FISCAL UPDATE January 18, 2000

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

* Governor’s FY 2001 Budget

**FY2001 Gov. Rec.** The Governor's FY 2001 General Fund appropriation recommendation is $4,893.6 billion, an increase of $116.0 million (2.4%) compared to estimated FY 2000 (prior to any FY 2000 appropriation adjustments).

**FY 2001 **

 FY 2000

The Governor is recommending $19.0 million in FY 2000 General Fund appropriation reductions, $700,000 in standing appropriation reductions, and $10.5 million in revenue transfers. This results in a FY 2000 projected ending General Fund balance of $113.9 million.

The Cash Reserve Fund and the Economic Emergency Fund are at the maximum balance of 5.0% of the General Fund revenue estimate or $229.9 million in each Fund. An excess of $268.0 million is to be transferred from the Economic Emergency Fund to the General Fund in FY 2000.

 FY 2001

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The Governor’s FY 2001 General Fund budget recommendation proposes revenue changes resulting in a net revenue increase of $58.9 million and increases spending by $116.0 million (2.4%). The largest revenue increase is moving $64.6 million of tobacco settlement recoveries to the General Fund.

The Governor’s FY 2001 General Fund budget uses an estimated $15.0 million of General Fund reversions to meet the expenditure limitation requirement.

The Governor’s FY 2001 General Fund budget recommendation moves $59.3 million of FY 2000 General Fund appropriations from the General Fund. They are listed below:

The Governor is recommending funding the Regent tuition replacement ($27.9 million) from the RIIF account. In FY 2000, this appropriation came from the General Fund.

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The Governor is recommending funding Appeals Board Claims and Executive Council Performance of Duty ($10.0 million) from the Economic Emergency Fund. In FY 2000, these standing appropriations came from the General Fund.

The Governor is recommending the federal Medical Assistance appropriation, obtained through State match, be retained by the Department rather than deposited into the General Fund. This results in a $21.4 million offset reducing the required General Fund appropriation.

1. The Governor’s projected ending balance for FY 2001 is $53.4 million compared to $113.9 in FY 2000, a decrease of $60.5 million. The Governor’s recommendation projects that an excess of $89.3 million will be transferred from the Economic Emergency Fund to the General Fund in FY 2001. This is a decrease of $178.7 million compared to the FY 2000 transfer.

**Major Increases/Decreases Table 1** lists the General Fund increases and decreases of $2.0 million or more recommended by the Governor for FY 2001.

**Table 1 - Governor’s Major General Fund Decreases/Increases Recommendations**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | **Estimated** |  | **Gov. Rec.** |  | **Diff. Gov. Rec.** |  | **% Change** |
| **Department** |  | **Appropriation** |  | **FY 2000** |  | **FY 2001** |  | **v. FY 2000** |  | **Gov. v. FY00** |
| Regents  |  | Tuition Replacement  |  | $ 27,927,851 |  |  $ 0 |  | $ -27,927,851 |  | -100.0% |
| Human Services  |  | Medical Assistance  |  | 415,455,590 |  | 401,155,080 |  | -14,300,510 |  | -3.4% |
| Management  |  | Appeal Board  |  | 6,000,000 |  | 0 |  | -6,000,000 |  | -100.0% |
| Executive Council  |  | Performance Of Duty  |  | 5,500,000 |  | 0 |  | -5,500,000 |  | -100.0% |
| Human Services  |  | State Children's Health Ins.  |  | 10,250,000 |  | 5,051,979 |  | -5,198,021 |  | -50.7% |
| Education |  | School Aid - On Time Funding |  | 4,000,000 |  | 0 |  | -4,000,000 |  | -100.0% |
| Corrections  |  | Corrections Expansion |  | 3,180,815 |  | 796,940 |  | -2,383,875 |  | -74.9% |
| Corrections  |  | Central Office Corrections  |  | 4,623,211 |  | 2,433,211 |  | -2,190,000 |  | -47.4% |
| Education  |  | Educational Excellence  |  | 82,891,336 |  | 80,891,336 |  | -2,000,000 |  | -2.4% |
|  |  |  |  |  |  |  |  |  |  |  |
|  |  | *Total Decreases > $2.0 Million* |  | $ 559,828,803 |  | $ 490,328,546 |  | $ -69,500,257 |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
| Education  |  | School Foundation Aid  |  | 1,698,459,679 |  | 1,743,600,000 |  | 45,140,321 |  | 2.7% |
| Management  |  | Salary Adjustment  |  | 415,167 |  | 42,173,997 |  | 41,758,830 |  | 10058.3% |
| Revenue & Finance  |  | Machinery/Equip Prop. Tax  |  | 22,459,525 |  | 43,700,000 |  | 21,240,475 |  | 94.6% |
| Education  |  | Early Intervention Block Grant |  | 10,000,000 |  | 20,000,000 |  | 10,000,000 |  | 100.0% |
| Education  |  | Alternative School Funding  |  | 0 |  | 9,800,000 |  | 9,800,000 |  | 100.0% |
| Education  |  | Community College General Aid  |  | 141,577,403 |  | 149,986,190 |  | 8,408,787 |  | 5.9% |
| Education  |  | Empowerment Bd. - Early Child  |  | 10,400,000 |  | 15,600,000 |  | 5,200,000 |  | 50.0% |
| Judicial Branch  |  | Judicial Branch  |  | 108,206,211 |  | 113,061,216 |  | 4,855,005 |  | 4.5% |
| Human Services  |  | MI/MR State Cases  |  | 10,090,000 |  | 13,800,000 |  | 3,710,000 |  | 36.8% |
| Human Services  |  | MH/DD Growth Factor  |  | 18,126,362 |  | 21,773,602 |  | 3,647,240 |  | 20.1% |
| Corrections  |  | Ft. Dodge Inst.  |  | 22,076,131 |  | 24,994,480 |  | 2,918,349 |  | 13.2% |
| Corrections  |  | Ft. Madison Inst.  |  | 29,013,288 |  | 31,569,809 |  | 2,556,521 |  | 8.8% |
| Regents  |  | Center Excel In Plant Science  |  | 2,200,000 |  | 4,670,000 |  | 2,470,000 |  | 112.3% |
|  |  |  |  |  |  |  |  |  |  |  |
|  |  | *Total Increases > $2.0 Million* |  | $ 2,073,023,766 |  | $ 2,234,729,294 |  | $ 161,705,528 |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
|  |  | Total Other Changes  |  | $ 2,144,758,194 |  | $ 2,168,572,690 |  | $ 24,814,496 |  | 1.1% |
|  |  |  |  |  |  |  |  |  |  |  |
|  |  | **Grand Total** |  | $ 4,777,610,763 |  | $ 4,893,630,530 |  | $ 116,019,767 |  | 2.4% |

**Approp. by Subcommittee** The Governor’s FY 2001 General Fund recommendations are listed in **Table 2** by Appropriations Subcommittee.

 **Table 2**

 **Governor’s FY 2001 General Fund Recommendations**

 **(Dollars in Millions)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Subcommittee** |  | **Est.****FY 2000** |  | **Gov.****Rec.****FY 2001** |  | **FY 2001****vs.****FY 2000** |  | **%****Change** |
| Administration & Regulation |  | $ 91.4 |  | $ 134.0 |   | $ 42.6 |  | 46.6% |
| Agriculture & Natural Resources |  | 44.3 |  | 44.6 |  | 0.3 |  | 0.7% |
| Economic Development |  | 43.1 |  | 42.8 |  | -0.3 |  | -0.7% |
| Education |  | 950.7 |  | 953.8 |  | 3.1 |  | 0.3% |
| Health & Human Rights |  | 95.5 |  | 97.3 |  | 1.8 |  | 1.9% |
| Human Services |  | 792.6 |  | 781.9 |  | -10.7 |  | -1.3% |
| Justice System |  | 472.9 |  | 485.9 |  | 13.0 |  | 2.7% |
| Trans., Infrastructure, & Capitals |  | 4.1 |  | 3.9 |  | -0.2 |  | -4.9% |
| Oversight & Communications |  | 23.6 |  | 23.5 |  | -0.1 |  | -0.8% |
| Unassigned Standings |  | 2,259.4 |  | 2,326.0 |  | 66.6 |  | 2.9% |
|  TOTAL |  | $ 4,777.6 |  | $ 4,893.6 |   | $ 116.0 |  | 2.4% |

 Note: The dollar amounts may not add due to rounding.

 FY 2000 Supplemental

For FY 2000, the Governor recommends one General Fund supplemental of $76,000 to the Department of Inspections and Appeals. This supplemental is for the federal nursing home complaint investigations mandate.

STAFF CONTACT: Holly Lyons (Ext. 17845)

* Final Action oN FY 2000 Deappropriations Bill – HF 2039

**FY 2000 Deappropriations** The General Assembly passed HF 2039, the FY 2000 Deappropriations Bill, on January 13. The Bill:



Deappropriates $18.1 million and makes supplemental General Fund appropriations of $76,000 and 6.0 FTE positions for a net decrease of $18.0 million and an increase of 6.0 FTE positions for FY 2000.

Increases receipts, required reversions, and transfers to the General Fund by $11.0 million for FY 2000.

Of the $29.1 million total in adjustments to the FY 2000 budget, the adjustments can be classified approximately as follows:

* $6.8 million in one-time budget reductions.
* $6.3 million in on-going budget reductions.
* $4.3 million in salary reductions and $364,000 in travel reductions.
* $8.9 million in revenue enhancements.
* $2.1 million in one-time fund transfers to the General Fund.
* Supplemental appropriation of $76,000 and 6.0 FTE positions to the Department of Inspections and Appeals to provide the State match for federal funds to enhance the complaint response time regarding intermediate federally-licensed care facilities.

**More Information** Copies of the bill summary (NOBA) are available from the Legislative Fiscal Bureau.

STAFF CONTACT: Douglas Wulf (Ext. 13250) Valerie Thacker (Ext. 15270)

* Administration and Regulation Appropriations Subcommittee Meeting

**Admin./Regulation Sub.** The Administration and Regulation Appropriations Subcommittee met Monday, January 10, in Room 19 of the Capitol. The Subcommittee discussed the possibility of additional deappropriations for FY 2000 and reductions to the base budget for FY 2001.

STAFF CONTACT: Christina Schaefer (Ext. 16765) Ron Robinson (Ext. 16256)

* AGRICULTURE AND NATURAL RESOURCES APPROPRIATIONs SUBCOMMITTEE

**Agric./Natural Res. Sub.** The Agriculture and Natural Resources Appropriations Subcommittee held a meeting on January 10 to discuss budget cuts.

**Information Presented** The Legislative Fiscal Bureau presented information regarding the amount of General Fund budget cuts required if the FY 2000 General appropriations were decreased by 1%, 3%, or 5%, and the amount of the General Fund appropriations changes between FY 1999 and FY 2000.

**Discussion** The Subcommittee members discussed the size of budget cuts which may be required and where these cuts would be made.

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

* Education Appropriations Subcommittee

**Education Subcommittee** The Education Appropriations Subcommittee met on January 10 and discussed the following two issues:

The Governor’s recommendations for reductions to the FY 2000 budget impacting appropriations made by the Subcommittee.

The reductions of 1.0%, 3.0%, and 5.0% to the budgets of the departments receiving appropriations from the Subcommittee for FY 2000.

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

* Health and Human Rights Appropriations Subcommittee Meeting

**Health/Human Rights Sub.** The Health and Human Rights Appropriations Subcommittee held an organizational meeting on January 10. Representatives Pat Shey and Dick Taylor were welcomed as new Subcommittee members.

STAFF CONTACT: Valerie Thacker (Ext. 15270) Russ Trimble (Ext. 14613)

* Human Services Appropriations Subcommittee



**Human Services Sub.** The Human Services Appropriations Subcommittee met January 10 and conducted the following business:

Opening remarks and priorities of the Subcommittee chairpersons.

Review of the Governor’s recommended decreases in appropriations and increases in revenues affecting the Department of Human Services. A motion was approved to accept the proposed changes for the FY 2000 budget. A copy of the detail is available upon request.

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

* Justice System Appropriations Subcommittee

**Justice System Sub.** The Justice System Appropriations Subcommittee met the week of January 10 to discuss the following items:

FY 2000 Deappropriations: Legislative Fiscal Bureau staff reviewed the sections of HF 2039 (Deappropriations Bill) affecting the Justice System. Members expressed concern that increasing the CBC supervision fee may decrease the amount offenders are able to pay toward victim restitution. Members also were concerned about renting 200 prison beds to the federal government, which may increase overcrowding.

Across-the-board budget reductions for FY 2001.

Department of Corrections (DOC): Updates were provided on the new 100-bed women’s unit at Mt. Pleasant, the Mt. Pleasant Sex Offender Treatment Program, and the DOC’s use of telephone rebate funds.

STAFF CONTACT: Dwayne Ferguson (Ext. 16561) Beth Lenstra (Ext. 16301)

* Oversight and Communications Appropriations Subcommittee



**Oversight/Communications** The Oversight and Communications Appropriations Subcommittee met on January 10 and discussed the following two issues:

Recommendations made by the Governor for reductions to the FY 2000 budget impacting appropriations made by the Subcommittee.

Potential impacts of reductions of 1.0%, 3.0%, and 5.0% to the budgets of departments receiving an appropriation from the Subcommittee for FY 2000.

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

* Transportation, Infrastructure, and Capitals Appropriations Subcommittee

**Trans./Infrastructure Sub.** The Transportation, Infrastructure, and Capitals Appropriations Subcommittee met January 10 and 12. The Subcommittee reviewed the following:

The deappropriation of $212,000 from the Department of Transportation’s Planning and Programming Division budget included in HF 2039 (FY 2000 Deappropriations Bill).

Last year’s appropriation bills pertaining to transportation and infrastructure which included:

* House File 772 (FY 2000 Infrastructure Appropriations Act).
* Senate File 424 (FY 2000 Transportation Appropriations Act).
* Senate File 76 (FY 2000 Department of Transportation Technology Act).

STAFF CONTACT: David Reynolds (Ext. 16934)

* Healthy and Well Kids in Iowa (HAWK-I) Program SEEKS NEw ADministrative Contractor

**RFP for New Contractor** On January 10, the Department of Human Services (DHS) issued a Request for Proposal (RFP) for an administrative contractor for the Healthy and Well Kids in Iowa (HAWK-I) Program. The HAWK-I Program provides health insurance for uninsured children living in families with incomes between 133.0% and 185.0% of the federal poverty level.



**Previous Contract Terminated** Administrative services include receiving and screening applications for the HAWK-I Program to determine enrollment eligibility. These services are currently performed by Eligibility Services, Inc., under a contract scheduled to continue through FY 2001. On December 7, Eligibility Services informed the DHS it will no longer be able to perform under the terms of the contract. The HAWK-I Board, after consulting with the Office of the Attorney General, agreed to terminate the contract effective 4/30/00. Representatives of the Department stated they agreed to the termination to ensure alternate services could be arranged to avoid enrollment disruptions.

**Performance Bond Required** The recently released RFP requires a performance bond payable to the State in the event of nonperformance. In addition, the RFP requires enhanced data collection, office space for ten Human Services eligibility staff, and cooperative efforts to implement electronic application filing.

**Proposals Due Feb. 11** Proposals are due to the DHS February 11. The DHS anticipates awarding the contract February 24, to be made effective March 1. Allowing for a 60-day implementation period, the new contractee will assume administrative responsibilities May 1.

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

* Secretary of Agriculture Holds Public Meeting

**Public Meeting** The Secretary of Agriculture, Patty Judge, held a public meeting in Des Moines on January 5 to discuss the past accomplishments, future goals, FY 2001 budget requests, and legislative proposals of the Department of Agriculture and Land Stewardship.

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 **Public Meeting**

**Accomplishments** Brent Halling, Deputy Secretary of Agriculture, began the meeting by discussing the Department’s past year’s accomplishments. These accomplishments included the Secretary’s task force on pork production, the Secretary’s and Deputy Secretary’s travels across the State discussing agricultural issues, and attending the World Trade Organization meeting in Seattle, a conference held in Ankeny to get young people interested in agriculture, and a trade mission to Japan.

**Goals** Secretary Judge then discussed the six goals of the Department for the next year and beyond. These goals include:

To have the ability to respond quickly to changing global conditions, especially market conditions.

To increase Iowa’s agricultural market share.

To develop and encourage agricultural education and new avenues for Iowa producers to market their products.

To add value to Iowa’s agriculture by developing new products.

To preserve Iowa’s precious soil and improve water quality.

To protect consumers and producers by assuring the quality of Iowa’s agricultural products and animal health.

 The Division heads subsequently discussed their division’s FY 2001 budget requests and contributions to these six Departmental goals.

**Administrative Division** Mary Jane Olney, Administrative Division, explained that her Division maintains the Department’s web page providing information to producers. The Administrative Division also responds to agricultural emergencies, provides crop, weather, and market information, assists in organic agriculture certification, and helps to expand Iowa agricultural markets. The Division’s FY 2001 budget requests includes funding for an Executive Officer and an Administrative Assistant, the Office of Renewable Fuels and Co-Products, Value-added agriculture efforts, livestock market news reporting, horticultural surveys, mandatory price reporting, and information technology.



**Regulatory Division** Ron Rowland, Regulatory Division, stated his Division provides consumer and producer protection, aids in marketing Iowa agricultural products, and promotes rural economic development. The Regulatory Division is requesting increased funding for operational expenses, a voluntary Johne’s Disease cattle herd testing program, computers for the Meat and Poultry Bureau, and slide-in gas pump testing equipment.

**Laboratory Division** Daryl Frey, Laboratory Division, explained his Division works with the Regulatory Division by providing analytical testing for consumer and producer protection. The Laboratory Division is requesting increased funding to hire a Program Coordinator for gypsy moth detection and control and to purchase a HPLC electrospray mass spectrometer to detect the new generation of herbicides.

**Soil Conservation Division** Jim Gulliford, Soil Conservation Division, stated his Division works toward preserving Iowa’s soil and improving water quality. The Soil Conservation division is requesting an increase in funding to enhance technical assistance in soil and water conservation programs by hiring eight additional personnel, to enhance the watershed protection program, to initiate a Conservation Reserve Enhancement Program (CREP) and a nutrient management demonstration program for animal agriculture.

**Legislative Proposals** Secretary Judge briefly discussed the following legislative proposals:

A contribution tax credit and revolving loan fund to encourage Iowa producers to add value to agricultural products.

Income tax credits for:

* Active farmers renting their agricultural assets to beginning farmers.
* Beginning farmer’s first $20,000 farm income.
* Beginning farmers new-to-the-farm grain storage.
* Beginning farmers to buy/sell on the first $10,000 value-added stock purchased in a closed coop by the beginning farmers.

Property tax credits for landlords on the land they rent to beginning farmers.

Adjust the maximum net worth requirement for the Beginning Farmer Loan Program from $200,000 to $250,000.

Develop community alliances with beginning farmer livestock producers and local meat lockers.

Align beginning farmers with set aside acres coming out of the program with organic ventures/alliances.

STAFF CONTACT: Sherry Weikum (Ext. 17846)

* topical Information Summaries on state Issues

**Power Point Summaries** The Legislative Fiscal Bureau has available on the Legislative Website or through the Legislative Mapper system, thirty-five summaries on a power point program available for informational purposes. The presentations reflect a wide range of topics, with the following subject areas available at this time:

 Reading Recovery Program Department of Commerce Fees

 The HOPES Program Higher Education Enrollment

 Tuition Grant Program Maternal and Child Health Clinics

 The CEBA Program Community-Based Corrections

 Tuition Policy of the Board The Iowa Lottery

 of Regents Financing Mental Health Services

 Groundwater Protection Fund Community Colleges

 Prisons Nursing Facility Reimbursements

 The RIIF Iowa’s Retirement System

 Educational Excellence The Road Use Tax Fund

 Soil and Water Conservation REAP

 RISE The Child Health Insurance Program

 Strategic Investment Fund Iowa Veterans’ Home

 Wetlands Community Empowerment

 Fiscal Notes Law Enforcement Academy

 Gambling Treatment Program Federal Medicaid Waivers

 Water Pollution State Forests

 Primary Road Fund The Plant Science Initiative at ISU

 Calculation of Property Taxes Victim Assistance Grants

**How To Access** To access these in either viewing mode or printing:

www.legis.state.ia.us, proceed to “Agencies” and select the Legislative Fiscal Bureau. Then select the “Legislative Fiscal Bureau” again. Select “View an LFB publication” and select “Topic Presentations”. Select the topic of your choice and when printing, select the “pure black and white” in the lower left hand corner. From this internet site, one may send the power point via e-mail.

From the Mapper system, enter “Fiscal”, and choose “Presentations”, then “View”. The printing capability is in a very lightly outlined box in the lower left hand corner, then after selecting, choose “print”. The “escape” key on the keyboard will return you to the menu of power point topics.

**More Topics** Several more topics will be available in the near future. Please do not hesitate to ask any questions regarding access and printing. If you experience difficulty accessing or printing any of the presentations, please contact the LFB for assistance. For topic-related questions or additional information, please contact the LFB staff person identified at the end of the power point presentation.

STAFF CONTACT: Sue Lerdal (Ext. 17794)

* Environmental Protection Commission Holds Meeting



**Commission Meeting** The Environmental Protection Commission met December 20 in Des Moines. The meeting was called to order by Chairperson William Ehm. The following presentations were given:

Linda Hanson, Administrative Services Division, presented the first quarter overview for FY 2000. The following summary was presented:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **First Quarter** |  | **First Quarter** |  |  |
| Description |  | FY 2000 Budget |  | FY 2000 Actual |  | Difference |
|  |  |  |  |  |  |  |
| **Resources:** |  |  |  |  |  |  |
| General Fund |  |  $ 4,426,597  |  |  $ 4,411,329  |  |  $ 15,268  |
| Federal |  |  3,019,867  |  |  1,854,476  |  |  1,165,391  |
| Administration Fund |  |  91,154  |  |  91,154  |  |  0  |
| Conservation Fund |  |  1,011,072  |  |  1,011,072  |  |  0  |
| Other Funds |  |  2,855,531  |  |  1,671,174  |  |  1,184,357  |
| Groundwater Fund |  |  779,294  |  |  608,508  |  |  170,786  |
| Fish & Wildlife Trust Fund |  |  5,568,435  |  |  5,372,467  |  |  195,968  |
| **Total Resources** |  |  **$ 17,751,950**  |  |  **$ 15,020,180**  |  |  **$2,731,770**  |
|  |  |  |  |  |  |  |
| **Expenditures:** |  |  |  |  |  |  |
| Personnel |  |  $ 10,414,002  |  |  $ 9,082,609  |  |  $1,331,393  |
| Extra Help |  |  1,128,025  |  |  1,260,002  |  |  (131,977) |
| Support |  |  3,363,828  |  |  3,412,571  |  |  (48,743) |
| Contracts |  |  2,215,523  |  |  684,350  |  |  1,531,173  |
| Equipment |  |  630,570  |  |  580,648  |  |  49,922  |
| **Total Expenditures** |  |  **$ 17,751,950**  |  |  **$ 15,020,180**  |  |  **$2,731,770**  |

Mike Valde, Environmental Protection Division, asked the Commission to approve the grants to counties for private well testing, abandonment, and rehabilitation. A total of 98 counties will each receive $15,000 in FY 2000. Marshall County did not request to participate. The Commission approved the request.

**Mike Valde asked the Commission to approve two changes to the Chapter 65.19(6)b.(1), Code of Iowa, regarding animal feeding operations. The first change allows a licensed confinement applicator to allow a part-time employee to apply manure without being licensed. The second change extends the date for approved manure management plans from December 31, 1999, to December 31, 2000. The Environmental Protection Division has 1,900 manure management plans to review and will not have them completed by December 31, 1999. The Commission approved both changes on an emergency basis.**

* **Larry Wilson, Deputy Director, discussed legislative proposals for FY 2001. Each proposal was discussed by the Commission. Approved topics included:**
* Inclusion of the word phosphorus with nitrogen when determining application rates of manure.
* Proposed changes for construction permits of animal feeding operations.
* Creation of the Environmental Protection Fund that would be funded from permit fees for services provided by the Department of Natural Resources.
* Required registration of persons conducting environmental audits.
* Allowing local landfill operators to determine when special disposal methods are necessary.
* Required inspection of private wells and sewage disposal systems prior to the sale of property.
* Creation of a State Environmental Policy Act that allows the Department of Natural Resources and the Department of Economic Development to offer information to developers from the geographic information system.
* Increasing the cap of Administrative Orders from $10,000 to $25,000 and to increase maximum penalties for water, air, and solid waste violations from $5,000 per day to $27,500 per day.
* Continuing the certification program for septage waste haulers.
* Requiring transfer stations and mobile transfer stations to pay solid waste tonnage fees.
* Including transfer stations and mobile transfer stations for local siting procedures.
* Increasing the appropriation to the Waste Tire Fund to $2,000,000.

**Next Meeting The next meeting will be January 18 in Des Moines.**

STAFF CONTACT: Deb Kozel (Ext. 16767)

* Loess Hills Interim Study Committee Holds Meeting



**Interim Meeting** The second meeting of the Loess Hills Interim Study Committee was held in Mineola on December 13. The meeting was co-chaired by Senator Steve King and Representative Clarence Hoffman. The following items were presented:

Maurice Welte, Loess Hills Alliance, gave an update on the activities completed by the various committees of the Loess Hills Alliance. The Economic Development Committee is in the planning stages for an Urban Conference to be held in December 1999. The Information and Education Committee has mailed its first newsletter to over 8,500 persons describing the activities of the Alliance. The Protection Committee is developing priority areas needing protection in the Loess Hills and that are eligible for conservation grants. The Stewardship Committee is developing a resource directory that has specific contacts for persons interested in the Loess Hills.

Sandra Washington, National Parks Service, presented an update on the Loess Hills Study that will be completed by the National Parks Service. The appropriations bill for the Department of the Interior includes $235,000 for the Loess Hills study. An individual has been hired to complete the study and the timetable for the study is 14 to 18 months. The first six months of the study will determine if the area is of national significance. The National Parks Service will work with the Department of Natural Resources and the Loess Hills Alliance to determine if the area is significant. This step is estimated to take six months to complete.

Shirley Frederiksen, Golden Hills Resource and Development, gave a brief overview of conservation easements. She explained that the Alliance needs a variety of tools to meet the various requirements of land preservation and conservation.

Thane Johnson, Legislative Service Bureau, discussed a bill draft that would be presented during the 2000 General Assembly. The draft included the creation of the Hungry Canyons Alliance that would be governed by a board of directors and that is separate from the Loess Hills Alliance. Both of the alliances would be under the direction of the Loess Hills Development and Conservation Authority. Members of the Hungry Canyons Alliance would include agriculture producers who own property in the Loess Hills. The members of the Study Committee approved the draft.

LSB STAFF CONTACT: Thane Johnson (Ext. 13048)

LSB STAFF MONITOR: Deb Kozel (Ext. 16767)

* LFB STAFF

**Staff Listing** Attached to this document is a complete listing of LFB staff and their committee assignments.

**L**

 **F**

 **B**

**New Staff Members** Russ Trimble has recently joined the staff. He will be staffing the Health and Human Rights Appropriations Subcommittee with Valerie Thacker. Beth Lenstra has recently rejoined the LFB staff and will be staffing the Justice System Appropriations Subcommittee with Dwayne Ferguson. Beth left the Fiscal Bureau in 1992 and was an Administrative Officer in the Fifth Judicial District Department of Correctional Services.



**New Assignments** Larry Sigel recently left the LFB staff and joined the Iowa School Board Association as Director of Financial Services. Mike Lipsman has been assigned to staff the Ways and Means Committees. Shawn Snyder will staff the Education Standing Committees (School Finance) and Ways and Means Committees (Property Tax Issues). Christina Schaefer has been reassigned from the Justice System Appropriations Subcommittee to the Administration and Regulation Subcommittee (with Ron Robinson).

STAFF CONTACT: Dennis Prouty (Ext. 13509)