholic High School in Mason City. The table below presents the current distribution of sites by type of authorized user.

**IOWA COMMUNICATIONS NETWORK**

# Full-Motion Interactive Video Classrooms

|  |  |
| --- | --- |
| Area Education Agencies | 16 |
| Community Colleges | 88 |
| K-12 School Districts | 279 |
| Other Education | 2 |
| Libraries | 9 |
| Medical Facilities | 8 |
| Private Colleges | 14 |
| Regents Institutions | 24 |
| National Guard | 57 |
| State Agencies | 37 |
| Federal | 10 |
| Miscellaneous | 2 |
| Classrooms Total | 546 |

**Information on Internet** This information is updated weekly and is available on the Internet at **http://www.icn.state.ia.us/icn/html/map\_form.htm.** If you would like a copy of the full list of sites and do not have access to the Internet, you may contact the LFB and request a copy.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

U. S. Department of Health and Human Services Releases 1998 Poverty Guidelines



**Federal Poverty Level** The U. S. Department of Health and Human Services issued the federal poverty level (FPL) guidelines in the February 24, 1998, ***Federal Register***. The guidelines are used for determining financial eligibility for certain federal programs, such as child care, Family Investment Plan, Medicaid, and food stamps. The FPL guidelines go into effect on the publish date, unless an office administering a program using the guidelines specifies a different effective date for that particular program.

**Guidelines by Family Size** The following table illustrates the 1998 FPL guidelines by family size and by percent of FPL:



STAFF CONTACT: Margaret Buckton (Ext. 17942) Deb Anderson (Ext. 16764)

Child Care Monthly Usage Report



**Child Care Monthly Usage** The following table details a chronology of usage, cost per child, and eligibility criteria for the State Child Care Assistance Program. The Department of Human Services (DHS) currently anticipates a monthly caseload growth of 340 children per month and a monthly average cost of $296 per child. The fiscal year average data is shaded for comparison.





**Expenditures Monitored** The Legislative Fiscal Bureau will continue to monitor caseload growth and expenditures of the State Child Care Assistance Program, including the potential use of a waiting list as predicted by the DHS, effective October 1, 1999. The DHS waiting list prediction is based on a caseload growth of 340 cases per month. The FY 1998 activity through February has experienced an average caseload growth of 250 cases per month.

STAFF CONTACT: Margaret Buckton (Ext. 17942) Deb Anderson (Ext. 16764)

Board of Corrections Meeting - March 6, 1998

**Board Meeting** The Board of Corrections met on Friday, March 6, and received reports on several studies.



* Inmates with Special Needs: CGA Associates was retained to examine the prison population and determine the system’s ability to address the needs of inmates who have medical and physical problems, who are psycho-socially challenged, and who have behavioral disorders. The consultant from CGA Associates concluded that Iowa has one of the most overcrowded prison systems in the nation. Due to its age and design, the facilities are inflexible, and it is difficult to accommodate growth and/or inmates with special needs. Various options for converting facilities and constructing additions were discussed.



* Prison Capacity Analysis: Christopher Murray and Associates examined the security and custody needs of the inmate population compared to the design and capacity of the existing facilities. Mr. Murray concluded that without a change in crime rates and/or prison admission and sentencing policies, there will be a “huge” future prison need, costing “hundreds of millions of dollars.” The Iowa system is “about to cross the threshold” from a small prison system to a large system. As a large system, it will need to become more centralized and rule-driven. The central office staff of 30 persons will not be adequate to manage the large system. Mr. Kautzky commented that Nebraska has a staff approximately three times as large to manage a system with about half as many inmates. Other identified needs included additional beds to meet the growing population, a super-maximum security facility, maximum/closed security facilities for women, and a variety of specific improvements for the institutions.
* Connect Information Technology Project: John Baldwin, Deputy Director for Administration, discussed the Department’s project to plan for developments in data processing. The two current data bases operate on an 18-year-old system. Given today’s standards, it is not able to provide information in a timely basis. The plan calls for providing access to various agencies that need Department information, as well as improving internal management efficiency.
* Private Prison Requests for Proposal: Director Kautzky presented reports summarizing the responses from three private corporations in the private prison industry. The Board directed the Department to continue gathering information but declined to discuss the issue until the next meeting to allow them time to review the written materials provided.

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Weekly Medical Assistance Expenditures in the Department of Human Services



**Medical Assistance** For the week ending March 2, 1998, FY 1998 General Fund expenditures for the Medical Assistance Program in the Department of Human Services were $3.4 million (80.4% of budget). This is $836,000 below the weekly budget established by the Department. Year-to-date Medical Assistance General Fund expenditures are $231.8 million, which is $4.8 million (2.1%) above the amount budgeted for the fiscal year-to-date.

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



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