
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” usually includes 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.”

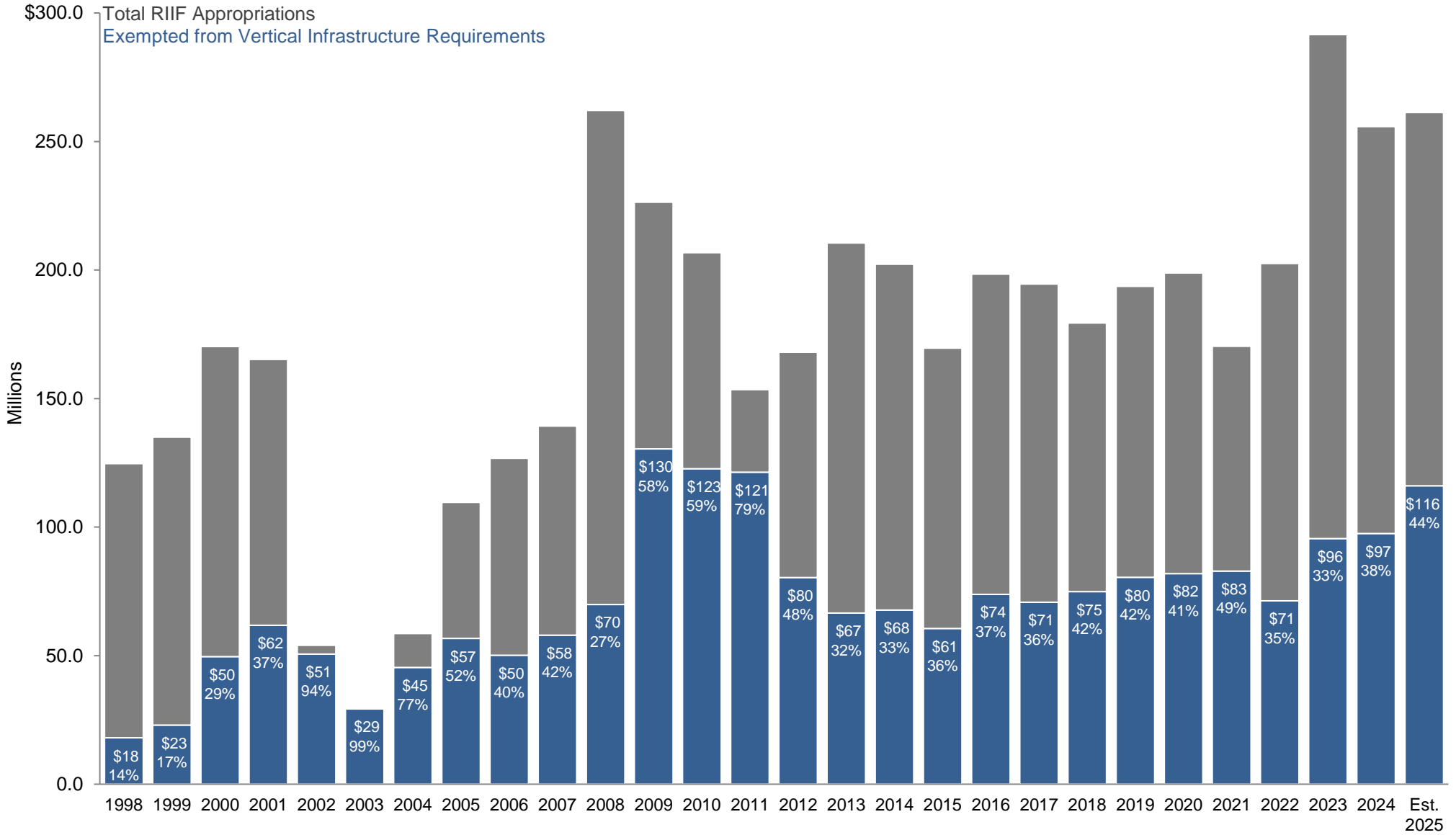
Since the definition has been in place, the percentage of appropriations that have received exemptions from the definition of “vertical infrastructure” has ranged from 14.5% to 98.9%, with an annual average of 45.3%. The percentage of appropriated dollars exempted has ranged from 32.8% to 44.4% in the four most recent fiscal years.

Appropriations that were exempted from the definition from FY 2021 through estimated FY 2025 are included in **Appendix B**. In recent years, major exempted appropriations have included the Environment First Fund, Lake Restoration, the Technology Reinvestment Fund, the Water Quality Initiative, Destination Iowa grants, and the Levee Improvement Fund. These six line items account for 87.0% of the total dollars that received an exemption from the definition of “vertical infrastructure” in estimated FY 2025.

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 2021	FY 2022	FY 2023	FY 2024	Estimated FY 2025	Grand Total
Administrative Services	Security Cameras	\$250,000	\$250,000	\$1,000,000	\$200,000	-	\$1,700,000
	Total	\$250,000	\$250,000	\$1,000,000	\$200,000	-	\$1,700,000
Agriculture and Land Stewardship	Fertilizer Management	-	-	\$1,000,000	\$1,000,000	\$1,000,000	\$3,000,000
	Water Quality Initiative	\$5,200,000	\$5,200,000	\$8,200,000	\$8,200,000	\$8,200,000	\$35,000,000
	Total	\$5,200,000	\$5,200,000	\$9,200,000	\$9,200,000	\$9,200,000	\$38,000,000
Corrections	Body Scanners	-	-	-	\$865,000	-	\$865,000
	Clarinda Kitchen Furnishings and Equip.	-	-	\$750,000	-	-	\$750,000
	Total	-	-	\$750,000	\$865,000	-	\$1,615,000
Cultural Affairs	Harold 'Pie' Keller Monument	-	\$15,000	-	-	-	\$15,000
	Total	-	\$15,000	-	-	-	\$15,000
Economic Development	Destination Iowa Grants	-	-	-	\$6,500,000	\$10,000,000	\$16,500,000
	Junior Olympics	-	-	\$150,000	-	-	\$150,000
	Regional Sport Authority Districts	\$500,000	-	\$500,000	\$700,000	\$700,000	\$2,400,000
	Vacant Buildings Rehabilitation Fund	-	\$750,000	\$1,000,000	-	-	\$1,750,000
	Total	\$500,000	\$750,000	\$1,650,000	\$7,200,000	\$10,700,000	\$20,800,000
Health and Human Services	Newborn Safety Device	-	-	-	\$15,000	-	\$15,000
	Total	-	-	-	\$15,000	-	\$15,000
Homeland Security	Flood Study	-	-	\$650,000	-	-	\$650,000
	Levee Improvement Fund	-	-	-	-	\$10,000,000	\$10,000,000
	School Safety, Flood Mitigation, Other Emerg.	-	\$2,500,000	-	-	-	\$2,500,000
	Total	-	\$2,500,000	\$650,000	-	\$10,000,000	\$13,150,000
Iowa Law Enforcement Academy	Law Enforcement Academy Furniture	\$280,000	-	-	-	-	\$280,000
	Total	\$280,000	-	-	-	-	\$280,000
Judicial Branch	County Courthouse Equip. and Furniture	\$211,455	\$2,522,990	\$624,518	-	-	\$3,358,963
	Dallas County Courthouse Renovation and Furniture	-	-	-	-	\$481,200	\$481,200
	Johnson County Courthouse Renovation and Furniture	-	-	-	-	\$111,000	\$111,000
	Total	\$211,455	\$2,522,990	\$624,518	-	\$592,200	\$3,951,163
Management	Environment First Fund	\$42,000,000	\$42,000,000	\$42,000,000	\$42,000,000	\$42,000,000	\$210,000,000
	Technology Reinvestment Fund	\$18,550,000	-	\$20,500,000	\$18,390,290	\$21,131,873	\$78,572,163
	Total	\$60,550,000	\$42,000,000	\$62,500,000	\$60,390,290	\$63,131,873	\$288,572,163
Natural Resources	Buchanan County Park	-	\$150,000	-	-	-	\$150,000
	Community Forestry Grant Program	-	\$250,000	\$250,000	\$250,000	\$250,000	\$1,000,000
	Lake Restoration and Dredging	\$8,600,000	\$9,600,000	\$9,600,000	\$9,600,000	\$9,600,000	\$47,000,000
	On-Stream Impoundment Fund	-	\$500,000	\$500,000	-	-	\$1,000,000
	Water Trails and Low Head Dam Repairs	\$250,000	-	-	-	\$1,500,000	\$1,750,000
	Total	\$8,850,000	\$10,500,000	\$10,350,000	\$9,850,000	\$11,350,000	\$50,900,000
Public Safety	Ballistic Vests	\$467,500	-	-	-	-	\$467,500
	Bomb Suits	\$384,000	-	-	-	-	\$384,000
	Iowa State Patrol Aircraft	\$1,713,170	-	-	-	-	\$1,713,170
	Network Contract	\$3,960,945	\$4,114,482	\$4,330,150	\$6,754,358	\$6,424,379	\$25,584,314
	Public Safety Equipment Fund	-	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$10,000,000
	Total	\$6,525,615	\$6,614,482	\$6,830,150	\$9,254,358	\$8,924,379	\$38,148,984
Transportation	Railroad Revolving Loan & Grant Fund	\$500,000	\$1,000,000	\$2,000,000	\$500,000	\$2,000,000	\$6,000,000
	Total	\$500,000	\$1,000,000	\$2,000,000	\$500,000	\$2,000,000	\$6,000,000
Veterans Affairs	Cemetery Equipment Replacement	-	-	-	-	\$168,388	\$168,388
	Total	-	-	-	-	\$168,388	\$168,388
Grand Total		\$82,867,070	\$71,352,472	\$95,554,668	\$97,474,648	\$116,066,840	\$463,315,698