

SF 453 Reinvention of Government Act - Legislative Services Agency Summary

ATTACHMENT M

Study/Action Item	Description	Specific Due Dates	Current Status/Information
Divisions I; VIII; IX; XII; and XV reports include information from the Public Strategies Group.			
Division I; Property and Machinery & Equipment Taxes	Senate File 453 (Reinvention of Government Act) made reductions equal to \$70.0 million, with funds added in SF 458 (FY 2004 Standings and Salary Act) for a net of \$60.0 million reduction.		The Public Strategies Group (PSG) has continued to hold meetings with counties, representatives of the Iowa State Association of Counties and League of Cities. Meetings have also been held with legislative leaders from both parties with the goal of developing a conference or summit on state and local government relationships, leading toward the creation of a framework for state and local relationships.
Division VIII: Local Government Leases	Permits local government leases with government-related authorities.		In the July monthly report to Oversight Committee, the PSG reported that meetings with the League of Cities have taken place.
Division IX: Local Government Innovation Fund	The Department of Management (DOM) establishes seven member Committee; \$1.0 million appropriated.		The Committee membership has not yet been named.
Division XII: Charter Agencies	Departments to be designated by the DOM.	By July 1, 2003	By Executive Order on July 1, 2003, Governor Vilsack designated the following Charter Agencies: Department of Revenue and Finance, Department of Human Services (DHS), Veterans Home, Alcoholic Beverages Division, Department of Corrections, Department of Natural Resources, and Department of Public Safety.
	Appropriation decrease or revenue increase from each department. Total of \$15.0 million. The DOM has not yet released the amount distinguishing appropriation decreases or revenue increases for each department.		DNR: \$200,000; Revenue: \$1,000,000; DPS: \$200,000; DOC: \$500,000; DHS: \$1,000,000; Veterans Home: \$1,300,000; Alcoholic Beverages Division: \$1,250,000; Lottery Authority: \$8,000,000; Use of the appropriation for the Charter Agency Grant Fund: \$1,550,000

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Division XII: Charter Agencies (continued)	<p>Section 139 of SF 458 amends the requirement for an appropriation decrease to include a contribution from the Lottery Authority of \$8.0 million to General Fund as part of the \$15.0 million.</p> <p>Waiver of various administrative rules action.</p>		<p>No actions yet taken on waiving rules. Charter Agencies are now identifying desired flexibilities for inclusion in their charters. Review will follow by the DOM.</p>
Division XV: Child Welfare Redesign	DHS Stakeholder Panel		<ol style="list-style-type: none"> 1. Stakeholder Panel meetings were held on May 28, June 26, July 31, and September 3. The next meeting is scheduled for September 25. 2. In June, a "listening phase" included eight public town meetings and eight DHS staff meetings in each service area, 25 focus group interviews, and 40 individual interviews. The information was provided to the Stakeholder Panel for use in the redesign. 3. A design lab was held on August 18 and 19 where a team of 16 individuals met to brainstorm regarding design ideas. The proposals developed by the design team were reviewed by the Stakeholder Panel and were also subject to public forums held via the ICN and in Des Moines on September 9. 4. Director Concannon has also appointed a Steering Committee to advise him on all aspects of the redesign and meetings were held on July 14, July 30, and September 5. The next meeting is scheduled for September 18.

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	Legislative Committee		House Members - Heaton, Boal, Foege Senate Members - Tinsman, Veenstra, Hatch The Legislative Council approved four meeting days. More members being added. The first meeting was held on August 18, and the second meeting is scheduled for September 24.
Division XV: Child Welfare Redesign (continued)	Implementation to begin in January 2004	Jan. 1, 2004	Director Concannon indicated at a Mental Health Commission meeting in June that there are no plans to reduce the number of contracts, or the monetary amounts of contracts, and that there may be a delay past January 1, 2004, for implementation. MAXIMUS consulting group has been retained to match additional federal funding, possibly negating any impact regarding the \$10.0 million reduction in State funds. The DHS has not specified plans for budget unit reductions.
	Federal Waiver/Plan Amendments necessary for implementation of changes.		No waivers requested in May or June.
	Appropriation Reduction Allocations necessary for \$10.0 million reduction.		The DHS has indicated that reduction allocations have not yet been determined.
	Training Appropriation of \$1.2 million		The DHS has not provided information regarding application and criteria process.
	Provider Loan Fund of \$1.0 million		The DHS has not provided information regarding application and criteria process.
Legislative Services Agency only			
Division II; Parking Tickets	Cities are permitted to increase parking ticket fine from previous limit of \$5.00.		Individual city action taking place. The League of Cities is putting together a survey. As information is received, it will be reported by the LSA.
Division III; Iowa Law Enforcement Academy (ILEA)	Permits the Academy to accept individuals not employed at the time as a law enforcement officer.		The current plan is not to hire any additional staff at this time due to the tight budget. Funds are not available for additional staff at this time. All the fall slots for classes are currently taken by already hired officers. The ILEA does not expect a vacancy until Spring 2004. Reviewed at the August Administrative Rules meeting.

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Division IV; Budget Protest	Increases the number of people required for a petition for a city budget protest to 100.		It may not be possible to determine the impact of this requirement.
Division V; TIF Reporting/New Form/every other year	Changing Tax Increment Financing reporting mechanism.		The DOM and the Legislative Services Agency have completed the changes.
Division VI: Municipal and County Infractions	Changes various penalties for various city and county infraction ordinances.		The Iowa League of Cities does not currently track city infractions.
Division VII: Electronic Transaction Fee; county recorders	Recorder transaction fee for electronic transaction development and maintenance.	Report due December 1, 2003.	Representatives from the Iowa County Recorders Association and the State Treasurer's office met on August 22 for preliminary discussions on development of a statewide web site. As the legislation states, the web site will provide electronic access to records and information recorded or filed by county recorders.
Division VII: Electronic Transaction Fee; county recorders (continued)			While the language in this Act is specific regarding how funds will be managed at the State level, it is not clear on how funds should be handled at the county level. Therefore, representatives from the Iowa State Association of Counties, the Iowa County Recorders Association, the State Auditor's Office, the State Treasurer's Office, and the Department of Management (DOM) collaborated and created a plan as to how the additional funds will be managed at the county level. The Department of Management (DOM) drafted a letter and flowchart outlining the process. The letter and flowchart were sent to county recorders, auditors, and treasurers in July.
Division X: DNR Study	Legislative Council Study Committee		Legislative Council approved two meeting days for this six member Committee.

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Division XI: Charge for Capital Assets/Regents Appropriation Reduction	Requires charges of \$1,720,000...will identify amounts assessed to departments. Amended in Section 138 of SF 458, reduced to \$900,000 of Department of Administrative Services (DAS) Rent Fund to the General Fund.		The DOM and Department of Administrative Services will be meeting to discuss how to apply the space lease charge to the appropriate agencies. This is in progress.
Division XI: Charge for Capital Assets/Regents Appropriation Reduction (continued)	Regents reductions distribution		Regents approved allocation reductions at June Board meeting with \$14.8 million (82.7%) of the \$17.9 million reduction coming from the three general university budget units.
Division XIII: Insurance Incentives	Permits the Department of Administrative Services to establish, with the approval of the Executive Council, an incentive program for State employees to encourage the reduction of health insurance costs for the fiscal year beginning July 1, 2003. Report to Oversight Committee Required	31-Dec-03	The Department of Administrative Services does not plan to establish the Program.
Division XIV: AEA Service Delivery Task Force	Department of Education (DE) Task Force		Governor vetoed this language indicating the DE will establish a task force for special education funding. The Department is in the planning stage and anticipates initiating the special education task force in September.
Division XVI: DHS Overall Appropriation Reduction	Appropriation Reduction of \$300,000 allocations before January 2004.	01-Jan-04	The DHS has not yet specified the budget units impacted by the reduction.
DHS Electronic Billing and Payment System	Study due by January 2004 for child care providers.	01-Jan-04	The DHS indicates an internal workgroup is reviewing options. A Request for Information (RFI) has been distributed to 26 potential vendors and a review of the information will take place in September and October for information technology determinations.

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	Plan done by June 30, 2005, for Medical Assistance providers	30-Jun-05	The DHS has not reported any action.
DHS Duplicative Mailings Efficiencies	Study due by January 2004.	01-Jan-04	The DHS has not provided study information.

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DHS Medicaid Program Redesign	Work group of insurance industry. Report due by January 15, 2004. Amended by Section 141 of SF 458 to add representation from the Medical Assistance Advisory Council to the work group.	15-Jan-04	The DHS has not reported any action.
Medicaid Appropriation Reduction	Legislative Action, reducing the appropriation by \$7.5 million.		Action already occurred.
Division XVI DHS Reductions (Continued) Hospital Trust Fund Appropriation Increase	Will track the total amount received for FY 2003 and the amount carried forward to FY 2004.		Will not know amounts of carryforward until October.
Institutions K-12 Funds	Provides K-12 funds to the four DHS insitutions which provide education to children.		The Department of Education and the DHS met regarding budget submittal and timeframes. Funding appears to be less than the original expectations due to the special education weightings assigned by the local Area Education Agency to the students served at the four DHS institutions. Total gained from the four institutions is \$334,371 in FY 2004 compared to the FY 2003 education budgets.
Pharmaceutical Settlement Account	Will track settlement and amounts. Funds to be used for DHS technology.		Two settlements thus far, \$182,000 and \$500,000. One additional settlement underway, possible settlement in November.
Division XVII: Reinvention Payments	\$5.0 million appropriated in Department of Administrative Services Appropriations Act; \$1.3 million in this Act.		On July 16, 2003, the DOM approved a payment of \$2.9 million to the PSG based upon a certified savings of \$5.7 million from reduced aid to local governments. In July PSG received \$800,000, with five additional payments of \$400,000 every two weeks and a final payment of \$50,000 the 11th week.

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Division XVIII: Iowa Lottery Authority	Formerly a Division of Department of Revenue and Finance created as separate Authority.		Revenue receipt action being followed.