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## BUDGET UNIT BRIEF – FY 2022

Fiscal Services Division

July 1, 2021



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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

## Prison Infrastructure Fund

### Fund Created

The Prison Infrastructure Fund is created under Iowa Code section [602.8108A](#) as a separate and distinct fund in the State treasury and cannot be appropriated by the General Assembly for any purpose. The State Treasurer is the custodian of the Fund and disburses the amounts contained in the Fund as directed by the Department of Corrections (DOC). The State Treasurer is authorized to invest the funds deposited in the Fund subject to any limitations contained in any applicable bond proceedings. Any amounts remaining in the Fund at the end of each fiscal year are transferred to the General Fund.

### Purpose — Prison Infrastructure Bonds

The purpose of the Fund is to provide funds to pay the principal, premium, and interest on prison infrastructure bonds issued by the Iowa Finance Authority (IFA) or the State Treasurer. Prison infrastructure bonds may be issued to fund the construction and equipping of a project or projects, the payment of interest on the bonds, the establishment of reserves to secure the bonds, the costs of issuance of the bonds, and other expenditures incidental to or necessary or convenient to carry out the bond issue. The DOC is authorized to pledge amounts in the Prison Infrastructure Fund as security for the payment of the principal, premium, and interest on the bonds.

The State Treasurer and the IFA are authorized to issue bonds to provide prison infrastructure financing. Bonds issued by the State Treasurer must be issued in accordance with the provisions of Iowa Code chapter [12A](#). In accordance with Iowa Code section [16.177](#), bonds issued by the IFA may only be issued to finance projects that have been approved for financing by the General Assembly. Prison infrastructure bonds issued by the IFA or the State Treasurer are only payable out of the moneys, assets, and revenues of the Fund.

Moneys in the Fund have priority and precedence for paying the principal, premium, and interest on bonds issued by the IFA. Any remaining moneys in the Fund are appropriated to the State Treasurer pursuant to Iowa Code section [12.80](#).

### Funding — Court Revenue

Funds deposited in the Prison Infrastructure Fund are fines, fees, costs, and forfeited bail collected by the clerks of the district court in criminal cases, including those collected for both scheduled and nonscheduled violations. In accordance with Iowa Code section [602.8108A\(1\)](#), the State Treasurer certifies to the Judicial Branch the annual amount of funds necessary to be remitted for deposit into the

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### More Information

State Treasurer of Iowa: [iowatreasurer.gov](http://iowatreasurer.gov)

Iowa Department of Corrections: [doc.iowa.gov](http://doc.iowa.gov)

Iowa Finance Authority: [iowafinanceauthority.gov](http://iowafinanceauthority.gov)

LSA Staff Contact: Isabel Waller (515.281.6561) [isabel.waller@legis.iowa.gov](mailto:isabel.waller@legis.iowa.gov)

Fund for that fiscal year. From FY 2018 to FY 2022, approximately \$15.0 million was deposited in the Fund annually.

**Related Statutes and Administrative Rules**

Iowa Code sections [12.80](#), [16.177](#), and [602.8108A](#)

**Budget Unit Number**

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