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## FISCAL TOPICS

Fiscal Services Division

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## Vertical Infrastructure Requirement Exemptions

The Rebuild Iowa Infrastructure Fund (RIIF) was created during the 1995 Legislative Session for the purpose of funding public infrastructure projects. The following year, the General Assembly required that all appropriations from the RIIF comply with the definition of vertical infrastructure established in Iowa Code section [8.57\(5\)\(c\)](#). Fiscal Year 1998 was the first year the requirement was in effect. Currently, the definition of “vertical infrastructure” includes:

- Land acquisition and construction
- Major renovation and major repair of buildings
- Routine, recurring maintenance
- All appurtenant structures
- Utilities
- Site development
- Recreational trails
- The Renewable Fuels Infrastructure Program
- Debt service payments on academic revenue bonds issued in accordance with Iowa Code chapter [262A](#) for capital projects of the Board of Regents

Over the years, the definition of vertical infrastructure has been amended several times. The following amendments to the definition have been adopted:

- The 2008 Infrastructure Appropriations Act removed funding for the completion of Part III of the Iowa Communications Network from the definition. (2008 Iowa Acts, chapter [1179](#))
- The 2011 Infrastructure Appropriations Act amended the definition to include debt services payments on academic revenue bonds for Board of Regents capital projects. (2011 Iowa Acts, chapter [133](#))
- The 2014 Infrastructure Appropriations Act amended the definition to include routine maintenance. Previously, the Iowa Code had explicitly excluded routine maintenance from the definition of vertical infrastructure. (2014 Iowa Acts, chapter [1136](#))
- The 2017 Infrastructure Appropriations Act amended the definition to include the Renewable Fuels Infrastructure Program. (2017 Iowa Acts, chapter [173](#))

Legislation that appropriates funds not in compliance with the definition of vertical infrastructure will include language that exempts the appropriation from the statutory definition. **Appendix A** shows total funding by fiscal year for projects that received an exemption from the definition of vertical infrastructure.

Since the definition has been in place, the percentage of appropriations that have received exemptions from the definition of vertical infrastructure has ranged from 14.5% to 98.9%, with an annual average of 46.2%. The percentage of appropriated dollars exempted has ranged from 35.7% to 48.7% in the four most recent fiscal years.

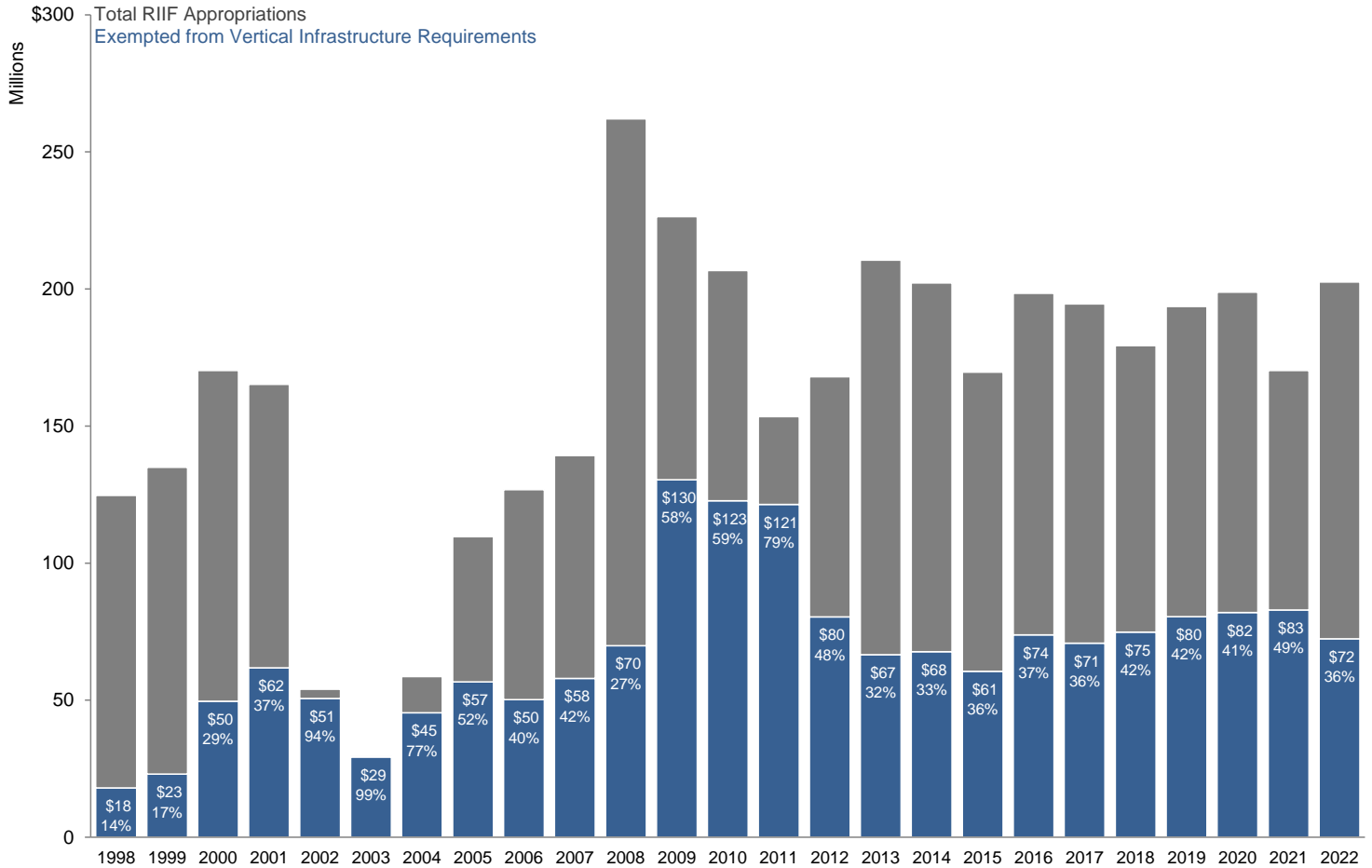
Appropriations that were exempted from the definition from FY 2017 to FY 2022 are included in **Appendix B**. In recent years, major exempted appropriations have included the Environment First Fund, Lake Restoration, the Technology Reinvestment Fund, and the Water Quality Initiative. These four-line items account for more than 78.0% of the total dollars that received an exemption from the definition of vertical infrastructure in FY 2022. Notably, the Technology Reinvestment Fund received funding from the General Fund in FY 2022 which decreased vertical infrastructure exemptions to their lowest share of the RIIF since FY 2015.

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### More Information

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## Appendix A – Rebuild Iowa Infrastructure Fund by Fiscal Year



Appendix B – Appropriations Exempted from Vertical Infrastructure Definition Requirements

		FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Grand Total
Administrative Services	Security Cameras	-	-	-	-	\$250,000	\$250,000	\$500,000
	Total	-	-	-	-	\$250,000	\$250,000	\$500,000
Agriculture and Land Stewardship	Ag Drainage Wells	\$1,920,000	\$1,875,000	\$1,875,000	-	-	-	\$5,670,000
	Water Quality Initiative	\$5,200,000	\$5,200,000	\$5,200,000	\$5,200,000	\$5,200,000	\$5,200,000	\$31,200,000
	Total	\$7,120,000	\$7,075,000	\$7,075,000	\$5,200,000	\$5,200,000	\$5,200,000	\$36,870,000
Cultural Affairs	Grout Museum - Korean War Project	\$250,000	\$250,000	-	-	-	-	\$500,000
	Harold 'Pie' Keller Monument	-	-	-	-	-	\$15,000	\$15,000
	Total	\$250,000	\$250,000	-	-	-	\$15,000	\$515,000
Economic Development	Junior Olympics	-	-	\$250,000	-	-	-	\$250,000
	Regional Sport Authority Districts	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	-	\$2,500,000
	Vacant Buildings Rehabilitation Fund	-	-	-	-	-	\$750,000	\$750,000
	World Food Prize/Ruan Borlaug Scholar	\$300,000	\$300,000	\$300,000	\$300,000	-	-	\$1,200,000
	Total	\$800,000	\$800,000	\$1,050,000	\$800,000	\$500,000	\$750,000	\$4,700,000
Education	ICN Part III & Maintenance & Leases	\$2,727,000	-	-	-	-	-	\$2,727,000
	IPTV Equipment Replacement	\$1,017,000	-	-	-	-	-	\$1,017,000
	Statewide Education Data Warehouse	\$363,839	-	-	-	-	-	\$363,839
	Total	\$4,107,839	-	-	-	-	-	\$4,107,839
Homeland Security	Mass Notif. & Emerg. Messag. Sys.	\$400,000	-	-	-	-	-	\$400,000
	School Safety, Flood Mitigation, Other Emerg.	-	-	-	-	-	\$2,500,000	\$2,500,000
	Total	\$400,000	-	-	-	-	\$2,500,000	\$2,900,000
Human Rights	Criminal Justice Info System Integration	\$1,345,000	-	-	-	-	-	\$1,345,000
	Justice Data Warehouse	\$117,980	-	-	-	-	-	\$117,980
	Total	\$1,462,980	-	-	-	-	-	\$1,462,980
Iowa Law Enforcement Academy	Law Enforcement Academy Furniture	-	-	-	-	\$280,000	-	\$280,000
	Total	-	-	-	-	\$280,000	-	\$280,000
Judicial Branch	County Courthouse Equip. and Furniture	-	-	-	\$193,620	\$211,455	\$2,522,990	\$2,928,065
	Polk County Justice Ctr. Furn. and Equip	-	-	\$1,464,705	-	-	-	\$1,464,705
	Total	-	-	\$1,464,705	\$193,620	\$211,455	\$2,522,990	\$4,392,770
Management	Electronic Grants Management System	\$50,000	-	-	-	-	-	\$50,000
	Environment First Fund	\$42,000,000	\$42,000,000	\$42,000,000	\$42,000,000	\$42,000,000	\$42,000,000	\$252,000,000
	Searchable Online Databases	\$45,000	-	-	-	-	-	\$45,000
	Technology Reinvestment Fund	-	\$10,000,000	\$14,400,000	\$18,069,975	\$18,550,000	-	\$61,019,975
	Total	\$42,095,000	\$52,000,000	\$56,400,000	\$60,069,975	\$60,550,000	\$42,000,000	\$313,114,975
Natural Resources	Buchanan County Park	-	-	-	-	-	\$150,000	\$150,000
	DNR Tree Replanting	-	-	-	-	-	\$250,000	\$250,000
	Lake Restoration and Dredging	\$9,600,000	\$9,600,000	\$9,600,000	\$9,600,000	\$8,600,000	\$9,600,000	\$56,600,000
	On-Stream Impoundment Fund	-	-	-	-	-	\$500,000	\$500,000
	Water Trails and Low Head Dam Repairs	\$1,000,000	-	\$500,000	\$500,000	\$250,000	\$1,000,000	\$3,250,000
	Total	\$10,600,000	\$9,600,000	\$10,100,000	\$10,100,000	\$8,850,000	\$11,500,000	\$60,750,000
Office of the Chief Information Officer	Broadband Improvements	-	-	\$1,300,000	-	-	-	\$1,300,000
	Total	-	-	\$1,300,000	-	-	-	\$1,300,000
Public Defense	Gold Star Museum	\$250,000	-	-	-	-	-	\$250,000
	Total	\$250,000	-	-	-	-	-	\$250,000
Public Health	M&CH Database Integration	\$500,000	-	-	-	-	-	\$500,000
	Statewide Safety Net Pharmacy	\$75,000	-	-	-	-	-	\$75,000
	Total	\$575,000	-	-	-	-	-	\$575,000
Public Safety	Ballistic Vests	-	-	-	-	\$467,500	-	\$467,500
	Bomb Suits	-	-	-	-	\$384,000	-	\$384,000

Appendix B – Appropriations Exempted from Vertical Infrastructure Definition Requirements

		FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Grand Total
Public Safety	DNA Data Marker	\$150,000	-	-	-	-	-	\$150,000
	DPS Equipment Fund	-	-	-	-	-	\$2,500,000	\$2,500,000
	Explosive Trace Detectors	-	-	-	\$29,000	-	-	\$29,000
	Iowa State Patrol Aircraft	-	-	-	-	\$1,713,170	-	\$1,713,170
	Lab Liquid Chromatograph	-	-	-	\$325,000	-	-	\$325,000
	Network Contract	-	\$4,143,687	\$1,351,666	\$3,719,355	\$3,960,945	\$4,114,482	\$17,290,135
	Tasers	-	-	\$740,000	-	-	-	\$740,000
	<b>Total</b>	<b>\$150,000</b>	<b>\$4,143,687</b>	<b>\$2,091,666</b>	<b>\$4,073,355</b>	<b>\$6,525,615</b>	<b>\$6,614,482</b>	<b>\$23,598,805</b>
Secretary of State	Voter Registration System Update	\$300,000	-	-	-	-	-	\$300,000
	<b>Total</b>	<b>\$300,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$300,000</b>
State Fair	State Historical Build. Relocation – Study	-	-	-	\$500,000	-	-	\$500,000
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$500,000</b>	<b>-</b>	<b>-</b>	<b>\$500,000</b>
Telecom and Tech Comm	ICN Equipment Replacement	\$1,150,000	-	-	-	-	-	\$1,150,000
	<b>Total</b>	<b>\$1,150,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$1,150,000</b>
Transportation	Railroad Revolving Loan & Grant Fund	\$1,500,000	\$1,000,000	\$1,000,000	\$1,000,000	\$500,000	\$1,000,000	\$6,000,000
	<b>Total</b>	<b>\$1,500,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$500,000</b>	<b>\$1,000,000</b>	<b>\$6,000,000</b>
<b>Grand Total</b>		<b>\$70,760,819</b>	<b>\$74,868,687</b>	<b>\$80,481,371</b>	<b>\$81,936,950</b>	<b>\$82,867,070</b>	<b>\$72,352,472</b>	<b>\$463,267,369</b>