FISCAL UPDATE April 26, 1999

Legislative Fiscal Bureau (515) 281-5279 FAX 281-8451

|  |  |  |
| --- | --- | --- |
|  |  |  |
| **IN THIS ISSUE:** | School Aid Foundation Formula – SF 459, pg, 1 | **Appropriations Subcommittee Bills (Continued):** |
|  | Property Tax Relief – HF 775, pg. 2 | Justice System – SF 468, pg. 13 |
|  | Assistive Devices Tax Credit – HF 738, pg. 2 | Infrastructure – HF 772, pg. 15 |
|  | Internet Access Sales Tax – HF 748, pg. 2 | Air Transportation Bill – SF 476, pg. 19 |
|  | Vehicle Wash Inputs Sales Tax – HF 749, pg. 3 | DOT Technology Bill – SF 76, pg. 19 |
|  | Income Tax Reductions – HF 744, pg. 3 | Lottery Revenues & Expenditures, pg. 20 |
|  | Status of Appropriations Bills, pg. 4 | UST Administrator, pg. 21 |
|  | **Appropriations Subcommittee Bills:** | Natl. Board Cert. Awards Bill – HF 766, pg. 21 |
|  | Admin. & Regulation – SF 460, pg. 5 | Environmental Protection Commission Mtg., pg. 21 |
|  | Agriculture & Nat. Resources – HF 746, pg. 9 | ICN Video Classrooms, pg. 22 |
|  | Education – SF 464, pg. 10 | Medical Assistance Expenditures, pg. 23 |
|  | Human Services – HF 760, pg. 11 |  |
|  |  |  |

School Aid Foundation Formula Revision - SF 459 Passes the Senate

****

**School Aid – SF 459** On April 22, the Senate passed SF 459, which provides property tax relief and additional State funding for K-12 education through revision of the School Aid Foundation Formula. The Bill makes seven major changes in the foundation formula:

1. Increases the regular program and special education program foundation levels to 88.0%, from 87.5% and 79.0%, respectively.
2. Increases the uniform property tax levy rate from $5.40 to $5.70 per thousand dollars taxable valuation.
3. Provides “on-time” funding up to a limit of $13.0 million per year for special education programs.
4. Moves funding for talented and gifted programs under the School Aid Foundation Formula by providing an additional $38.00 per pupil in allowable growth for the 1999-2000 school year and including this amount in the State cost per pupil for subsequent years.
5. Initiates the five-year phase-out of property tax adjustment aid.
6. Provides State aid for school districts with transportation costs in excess of 150% of the State’s average per pupil transportation cost.
7. Reduces the State’s share of Instructional Support Program cost from 25% to 20% and adds an additional $7.0 million in State aid for the program, which has been capped at $14.8 million since FY 1993.

**Sunset Repealed** Also, the Bill repeals the July 1, 2001, sunset for the School Aid Foundation Formula, and it establishes a requirement that the formula be reviewed every five years.

**Fiscal Impact** The estimated fiscal impact of the Bill is an increase in General Fund expenditures of $50.7 million for FY 2000 and $52.9 million for FY 2001. For FY 2000, $40.1 million of the State expenditure increase represents a decrease in local property taxes, and the remaining $10.6 million is new education spending. For FY 2001, the split between property tax relief and new education spending is $40.0 million and $12.9 million, respectively. The Legislative Fiscal Bureau has prepared estimates for changes in State school aid, property taxes, and budget authority by school district and program element.



STAFF CONTACT: Mike Lipsman (Ext. 17799)

Property Tax Relief - HF 775 Passes House Ways and Means Committee

****

**Property Tax Relief – HF 775** On April 20, the House Ways and Means Committee passed HF 775, which provides property tax relief by increasing the foundation levels for regular and special education programs under the School Aid Foundation Formula to 88.0%. Currently, the foundation level for the regular program is 87.5% and the foundation level for special education programs is 79.0%.

**Fiscal Impact** The estimated fiscal impact of the Bill is an increase in General Fund expenditures of $42.5 million in FY 2000 and $45.7 million in FY 2001. Local property taxes will be reduced by corresponding amounts. Estimates of the impacts by school district are available from the Legislative Fiscal Bureau.

STAFF CONTACT: Mike Lipsman (Ext. 17799)

Assistive Devices Tax Credit - HF 738 Passes House Ways and Means Committee



**Assistive Devices Tax Credit** On April 21, the House Ways and Means Committee passed HF 738, which provides for an assistive devices tax credit. Under HF 738, a business with 15 or fewer employees, or less than $3.0 million in gross receipts during the prior year, would be eligible to receive a refundable tax credit equal to 50.0% of the first $5,000 for the purchase or rental of an assistive device. According to the Bill, assistive devices include those items which enable the individual with a disability to remain or become employable and which affect the functional capabilities of the individual with a disability to a greater degree than individuals without disabilities.

**Fiscal Impact** The estimated General Fund fiscal impact of the Bill is a reduction in income tax revenues of between $530,000 and $700,000 annually beginning in FY 2000.

STAFF CONTACT: Larry Sigel (Ext. 14611)

Internet Access Charges Sales Tax Exemption - HF 748 Passes Senate Ways and Means Committee

****

**Internet Access**

**Internet Access – HF 748** On April 22, the Senate Ways and Means Committee passed HF 748, which exempts access charges for Internet service from sales tax. Currently, access charges from Internet service providers subject to sales tax are taxable for sales tax purposes. Over the past three years, an issue has arisen over the sales tax liability for firms that do not have a physical or economic presence in the State. Some national providers of Internet services neither charge nor remit sales tax, while other providers do. The Bill would exempt all Internet service providers from charging sales tax. The General Fund fiscal impact of exempting all Internet service charges from the sales tax is estimated to be between $4.0 million and $6.0 million annually.

STAFF CONTACT: Larry Sigel (Ext. 14611)

Vehicle Wash Inputs Sales Tax Exemption - HF 749 Passes Senate Ways and Means Committee

**Vehicle Wash Inputs–HF 749** On April 22, the Senate Ways and Means Committee passed HF 749, which would exempt inputs (soap, wax, utilities, etc.) used in a vehicle wash or wax facility from sales tax. Currently, inputs used by a wash and wax facility are taxable at the time of purchase, as well as the final sale to consumers being taxable. The Bill would exempt the inputs of a vehicle wash or wax facility from sales tax, but would retain the taxability of the charge to consumers for the service.

D:\Clipart\Trans\Autoequp\NA0830.WMF

**Fiscal Impact** The General Fund fiscal effect of exempting the inputs of both self-service and automatic vehicle washes from sales and use tax would be a reduction in revenue of approximately $542,000 each year.

STAFF CONTACT: Larry Sigel (Ext. 14611)

Income Tax Reductions - HF 744 Passes Senate Ways and Means Committee

**Income Tax Reductions** On April 22, the Senate Ways and Means Committee passed HF 744, which makes three changes to income taxation. The changes include:

1. Increasing the dependent credit from $40 to $70.
2. Increasing the personal credit from $40 to $70.
3. Increasing the pension income exclusion from $5,000 / $10,000 to $6,000 / $12,000 for single and joint filers, respectively.



**Fiscal Impact** All provisions of HF 744 are retroactive to tax years beginning on or after January 1, 1999. The General Fund decreases from the current year are as follows (dollar amounts in millions):



STAFF CONTACT: Larry Sigel (Ext. 14611)

Status of Appropriations Bills

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Appropriations Subcommittee Bills** | | | | |
| **Appropriations Subcommittee** |  | **LSB/File #** |  | **Status** |
| Admin./Regulation |  | SF 460 |  | Passed Senate (second time) on April 20. |
| Ag./Natural Resources |  | HF 746 |  | Passed Senate on April 21. |
| Economic Development |  | HF 745 |  | Passed Senate on April 12. Bill sent to Governor. |
| Education |  | SF 464 |  | Passed Senate (second time) on April 22. |
| Health/Human Rights |  | HF 737 |  | Passed House (second time) on April 14. |
| Human Services |  | HF 760 |  | Passed Senate on April 19. |
| Justice System |  | SF 468 |  | Passed House on April 19. |
| Oversight & Comm. |  | HF 762 |  | Passed House on April 13. |
| Trans., Infrastruc- ture, & Caps.  Infrastructure Bill |  | SF 424  HF 772 |  | Passed Senate (second time) on April 15.  Passed House on April 22. |
|  | | | | |
| **Other Appropriations Bills** | | | | |
| **Subject** |  | **File #** |  | **Status** |
| DOT Administration - Nonreversion |  | SF 76 |  | Passed House Approps. on April 21. |
| Battle Flag Commission - $50,000 GF |  | SF 166 |  | Passed Senate Approps. on March 10. Referred to State Government on March 31. |
| Teacher Mentoring - $300,000 GF |  | SF 232 |  | Passed House Education on March 18. Now in Education Approps. Bill. |
| Fed. Block Grant |  | SF 283 |  | Signed by the Governor on March 31. |
| FY 1999 Supple- mental $2.9 mil GF |  | SF 430 |  | Passed Senate on March 16. In House Approps. |
| Embedded Chip Supplemental |  | SF 366 |  | Signed by the Governor on April 21. |
| Substance Abuse/Sexual Abuse (Meth Bill) $3.3 mil GF |  | SF 361 (substituted for HF 514) |  | Signed by the Governor on April 6. |
| **Other Appropriations Bills** | | | | |
| National Guard Tuition Assistance |  | SF 461 |  | Passed Senate on April 12. Now in Education Approps. Bill. |
| Oil Overcharge |  | HF 332 |  | Signed by the Governor on March 31. |
| Early Intervention (Education Agreement) |  | HF 743 |  | Signed by the Governor on April 13. |
| Recruiting Our Own Targeted Students (ROOTS) Forgivable Loan Prg. |  | HF 756 |  | Passed House Approps. on March 24. On House calendar. |
| Teacher Shortage Forgivable Loan Prg. $250,000 GF |  | HF 759 |  | Passed House Approps. on March 20. Now in Education Approps. Bill. |
| Federally Qualified & Rural Health Clinics |  | HF 763 |  | Passed House on April 15. In Senate Approps. |

STAFF CONTACT: Holly Lyons (Ext. 17845)

# Administration and Regulation Appropriations Bill - SF 460 Final Action



**Admin./Regulation – SF 460** The Administration and Regulation Appropriations Bill, SF 460, was passed by the Senate for the second time on April 20. The Bill will now be sent to the Governor. The Bill appropriates a total of $88.8 million from the General Fund and 1,911.6 FTE positions, an increase of $665,000 (0.8%) and 15.4 (0.8%) FTE positions compared to estimated FY 1999. The Bill also appropriates $21.5 million of other funds and a total FY 1999 supplemental General Fund appropriation of $305,000 and 0.3 FTE position. The FY 2000 General Fund appropriation represents a decrease of $1.1 million (1.2%) and 16.9 (0.8%) FTE positions compared to the Governor’s FY 2000 recommendations. Senate File 460 appropriates funds to the following entities:

Office of the Auditor of State

Ethics and Campaign Disclosure Board

Department of Commerce

Department of General Services

Office of the Governor and Lieutenant Governor

Department of Inspections and Appeals

Legislative Branch

Department of Management

Department of Personnel

Department of Revenue and Finance

Office of the Secretary of State

Office of the Treasurer of State

**Comparison to FY 1999** The significant changes, compared to estimated FY 1999 appropriations, are outlined by department below:

**Auditor** Office of the Auditor of State

* An increase of $75,000 to audit two new prisons.
* A decrease of $40,000 due to a reduction to the base budget.

**Commerce** Department of Commerce

* A decrease of 1.0 FTE position in the Administrative Services Division to eliminate a funded FTE position that has been vacant for at least 32 consecutive pay periods.
* A decrease of 1.0 FTE position in the Alcoholic Beverages Division to eliminate a funded FTE position that has been vacant for at least 43 consecutive pay periods.
* An increase of $37,000 for an Alcoholic Beverages Education Fund in the Alcoholic Beverages Division. This is a new appropriation with the purpose of educating the citizens of the State of Iowa regarding alcoholic beverage laws and rules.



1. A decrease of $26,000 due to a reduction in the base budget in the Banking Division.
2. A decrease of 2.0 FTE positions in the Credit Union Division to eliminate funded FTE positions that have been vacant for at least 30 consecutive pay periods.
3. A decrease of $100,000 for the Insurance Division due to a reduction in the base budget.
4. A decrease of 2.0 FTE positions in the Insurance Division to eliminate funded FTE positions that have been vacant for at least 38 consecutive pay periods.
5. A decrease of $71,000 and 1.0 FTE position to transfer an Administrative Law Judge 2 from the Insurance Division to the Department of Inspections and Appeals.
6. A decrease of $31,000 in the Professional Licensing Division that was used to fund the Real Estate Trust Account Program. The Department of Economic Development’s Housing Improvement Fund will now fund 100.0% of the Program.

**General Services** Department of General Services

* An increase of $38,000 and 1.0 FTE position in the Administration Division for an Accounting Technician.
* An increase of 1.0 FTE position in the Administrative Division for a Mail Driver.



* A decrease of 1.0 FTE position in the Administrative Division to eliminate a funded FTE position that has been vacant for at least 29 consecutive pay periods.
* A decrease of $26,000 in the Property Management Division to cease cleaning for the Capitol Complex Cafeterias.
* A decrease of $30,000 in the Property Management Division for Infrastructure Project Management Staff.
* A decrease of $32,000 in the Property Management Staff to eliminate off- hours carpet cleaning at the Capitol Complex.
* A decrease of 3.0 FTE positions in the Property Management Division to eliminate funded FTE positions that have been vacant at least 26 consecutive pay periods.
* An increase of $193,000 in the Rental Space Division for increased lease costs.

**Governor/Lt. Governor** Office of the Governor and Lieutenant Governor



* An increase of $45,000 in the General Office Division for technology upgrades. This is a one-time appropriation and is contingent upon the reversion of sufficient funds from the Department of Commerce’s Alcoholic Beverages Division.
* An increase of $49,000 and 1.0 FTE position in the Terrace Hill Quarters for salary and support costs for an Administrative Assistant for the First Lady.
* An increase of $274,000 and 3.0 FTE positions to transfer the Office of State-Federal Relations to the Office of the Governor and Lieutenant Governor.

**Inspections & Appeals** Department of Inspections and Appeals

* A decrease of 1.0 FTE position in the Finance and Services Division to eliminate a funded FTE position that has been vacant for at least 43 consecutive pay periods.
* A decrease of $35,000 in the Audits Division for the Targeted Small Business Audits Program.



* An increase of $214,000 and 3.5 FTE positions in the Appeals and Fair Hearings Division due to the transfer of Administrative Law Judges from other departments.
* An increase of 1.0 FTE position in the Appeals and Fair Hearings Division to support the Administrative Law Judges.
* An increase of $100,000 and 1.0 FTE position in the Health Facilities Division to survey non-Joint Commission on Accreditation of Health Care Organizations and non-American Osteopathic Association accredited hospitals.
* An increase of $59,000 in the Health Facilities Division to replace Lottery money used in FY 1999 for inspections of health care facility construction.
* An increase of $200,000 and 5.8 FTE positions for the Foster Care Review Board to expand the service area of the Board.
* An increase of $85,000 and 1.0 FTE position for the Excursion Boat Regulation Division to regulate the new excursion gambling boat in Osceola.

**Management** Department of Management - An increase of $130,000 for the State Strategic Plan. This is a one-time appropriation and $30,000 of this appropriation is contingent upon the reversion of sufficient funds from the Department of Commerce’s Alcoholic Beverages Division.

**Personnel** Department of Personnel

* An increase of $100,000 in the Operations Division for the Deferred Compensation Program funded by the Lottery in FY 1999.
* A decrease of 1.0 FTE position in the Operations Division due to a reduction to the base budget.
* An increase of 1.0 FTE position in the Program Administration and Development Division due to a data entry error for estimated FY 1999.

**Revenue & Finance** Department of Revenue and Finance



* A decrease of $138,000 and 2.0 FTE positions in the Internal Resources Management Division to transfer two Administrative Law Judges to the Department of Inspections and Appeals.
* A decrease of $100,000 in the Internal Resources Management Division due to a reduction in the base budget.
* A decrease of 3.0 FTE positions in the Internal Resources Management Division to eliminate funded FTE positions that have been vacant for at least 41 consecutive pay periods.
* A decrease of 1.0 FTE position in the State Financial Management Division to eliminate a funded FTE position that has been vacant for at least 28 consecutive pay periods.

**Secretary of State** Office of the Secretary of State

* An increase of $40,000 for the biennial printing of the Iowa Official Register.
* An increase of $30,000 for the Student Citizenship Program. This is a new appropriation.



**Treasurer** Office of the Treasurer of State – An increase of $25,000 for funding for carpet and drapes. This is a one-time appropriation and is contingent upon the reversion of sufficient funds from the Department of Commerce’s Alcoholic Beverages Division.

Senate File 460 provides a FY 1999 supplemental appropriation for the following:

* Department of General Services – Adds $68,000 to the FY 1999 appropriation for the Rental Space Division due to increased lease costs and additional lease space for the Department of Public Safety and the Department of Human Services.
* Office of the Governor – Adds $237,000 and 0.3 FTE position to the FY 1999 appropriation for the General Office for salaries, support, maintenance, and miscellaneous purposes, including vacation and leave pay out. Specifies that $12,000 and 0.3 FTE position be used for salary and support for an Administrative Assistant for the First Lady.

**Final Action** Senate File 460 has not yet been signed by the Governor. Additional information is available from the Legislative Fiscal Bureau upon request.

STAFF CONTACT: Shawn Snyder (Ext. 16765) Ron Robinson (Ext. 16256)

Agriculture and Natural Resources Appropriations Bill - HF 746 AMENDED AND passed By The Senate



**Agric./Natural Resources** The Agriculture and Natural Resources Appropriations Bill, HF 746, was amended and passed by the Senate on April 21. The Bill as amended appropriates a total of $43.5 million from the General Fund and 1,480.4 FTE positions, an increase of $1.5 million (3.5%) and 28.2 (1.9%) FTE positions compared to estimated FY 1999.

**Senate Changes** Major changes made to the Bill by the Senate include:

* A General Fund decrease of $50,000 to the Administrative Division in the Department of Agriculture and Land Stewardship to restore partial funding to the Soil Conservation Cost Share Program.
* A General Fund increase of $130,000 to the Soil Conservation Cost Share Program in the Department of Agriculture and Land Stewardship.
* A General Fund decrease of $45,000 for research of Johne’s Disease. This will be funded from the State/Federal Animal Health Laboratory. The $45,000 General Fund decrease restores funding to the Soil Conservation Cost Share Program.
* A General Fund decrease of $35,000 and an increase of 1.00 FTE position in the Environmental Protection Division in the Department of Natural Resources. The General Fund decrease was to restore funding in the Department of Agriculture and Land Stewardship. The increase of 1.00 FTE position was to restore a position that was removed by the House because it was vacant for more than one year. The FTE position is funded with federal funds.
* A General Fund FY 1999 supplemental appropriation of $150,000 to Iowa State University Cooperative Extension Service to support farm financial counseling.
* A General Fund FY 1999 supplemental appropriation of $150,000 to Iowa State University Cooperative Extension Service to support the Iowa Concern Hotline.

**Comparison to FY 1999** The Bill, as amended, contains the following major changes compared to estimated FY 1999 appropriation:

1. Increases the appropriation to the Administrative Division in the Department of Agriculture and Land Stewardship by $286,000 and 6.1 FTE positions.
2. Decreases the appropriation to the Regulatory Division in the Department of Agriculture and Land Stewardship by $29,000 and 2.5 FTE positions.
3. Decreases the appropriation to the Laboratory Division in the Department of Agriculture and Land Stewardship by $140,000 and 2.1 FTE positions.
4. Decreases the appropriation to the Soil Conservation Division in the Department of Agriculture and Land Stewardship by $15,000 and an increase of 18.7 FTE positions.
5. Increases the appropriation to the Farmer’s Market Coupon Program by $41,000 and 1.0 FTE position.
6. Decreases the appropriation to the Administrative Services Division in the Department of Natural Resources by $104,000. This is due to a decrease to the Division’s base budget.



1. Increases the appropriation to the Environmental Protection Division in the Department of Natural Resources by $1.2 million and 7.0 FTE positions.
2. Allocates $300,000 from the Water Quality Protection Fund to the Department of Natural Resources for the study and testing of municipal lagoons.
3. An increase of $75,000 in the Fish and Wildlife Division for the establishment of a Watercraft Safety Program. This is contingent upon passage of SF 187, Watercraft Safety Program.
4. Appropriates $50,000 to the United States Department of Agriculture Animal and Plant Health Inspection Services for control of wild animals.
5. Appropriates $5,000 from the General Fund and $45,000 from the State/Federal Animal Health Laboratory to Iowa State University for research on Johne’s Disease.
6. Appropriates $50,000 from the Agriculture Management Account in the Groundwater Protection Fund to the Department of Public Safety to train volunteer fire fighters and emergency response personnel on handling agriculture chemical emergencies.

**NOBA**

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

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

Education Appropriations Bill - SF 464 Amended and Passed by the House and amended and passed by the Senate for second time



**Education – SF 464** The Education Appropriations Bill, SF 464, was amended and passed by the House on April 21 and amended and passed by the Senate for the second time on April 22. The Bill makes appropriations to the College Student Aid Commission, the Department of Cultural Affairs, the Department of Education, and the Board of Regents. Senate File 464, as amended by the House, appropriates a total of $917.8 million and 17,349.0 FTE positions, an increase of $21.1 million (2.4%) and 72.9 (0.4%) FTE positions compared to estimated FY 1999. The Bill, as amended by the Senate, appropriates a total of $917.1 million and 17,349.0 FTE positions, an increase of $20.4 million (2.3%) and 72.9 (0.4%) FTE positions compared to estimated FY 1999. The differences between the House and Senate versions of SF 464 are as follows:

1. Both the Senate and House provide a $1.0 million General Fund appropriation for national board certification stipends for teachers. The Senate appropriation is contingent on passage of HF 766, National Board Certification Awards Bill. The House appropriation is not contingent.
2. Both the Senate and House provide a $300,000 General Fund appropriation for a Beginning Teacher Induction/Mentoring Program. The House appropriation is contingent on passage of SF 232, Beginning Teacher Induction Bill. The Senate includes statutory language from SF 232 establishing the Beginning Teacher Induction Program in SF 464 and the Senate appropriation is not contingent.
3. Both the Senate and House capture a portion of the funds from a $1.5 million appropriation made to the Department of Education for FY 1999 for extended school year grants in SF 2366, Education Reform Act, to make one-time appropriations for FY 2000. Approximately $1.3 million of the funds appropriated for this purpose remain unspent at the current time. The Senate utilizes a total of $735,000 of these funds and the House utilizes $675,000 of these funds for various one-time appropriations. The $60,000 difference is because the Senate provides $120,000 for the Family Resource Demonstration Project and the House provides $60,000 for the Project.

**NOBA**

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

STAFF CONTACT: Mary Shipman (Ext. 14617) Paige Piper/Bach (Ext. 17942)

Human Services Appropriations Bill - HF 760 Final Action



**Human Services – HF 760** The Senate amended and passed HF 760, the FY 2000 Human Services Appropriations Bill, and the House concurred with the Senate amendment. The Bill will now be sent to the Governor. The amendment makes the following changes to the House File:

1. Increases the Temporary Assistance to Needy Families (TANF) appropriation by $767,000 to implement the Rehabilitative Treatment and Support (RTS) cost-of-living adjustment for providers on July 1, 1999, rather than October 1, 1999.
2. Includes counties in various reviews of services or recommendations.
3. Eliminates the requirement that the Department of Human Services (DHS) and the Department of Inspections and Appeals develop a plan to improve nursing home care.
4. Decreases the amount and source of funds used from nursing facility fine revenue for certified nurse aide recruitment and retention from $130,000 to $65,000 due to federal matching funds.
5. Eliminates the requirement that the reimbursement system for intermediate care facilities be used for skilled nursing facilities.
6. Requires the DHS to study the feasibility of implementing twelve-month continuous eligibility for children eligible for Medical Assistance, eliminates face-to-face interviews for such children to determine enrollment into Medical Assistance, and requires that family resources other than monthly income be disregarded when determining eligibility for Medical Assistance for children.



1. Decreases the appropriation for the Medical Contracts line items by $11,000 and allows the carryover of the same amount from FY 1999 to FY 2000.
2. Changes permissive language for expansion of drug prior authorization to mandatory language.
3. Eliminates a drug product list study.
4. Increases the Child Care appropriation line-item by $11,000 for a Child Care Gold Seal Quality Designation and adds statutory language creating the Designation.



1. Permits use of limited funding from school-based supervision funding for training purposes.
2. Changes the source of funds for $550,000 to be used for implementation of recommendations of the Child Welfare Services Work Group. The source was the appropriation for child and family services within the DHS but is changed to the nongeneral fund sources of the Disproportionate Share program and the Indirect Medical Education Adjustment. Also limits the support costs of the Child Welfare Services Work Group to $50,000.
3. Eliminates the requirement that the University of Iowa Hospital-School adhere to the Conner consent decree requirements.
4. Increases the FTE allocation for the Cherokee Mental Health Institute by 5.0 FTE positions.
5. Increases the FTE allocations for the two State Hospital-Schools at Glenwood and Woodward by a total of 40.0 FTE positions.
6. Decreases the appropriation for the Mental Health and Developmental Disabilities Fund by $100,000.
7. Adds an FY 1999 supplemental General Fund appropriation of $115,000 and 6.6 FTE positions to the DHS for the Sexually Violent Predator Commitment Program.
8. Requires that federally qualified health centers receive cost-based reimbursement for 100 percent of the reasonable costs for services provided to Medical Assistance recipients and adds statutory language requiring the same.
9. Revises the language for reimbursements for nursing facilities, retains the 70th percentile of costs, and allows a mid-year adjustment to facilities demonstrating an increase in direct care wages if funds are available from the appropriation. Various information is required regarding the cost reports.
10. Eliminates the implementation of the resource-based relative value system methodology for the Medical Assistance FY 2001 budget request and adds the methodology to the topics to be reviewed by the requested reimbursement task force. Also adds additional duties for the task force.
11. Changes language regarding the reimbursement of juvenile detention homes for FY 1999, from the use of motor vehicle reinstatement penalties. Current law requires that funds over $1.0 million be allocated to judicial districts for court-ordered service for juveniles. The amendment specifies that all of the FY 1999 revenues be used for juvenile detention homes.
12. Makes various technical corrections.



**Appropriations** The Bill appropriates $768.8 million from the General Fund and 5,496.6 FTE positions for FY 2000. This is an increase of $37.9 million and 45.1 FTE positions compared to the estimated FY 1999 appropriations.

**Bill Summary** An executive summary of the Notes on Bills and Amendments (NOBA) delineating the Senate action is available. Additional information is available upon request.

STAFF CONTACT: Deb Anderson (Ext. 16764) Sue Lerdal (Ext. 17794)

Justice System Appropriations Bill – SF 468 Passes the House

**NOBA**



**Justice System – SF 468** Senate File 468, the Justice System Appropriations Bill, was amended by striking everything after the enacting clause and passed by the House on April 19. The Bill makes appropriations to the Departments of Justice, Corrections, Inspections and Appeals, Public Defense, Public Safety, the Parole Board, the Judicial Department, and the Iowa Law Enforcement Academy. The Bill appropriates $457.9 million from the General Fund and 7,769.7 FTE positions for FY 2000. This is an increase of $29.7 million and 253.2 FTE positions compared to the estimated FY 1999 appropriation.

**Senate Changes** Significant changes compared to the Bill as passed by the Senate include:

**Attorney General** Attorney General

1. Decrease of $35,000 and 1.0 FTE position for an attorney position in the Appeals Division.
2. Decrease of $350,000 for Legal Services Poverty Grants.

**Corrections** Department of Corrections



1. ***Institutions:*** An increase of $677,000 and decreases authorized staffing by 16.2 FTE positions compared to Senate action. Major changes include:
2. An increase of $213,000 and 6.9 FTE positions for the direct variable costs associated with the increasing inmate population.
3. A decrease of $493,000 and 21.8 FTE positions for the prison expansions at Ft. Dodge and Mitchellville.
4. An increase of $226,000 to remove the reductions for travel, office supplies, and office equipment
5. ***Central Office:*** A decrease of $52,000 and 1.0 FTE position compared to Senate action to eliminate funding for a training officer at the Mt. Pleasant Training Center.
6. ***Community-Based Corrections:*** A decrease of $1.7 million and 74.6 FTE positions compared to Senate action. Major changes include:
7. A decrease of $742,000 and 25.0 FTE positions for probation/parole officers to supervise medium and high risk offenders.
8. A decrease of $1.5 million and 40.4 FTE positions for residential facilities staffing.
9. An increase of $397,000 and a decrease of 9.2 FTE positions for sex offender treatment and hormonal intervention.
10. An increase of $127,000 to remove reductions for travel, office supplies, and office equipment.



**FY 1999 Supplemental** FY 1999 Supplemental Appropriation**:** Makes the following FY 1999 supplemental appropriations from the General Fund to the Department of Corrections:

1. $547,000 for housing of female inmates out-of-state.
2. $284,000 for the 100-bed special needs unit for women at Mt. Pleasant.
3. $763,000 to offset a revenue shortfall from private sector employment of inmates in the Pay-for-Stay Program.

**Law Enf. Academy** Iowa Law Enforcement Academy**:** An increase of $80,000 for the Drug Abuse Resistance Education (D.A.R.E.) Program compared to Senate action.

**Indigent Defense** Indigent Defense**:** An increase of $1.0 million for indigent defense.

**Judicial Branch** Judicial Branch



1. A decrease of $515,000 for three District Associate Judges.
2. An increase of $400,000 to fund 10.2 FTE positions currently funded through the Enhanced Court Collections Fund.
3. An increase of $564,000 for office supplies.
4. An increase of $337,000 for office equipment.

**Public Safety** Department of Public Safety

1. An increase of $175,000 and 1.0 FTE position for a Deputy Medical Examiner.
2. A decrease of $40,000 and 1.0 FTE position for the Sex Offender Registry.
3. An increase of $24,000 for the Automated Fingerprint Identification System (AFIS).

**Statutory Changes** Changes to the *Code of Iowa*



1. Amends Section 15.2, Chapter 1101, 1998 Iowa Acts, to appropriate up to $200,000 from surcharge moneys received by the E911 Emergency Communications Fund to the Emergency Management Division for the costs of implementing E911 for cellular telephones.
2. Amends Section 904.508A, Code of Iowa, to add the State Ombudsman or his designee to the committee that approves disbursements from the Inmate Telephone Rebate Fund.

**Bill Summary** An executive summary of the Notes on Bills and Amendments (NOBA) delineating the House action is available. Additional information is available upon request.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561) Christina Schaefer (Ext. 16301)

Infrastructure Bill - HF 772 Passes the House



**Infrastructure Bill – HF 772** The House passed the Infrastructure Appropriations Bill, HF 772, on April 22. The Bill appropriates a total $132.3 million from the Rebuild Iowa Infrastructure Fund in FY 2000 and $137.8 million in FY 2001. The Bill also provides $3.6 million from the Rebuild Iowa Infrastructure Fund in supplemental appropriations for FY 1999. The significant provisions and appropriations of the Bill are summarized below.

**Corrections** Department of Corrections



1. $3.8 million in FY 2000 and $2.5 million in FY 2001 for the construction of a 170-bed addition at the Iowa Medical and Classification Center in Oakdale.
2. $1.8 million in FY 2000 for the purchase and installation of a boiler and construction of a new power plant facility at the Rockwell City Correctional Facility.
3. $2.0 million in FY 2000 for renovation and construction projects at community-based correctional facilities.
4. $2.7 million in FY 2000 for renovation and construction projects and for utility upgrades at the Mitchellville Correctional Facility.

**Cultural Affairs** Department of Cultural Affairs



1. $2.5 million in FY 2000 and $2.5 million in FY 2001 for the Historical Site Preservation Program for the restoration, preservation, and development of historical sites.
2. $1.5 million in FY 2000 and $1.5 million FY 2001 for construction of an Iowa Hall of Pride. Requires the Legislative Council to review the final design plans of the facility and gives authority to the Council to delay the implementation of a construction contract.

**Economic Development** Department of Economic Development



1. $12.5 million in FY 2000 and $12.5 million in FY 2001 for the Physical Infrastructure Assistance Fund.
2. $12.5 million in FY 2000 and $12.5 million in FY 2001 for the Community Attraction and Development fund to be used for the Community Attraction and Tourism Development Program.
3. $100,000 in FY 2000 for the Dry Fire Hydrant and Rural Water Supply Education and Demonstration Project.
4. $1.0 million in FY 2000 for the Local Housing Assistance Program.
5. $4.0 million in FY 2000 and $4.0 million in FY 2001 to provide grants and loans for advanced research and commercialization projects.

**General Services** Department of General Services

* $7.5 million in FY 2000 and $7.5 million in FY 2001 for renovation and repair needs to State facilities. Allocates up to $800,000 for routine maintenance needs of facilities on the Capitol Complex.



* $50,000 in FY 2000 and $50,000 in FY 2001 for maintenance at Terrace Hill.
* $2.1 million in FY 2000 and $1.7 million in FY 2001 for employee relocation costs associated with renovation projects on the Capitol Complex.
* $4.0 million in FY 2000 and $2.7 million in FY 2001 for continued renovation of the Lucas Building.
* $200,000 in FY 2000 for improvements to Parking Lot 4 located on the Capitol Complex.
* $3.5 million in FY 2000 for costs associated with the construction of a parking structure located on the Capitol Complex. Requires the Legislative Council to review the final design plans of the facility and gives authority to the Council to delay the implementation of a construction contract.
* $750,000 in FY 2000 and $750,000 in FY 2001 for the demolition of Executive Hills and the Capitol Annex facilities located on the Capitol Complex.
* $5.9 million in FY 2000 and $5.8 million in FY 2001 for continued renovation of the Old Historical Building.
* $4.0 million in FY 2000 for utility upgrades and for construction and renovation projects at the State Training School at Eldora.
* $250,000 in FY 2000 and $250,000 in FY 2001 for facility improvements at the Toledo Juvenile Home.

**State Fair** Iowa State Fair: $5.0 million in FY 2000 and $5.0 million in FY 2001 for the design and construction of the Varied Industries Building at the Iowa State Fairgrounds.

**Judicial Branch** Judicial Branch: $10.0 million in FY 2000 and $10.0 million in FY 2001 for the construction of a new judicial building.

**Legislative Council** Legislative Council: $4.4 million in FY 2000 and $4.3 million in FY 2001 for interior restoration of the Capitol Building.

**Public Defense** Department of Public Defense: $700,000 in FY 2000 and $700,000 in FY 2001 for maintenance and repair of National Guard Armories and facilities.

**Public Safety** Department of Public Safety



* $1.5 million in FY 2000 for the construction of a new patrol post in Osceola.
* $150,000 in FY 2000 for feasibility study concerning the relocation of the Department of Public Safety offices.
* $150,000 in FY 2000 for a feasibility study concerning the construction of a pursuit driving track for training of law enforcement officers.
* $1.0 million in FY 2001 for construction of a pursuit driving training track.

**Regents** Board of Regents

* Appropriates $3.2 million in FY 2000 for construction of a recreation complex at the Iowa School for the Deaf.
* $1.3 million in FY 2000 for major maintenance needs at the Iowa School for the Deaf and the Iowa Braille and Sight Saving School.
* $8.8 million in FY 2001 for improvements to Gilman Hall at Iowa State University.
* $14.1 million in FY 2001 for continued renovation of the Biology Complex at the University of Iowa.
* $3.5 million in FY 2001 for improvements to the steam distribution system at the University of Northern Iowa.

**Transportation** Department of Transportation



* $1.0 million in FY 2000 and $1.0 million in FY 2001 for infrastructure improvements at Iowa’s ten commercial service airports.
* $500,000 in FY 2000 for infrastructure improvements at publicly owned airports in Iowa. Requires the Department to adopt rules and establish a grant program for disbursement of funds.
* $2.3 million in FY 2000 and $2.3 million in FY 2001 for the Recreational Trails Program.

**Treasurer** Treasurer of State: $1.1 million in FY 2000 and $1.1 million in FY 2001 for infrastructure improvements to county fairs.

**Veterans Affairs** Commission of Veterans Affairs

* $735,000 in FY 2001 for renovation of facilities at the Veterans Home.
* $2.4 million in FY 2001 for continued funding of the expansion of the food preparation area and dining room at the Veterans Home.

**Dept. of Ag./Land Steward.** Department of Agriculture and Land Stewardship

* $2.0 million in FY 2000 and $2.0 million in FY 2001 to the Loess Hills Development and Conservation Fund.
* $2.2 million in FY 2000 and $2.0 million in FY 2001 for the Alternative Drainage System Assistance Program.
* $1.0 million in FY 2000 and $1.5 million in FY 2001 for the Soil Conservation Cost Share Program.
* $1.3 million in FY 2000 and $1.3 million in FY 2001 for accelerating watershed protection efforts to reduce soil erosion, protect water quality, and provide flood control in watersheds.

**Natural Resources** Department of Natural Resources

* $3.5 million in FY 2000 and $3.5 million in FY 2001 for the Recreational Grant Program. Requires the grants to be awarded on a matching basis of one dollar for every two dollars the applicant has raised. Requires that individual grants not exceed $100,000.
* $4.2 million in FY 2000 and $4.2 million in FY 2001 for the dredging of lakes in accordance with the Department’s Classification of Iowa Lakes Restoration Report.



* $2.1 million in FY 2000 and $2.3 million in FY 2001 for capital projects which qualify for funding from Marine Fuel Tax receipts.
* $275,000 in FY 2000 for construction of the Elinor Bedell State Park and Wildlife Conservation Area.
* $1.0 million in FY 2000 and $1.0 million in FY 2001 for the establishment of water quality monitoring stations.
* $200,000 in FY 2000 and $200,000 in FY 2001 for the renovation of the dam at Lake Belva Deer.
* $250,000 in FY 2000 and $250,000 in FY 2001 to establish a tree planting program to be coordinated through public and private partnerships.
* $10.5 million in FY 2000 and $10.5 million in FY 2001 for the Resource Enhancement and Protection (REAP) Fund.

**Supplemental Approps.** Supplemental Appropriations

* $1.2 million in FY 1999 for the renovation, maintenance, and utility upgrades at the Glenwood State Hospital–School.
* $2.4 million in FY 1999 for the renovation, maintenance, and utility upgrades at the Woodward State Hospital–School.

**Statutory Changes** Statutory Changes



* Establishes the Community Attraction and Tourism Development Program and the Community Attraction and Tourism Development Fund which is designed to assist communities in the development and creation of multiple purpose attraction and tourism facilities. Specifies that only a political subdivision may submit an application for financial assistance which is in the form of grants, loans, forgivable loans, and loan guarantees. The Bill also creates a Community Attraction and Tourism Development Program Review Committee.
* Allows a county fair society that conducts a county fair and has attendance of at least 150,000 people and annual gate admission revenues of at least $400,000 to issue revenue bonds unless a petition has been filed calling for a special election on the bond issue. If a special election on the bond issue has been called, the referendum must pass by a 60.0% majority vote. The Bill also allows the County Board of Supervisors to assess an annual standby tax to secure payment of the revenue bonds should a county fair’s pledged revenues be insufficient to pay the debt service of the bonds.
* Allows revenues derived from the Marine Fuel Tax to be used for the dredging of all Iowa lakes instead of only natural lakes.
* Allows the Department of General Services to use up to $430,000 from a FY 1999 major maintenance appropriation of $8.8 million to complete an infrastructure assessment of State facilities.

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

STAFF CONTACT: David Reynolds (Ext. 16934)

Air Transportation Bill - SF 476 passes the senate appropriations committee

**Air Transportation – SF 476** The Senate Appropriations Committee approved SF 476, Air Transportation Bill, on April 22. The Bill:



1. Appropriates $10.0 million from the Underground Storage Tank Program to the Department of Economic Development for air transportation expansion.
2. Directs the Department to loan the funds in installments to a qualified Iowa-based airline. The only airline expected to qualify for the loan is AccessAir.
3. Requires the airline to repay the loan with interest by the end of FY 2006.
4. Requires the Department of Economic Development to report quarterly to the Legislative Council and the Department of Management regarding the status of existing loans, the ongoing expansion and transportation infrastructure needs of financial assistance recipients, the air transportation industry conditions, and other information deemed necessary.

**Fiscal Impact** If the airline repays the entire loan with interest, the legislation will have no fiscal impact.

STAFF CONTACT: Jeff Robinson (Ext. 14614)

DOT TecHnology Bill - SF 76 Passes the House Appropriations Committee

**DOT Technology – SF 76** The House Appropriations Committee passed SF 76, Department of Transportation Administration/Technology Bill, on April 21. The Bill provides for the following:



1. Allows the Department of Transportation (DOT) to retain 50.0% of the unencumbered or unobligated balance of funds, not to exceed $500,000, appropriated to the Department for operations from the Primary Road Fund and Road Use Tax Fund. The retained funds will be used for employee training and technology enhancements in the succeeding fiscal year. The Department would also be required to submit a report to the Transportation, Infrastructure, and Capitals Appropriations Subcommittee, the Legislative Fiscal Bureau, and the Department of Management detailing how the funds were expended.
2. Creates a standing appropriation of $308,000 from the Road Use Tax Fund to purchase equipment for the issuance of driver’s licenses in counties that have been authorized to issue driver’s licenses in place of DOT itinerant teams. House File 2424, FY 1999 County Driver’s License Act, transferred driver’s license issuance functions from ten DOT itinerant teams to 42 county treasurers’ offices. The counties will begin issuing licenses on January 1, 2000.
3. Transfers a $75,000 unexpended Lottery Fund appropriation to the Railroad Revolving Loan Fund. In FY 1995, the $75,000 was appropriated to the Railway Finance Authority for a community assistance grant to be used to preserve jobs in a community in which railroad shops and other local rail facilities had been closed due to rail line acquisition. The grant was not awarded because the targeted project was not implemented.

**NOBA**

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

STAFF CONTACT: David Reynolds (Ext. 16934)

Lottery revenues and Expenditures Through March

****

**FY 1999 Lottery Revenues** Through March, FY 1999 Lottery game revenues increased $10.1 million from the FY 1998 level. Lottery prize expenses increased $6.0 million, operating expenses increased $1.2 million, and transfers to other State funds increased $2.8 million. The following table details revenues, expenditures, and balances of the State Lottery. Rows and columns may not add, due to rounding.

| **STATE LOTTERY**  **July Through March**  **(Dollars in millions)** | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | FY 1998 |  | FY 1999 |  | Inc./  Decr. |  | % Inc. |
| Fiscal Year Beginning Balance |  | $ 3.4 |  | $ 3.1 |  | $ -0.3 |  |  |
|  |  |  |  |  |  |  |  |  |
| Game Revenues |  | 119.0 |  | 129.0 |  | 10.1 |  | 8.5 |
| Interest |  | 0.6 |  | 0.5 |  | -0.0 |  | -3.9 |
| Total Revenue |  | $ 119.5 |  | $ 129.6 |  | $ 10.0 |  | 8.4 |
|  |  |  |  |  |  |  |  |  |
| Prize Expense |  | 69.4 |  | 75.4 |  | 6.0 |  | 8.6 |
| Operating Expense |  | 26.5 |  | 27.7 |  | 1.2 |  | 4.4 |
| Transfer of Profits |  | 24.0 |  | 26.8 |  | 2.8 |  | 11.9 |
| Total Expense |  | $ 119.9 |  | $ 129.8 |  | $ 10.0 |  | 8.3 |
|  |  |  |  |  |  |  |  |  |
| March Ending Balance |  | $ 3.0 |  | $ 2.8 |  | $ -0.2 |  |  |

**FY Sales** Fiscal year sales through March, compared to the same time period of FY 1998, were as follows:

1. Instant ticket sales decreased $1.6 million (2.4%).



1. Iowa Lotto/Supercash/Pick 3 sales decreased $3.0 million (52.5%).
2. Multi-State Powerball sales increased $14.0 million (63.4%).
3. Multi-State Daily Millions/Cash 4 Life sales decreased $669,000 (17.7%).
4. Daily Game sales decreased $268,000 (7.3%).
5. Pull-tab sales increased $2.0 million (10.9%).

**March Sales** Total Lottery sales for March were greater than March 1998 by $2.3 million (16.8%). March 1999 sales for all games except Cash 4 Life and Pick 3 were above March 1998.



**REC Projections** The December Revenue Estimating Conference (REC) projected FY 1999 Lottery profits will total $35.5 million. Of this amount, $33.9 million is to be transferred to the State General Fund and three-tenths of one percent of gross Lottery sales transferred to the Gambler’s Assistance Fund (approximately $530,000). Actual profit transfer for FY 1998 was $34.7 million. Although Lottery profits are currently $2.8 million above FY 1998 for the same time period, LFB projections indicate final profits will be at or just below the REC estimate. This is because profits during the fourth quarter of FY 1998 were very high due to large Powerball jackpots.

**Sales Tax Paid** In addition to the amount transferred to the State as profits, the Lottery has transferred $6.4 million in sales tax during FY 1999.

STAFF CONTACT: Jeff Robinson (Ext. 14614)

Underground Storage Tank Administrator

****

**Contract Extension** On April 23, the Underground Storage Tank Fund Board voted to offer the current administrator, Williams and Company, a 30-day contract extension. The current contract expires on April 30. The Board and Williams are presently negotiating a new contract. Those negotiations have not been finalized.

STAFF CONTACT: Jeff Robinson (Ext. 14614)

National Board Certification Awards Bill - HF 766 Passes House and Senate



**Natl. Board Certif. - HF 766** The National Board Certification Awards Bill, HF 766, passed the House and Senate on April 21 and 22, respectively. The Bill establishes a National Board Certification Pilot Project to provide stipends for teachers to be administered by the Department of Education. A teacher who applies and receives national board for professional teaching standards certification prior to May 1, 2000, is eligible to receive an annual award of $5,000 for up to ten years. A teacher who registers for national board certification between January 1, 1999, and January 1, 2002, and achieves certification within three years from the time of initial score notification is eligible to receive an annual award of $2,500 for up to ten years.

**Appropriation** For FY 2000, a General Fund appropriation of $1.0 million for the Project is contained in the Education Appropriations Bill, SF 464.

STAFF CONTACT: Paige Piper/Bach (Ext. 17942)

Environmental Protection Commission



**Commission Meeting** The Environmental Protection Commission met April 19 in Des Moines for their monthly meeting. There were a number of presentations, which included:

1. Paul Johnson, Director of the Department of Natural Resources, reminded the Commission that this is Earth Week and introduced Lyle Asell, Special Assistant to the Director.
2. Linda Hanson, Administrator of the Administrative Services Division, presented information on the monthly financial reports.
3. Mike Valde, Administrator of the Environmental Protection Division, presented the following:
4. Monthly status reports to the Commission.
5. Approval for a maintenance contract between the Air Quality Bureau and Windsor Technologies, Inc., for the State Permitting and Air Reporting System. The contract was approved.
6. Approval for Notice of Intended Action for Wastewater Construction and Operation Permits. The Notice was approved.
7. Approval for a contract between the Department of Natural Resources and the Department of Economic Development to support the development of the Nitrogen Management Insurance Program. The one-year contract will cost $70,000 and will be funded with EPA funds. The contract was approved.
8. Approval of the State Revolving Fund Intended Use Plan for FY 1999. The Commission had received a draft of the Plan at a previous meeting and a public hearing was held on March 22, 1999. The Plan was approved.
9. Approval to refer Harold Unternahrer of Washington County to the Attorney General’s Office regarding an animal feeding operation penalty. The referral was approved.
10. Jack Riessen, Environmental Protection Division, presented an overview on the Total Maximum Daily Load program that is required by the federal government.

**Next Meeting** The Commission will hold their next meeting in Des Moines on May 17.

STAFF CONTACT: Deb Kozel (Ext. 16767)

Iowa Communications Network (ICN) Video Classrooms



**ICN Classrooms** The Iowa Communications Network (ICN) added two interactive video classrooms during the first half of April at Ogden High School and Orient-Macksburg High School. This brings the total number of classrooms to 653. The total number of classrooms that will be included in the Network at the end of the Part III build out is estimated at over 700. This will include multiple classrooms at several authorized sites. The table below presents the current distribution of sites by type of authorized user.

**IOWA COMMUNICATIONS NETWORK**

|  |  |
| --- | --- |
| Area Education Agencies | 16 |
| Community Colleges | 96 |
| K-12 School Districts | 352 |
| Other Education | 4 |
| Libraries | 21 |
| Medical Facilities | 8 |
| Private Colleges | 17 |
| Regents Institutions | 25 |
| National Guard | 56 |
| State Agencies | 42 |
| Federal | 15 |
| Miscellaneous | 3 |
| Classrooms Total | 655 |

**Website** This information is updated weekly and is available on the Internet at <http://www.icn.state.ia.us/about/clickmap/clickmap.htm>**.** If you would like a copy of the full list of sites and their locations and do not have access to the Internet, you may contact the LFB and request a copy.

STAFF CONTACT: Douglas Wulf (Ext. 13250)

Weekly Medical Assistance Program Expenditures in the Department of Human Services

**Medical Assistance Prg.** For the week ending April 19, 1999, FY 1999 General Fund expenditures for the Medical Assistance Program in the Department of Human Services were $12.6 million (84.5% of budget). This is $2.3 million below the weekly budget established by the Department.



**Expenditures** Year-to-date Medical Assistance General Fund expenditures through 42 weeks of FY 1999 are $286.1 million, which is $7.3 million (2.6%) above the amount budgeted for the fiscal year-to-date. During the previous fiscal year, Medical Assistance General Fund expenditures through 42 weeks of the budget were $4.5 million (1.6%) above the amount budgeted for the FY 1998 year-to-date expenditure. By the 52nd week of FY 1998, Medical Assistance General Fund expenditures exceeded the State budget by only $1.1 million. When the FY 1998 books closed, the DHS showed a surplus of $9.6 million in the Medical Assistance appropriation.

**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.

****

**Website**

STAFF CONTACT: Deb Anderson (Ext. 16764) Sue Lerdal (Ext. 17794)

Visit the LFB website located at [***http******://staffweb.le******gis.state.ia.us/lfb/***](http://staffweb.legis.state.ia.us/lfb/)