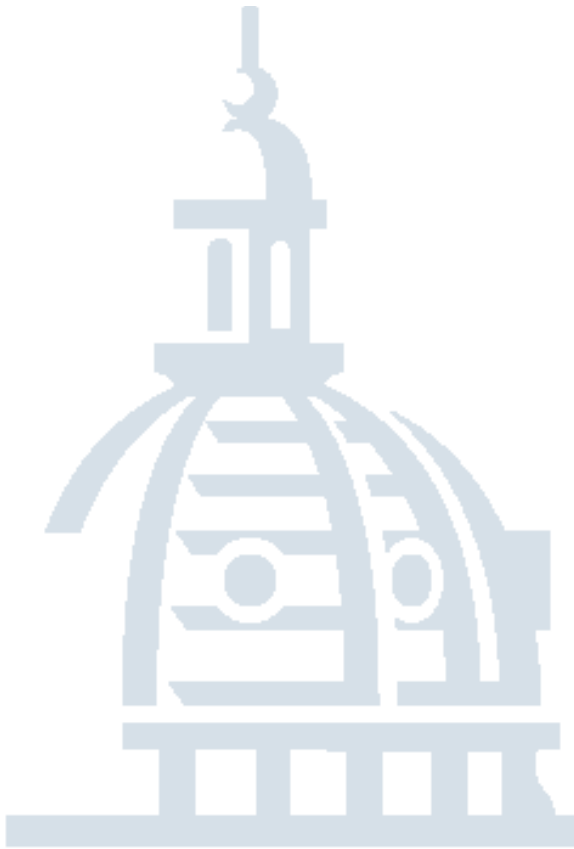


# Transportation, Infrastructure, and Capitals Appropriations Subcommittee

## Budget Overview and Governor's Recommendations

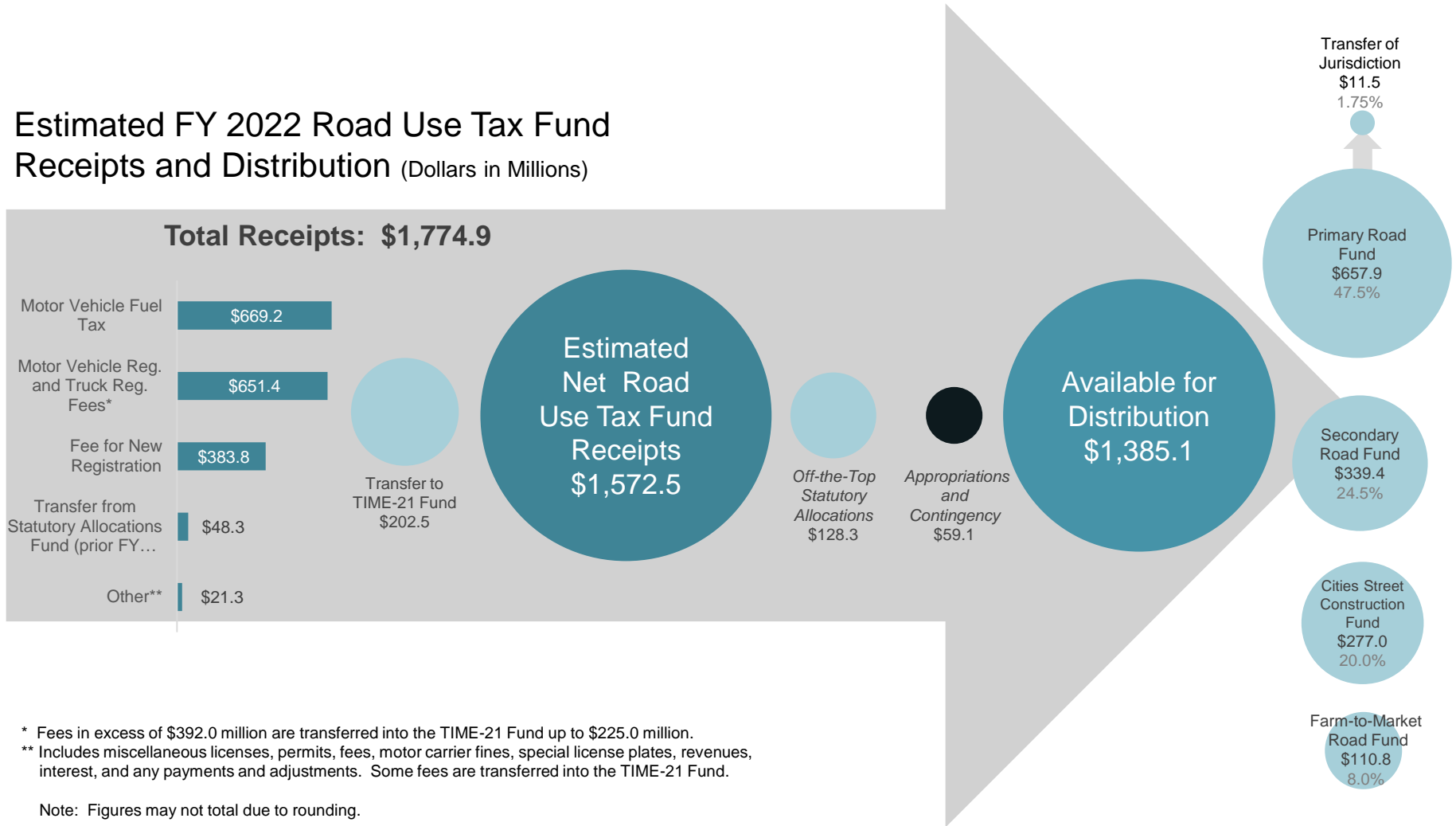


Legislative Services Agency, Fiscal Services Division  
January 19, 2022  
Adam Broich and Danielle Beavers

# Transportation Appropriations

2022 Legislative Session

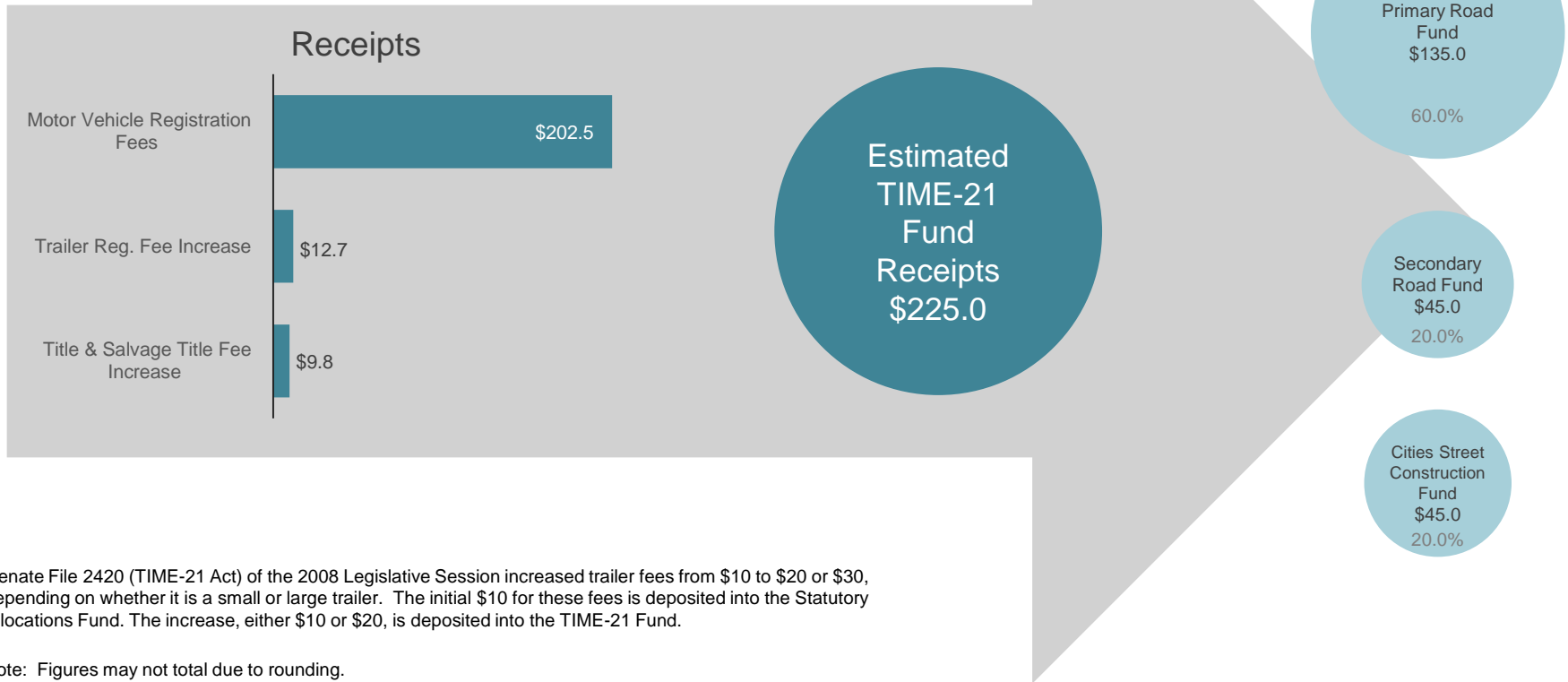
## Estimated FY 2022 Road Use Tax Fund Receipts and Distribution (Dollars in Millions)



# Transportation Appropriations

2022 Legislative Session

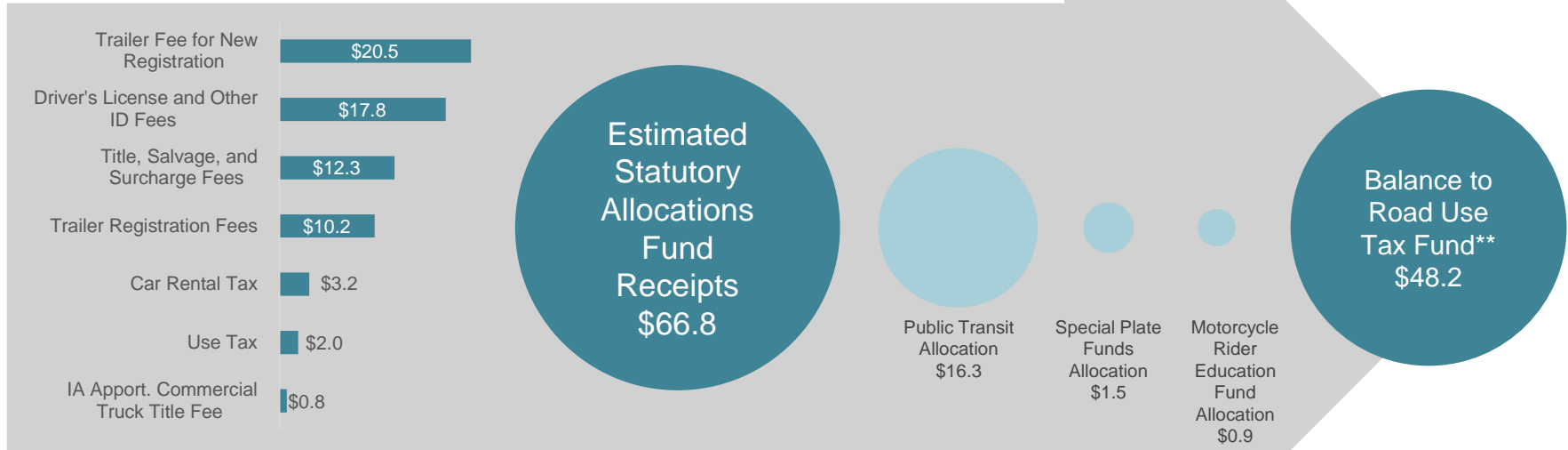
## Estimated FY 2022 TIME-21 Fund Receipts and Distribution (Dollars in Millions)



# Transportation Appropriations

2022 Legislative Session

## Estimated FY 2022 Statutory Allocations Fund Receipts and Distribution (Dollars in Millions)



\* Includes the tax on mobile homes, on manufactured homes, and on leased vehicles not subject to registration.

\*\* Due to accounting procedures, the balance of the Statutory Allocations Fund transfers to the Road Use Tax Fund in the next fiscal year.

Note: Figures may not total due to rounding.

# Transportation Appropriations

2022 Legislative Session

**Transportation Operations Consolidation** —The Governor has recommended a consolidation of eight appropriations into a singular appropriation, Transportation Operations. The consolidated appropriations include Administrative Services, Highway, Planning & Programming, and Strategic Performance.

## Governor's Budget Recommendations – FY 2023

	Actual FY 2021	Estimated FY 2022	Gov Rec FY 2023	Gov Rec FY 2023 vs FY 2022
<b>Administrative Services</b>				
Road Use Tax Fund	\$ 6,887,155	\$ 6,933,116	\$ 0	\$ -6,933,116
Primary Road Fund	42,306,807	42,589,140	0	-42,589,140
<b>Total Administrative Services</b>	<b>\$ 49,193,962</b>	<b>\$ 49,522,256</b>	<b>\$ 0</b>	<b>\$ -49,522,256</b>
<b>Highway</b>				
Road Use Tax Fund	\$ 10,858,490	\$ 11,271,725	\$ 0	\$ -11,271,725
Primary Road Fund	256,690,271	264,645,745	0	-264,645,745
<b>Total Highway</b>	<b>\$ 267,548,761</b>	<b>\$ 275,917,470</b>	<b>\$ 0</b>	<b>\$ -275,917,470</b>
<b>Motor Vehicles</b>				
Road Use Tax Fund	\$ 27,503,569	\$ 27,760,997	\$ 27,760,997	\$ 0
Primary Road Fund	1,351,138	1,161,169	1,161,169	0
<b>Total Motor Vehicles</b>	<b>\$ 28,854,707</b>	<b>\$ 28,922,166</b>	<b>\$ 28,922,166</b>	<b>\$ 0</b>
<b>Planning &amp; Programming</b>				
Road Use Tax Fund	\$ 458,035	\$ 467,986	\$ 0	\$ -467,986
Primary Road Fund	8,702,673	8,891,739	0	-8,891,739
<b>Total Planning &amp; Programming</b>	<b>\$ 9,160,708</b>	<b>\$ 9,359,725</b>	<b>\$ 0</b>	<b>\$ -9,359,725</b>
<b>Strategic Performance</b>				
Road Use Tax Fund	\$ 699,756	\$ 709,981	\$ 0	\$ -709,981
Primary Road Fund	4,298,498	4,361,311	0	-4,361,311
<b>Total Strategic Performance</b>	<b>\$ 4,998,254</b>	<b>\$ 5,071,292</b>	<b>\$ 0</b>	<b>\$ -5,071,292</b>
<b>Transportation Operations</b>				
Road Use Tax Fund	\$ 0	\$ 0	\$ 19,687,808	\$ 19,687,808
Primary Road Fund	0	0	324,562,935	324,562,935
<b>Total Transportation Operations</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 344,250,743</b>	<b>\$ 344,250,743</b>

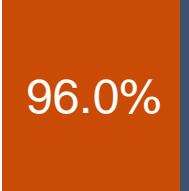
# Transportation Appropriations

2022 Legislative Session

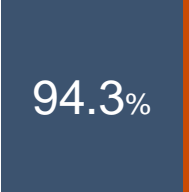
- Transportation Operations will still receive funding from both the Primary Road Fund and the Road Use Tax Fund, similar to how each line item received funding prior to the consolidation.
- Transportation Operations will continue to receive additional appropriated funds in the annual Infrastructure Bill, as the Planning, Programming, and Modal Division is included in the consolidation.



Motor Vehicle Division



Transportation Operations



# Transportation Appropriations

Appropriations by Type and Division (FY 2022 and FY 2023)

**89.7%**

Percentage of Total Appropriations for Operations (Gov. Rec.)

**\$13.2M**

Total increase to the Department of Transportation (Gov. Rec.)

**70.0%**

Approximate Percentage of Operations Appropriations Used for Salaries (Gov. Rec.)

	FY 2021	Gov Rec FY 2022	Gov Rec FY 2023
<b>Operations</b>	<b>\$ 359,756,392</b>	<b>\$ 368,792,909</b>	<b>\$ 373,172,909</b>
Highway	267,548,761	275,917,470	-
Administration	49,193,962	49,522,256	-
Motor Vehicle	28,854,707	28,922,166	28,922,166
Planning and Programming	9,160,708	9,359,725	-
Performance and Technology	4,998,254	5,071,292	-
Transportation Operations	-	-	344,250,743
<b>Special Purpose</b>	<b>25,777,472</b>	<b>22,918,094</b>	<b>28,196,023</b>
Inventory and Equipment	10,085,000	7,796,000	12,700,000
Worker's Comp (DAS)	4,255,230	3,493,044	3,641,832
Driver Licenses	3,876,000	3,876,000	3,876,000
DAS Services	2,344,651	2,772,114	2,898,197
Country Treasurer Support	1,406,000	1,406,000	1,406,000
Statewide Communication System	560,682	436,936	340,994
Other Special Purpose	3,249,909	3,138,000	3,333,000
<b>Capitals</b>	<b>15,287,000</b>	<b>11,200,000</b>	<b>14,700,000</b>
Ames Admin Building	11,287,000	-	-
Field Facility Deferred Maint.	1,700,000	-	-
Facility Major Maintenance	-	5,300,000	5,300,000
Facility Routine Maintenance	-	4,700,000	4,700,000
Other Capital	2,300,000	1,200,000	1,200,000
Electronic Records Management	-	-	3,500,000
<b>Total</b>	<b>\$ 400,820,864</b>	<b>\$ 402,911,003</b>	<b>\$ 416,068,932</b>

# Governor's Recommendations

2022 Legislative Session

## Changes for FY 2023

- **Transportation Operations: \$4.4 million** increase for a new consolidation of eight appropriations related to DOT administration and operations. The line items consolidated are Administrative Services, Highway, Planning & Programming, and Strategic Performance, from both the RUTF and the PRF. The current total in of the consolidated appropriation among the eight divisions is \$344.0 million. The increase is to fund additional full-time equivalent (FTE) positions, replace brine infrastructure, and purchase additional equipment.
- **Workers Compensation: \$149,000** increase in workers' compensation, which is administered by the Department of Administrative Services.
- **Administrative Services: \$126,000** for an increase in fees associated with the Office of the Chief Information Officer for information security.
- **Statewide Communications System: \$96,000** decrease due to shifting use of the system. Funding for the lease payment is shifting from the RUTF and PRF to the RIIF as other public safety organizations use the system.
- **Inventory and Equipment Replacement: \$4.9 million** increase to fund the purchase of additional equipment in order to reduce the replacement life of snowplows to 12 years, and to establish a shorter replacement life of heavy-duty equipment.



# Governor's Recommendations

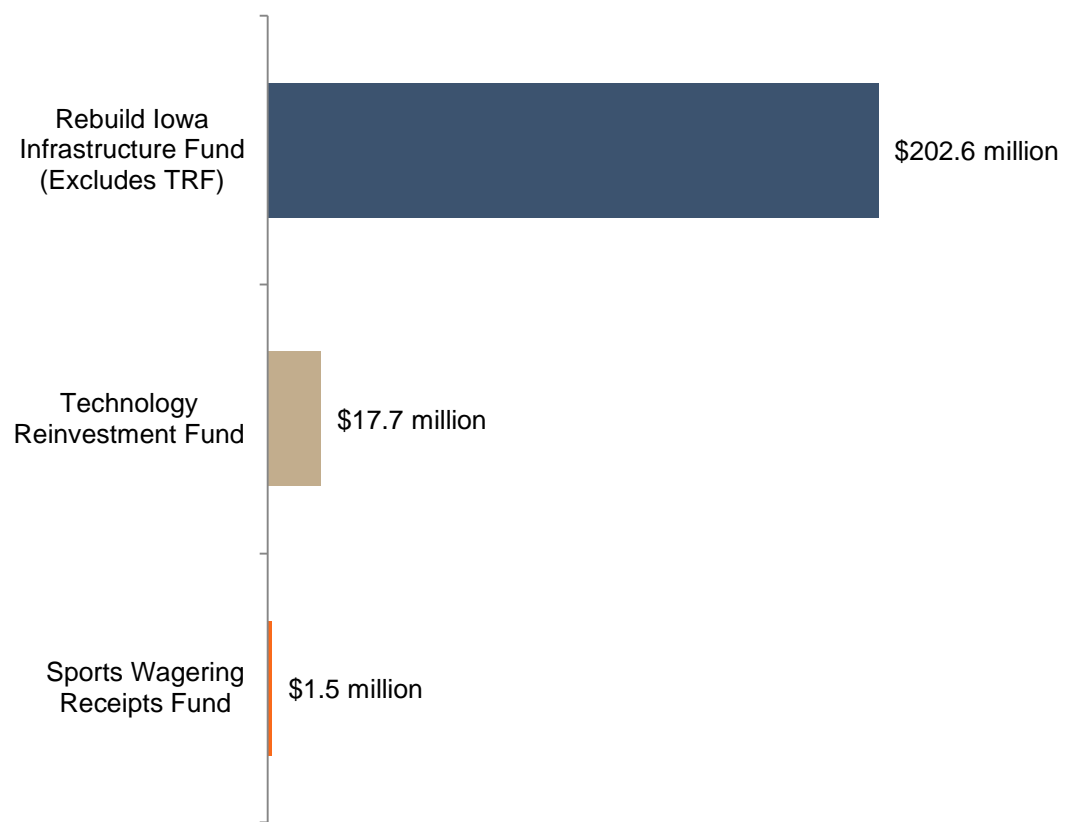
2022 Legislative Session

## Changes for FY 2023 Continued

- **Transportation Maps: \$195,000** increase to fund the appropriation for maps, which occurs every other year. Funding was last appropriated in FY 2021. Approximately 600,000 maps are expected to be printed this year.
- **Electronic Records Management: \$3.5 million** for a new appropriation to fund updates and improvements to the Electronic Records Management System, which is used extensively across the DOT for data such as record storage, driver's license information, and vehicle registration.

# Infrastructure Appropriations

## 2021 Legislative Session — Infrastructure Act by Fund (FY 2022)



The **Rebuild Iowa Infrastructure Fund** is intended to be expended on vertical infrastructure, which includes:

- Land acquisition and construction
- Major renovation and major repair of buildings
- Routine, recurring maintenance
- All appurtenant structures
- Utilities
- Site development
- Recreational trails
- Renewable fuel infrastructure programs
- Debt service payments on academic revenue bonds issued for capital projects at Board of Regents institutions

“Vertical infrastructure” does not include operational expenses or leasing of a building, appurtenant structure, or utility without a lease-purchase agreement.

Iowa Code section 8.57(5)(c)

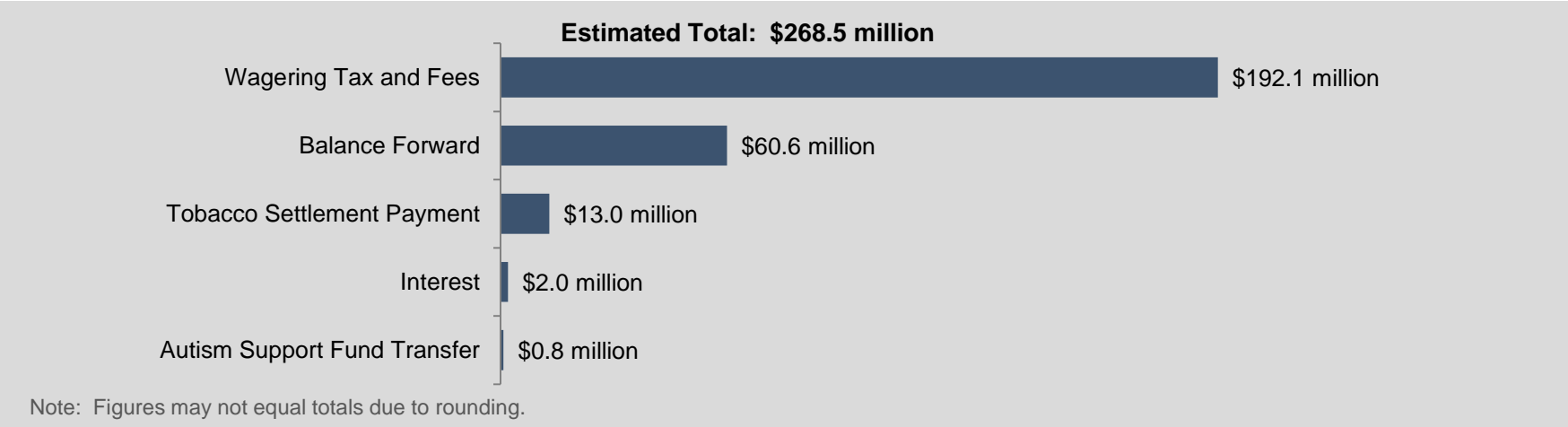
The **Technology Reinvestment Fund** may be expended on:

- The acquisition of computer hardware and software
- Software development
- Telecommunications equipment
- Maintenance and lease agreements associated with technology components
- Equipment intended to provide an uninterruptible power supply

Iowa Code section 8.57C(2)

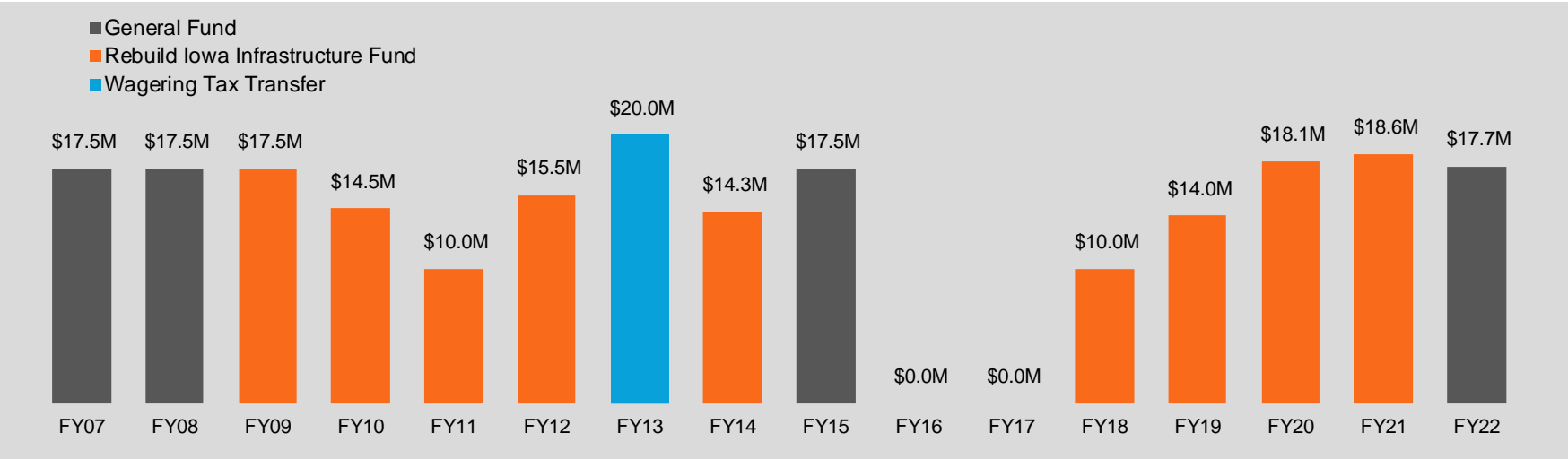
# Infrastructure Appropriations

## Rebuild Iowa Infrastructure Fund Resources (RIIF) — Estimated FY 2022



## Technology Reinvestment Fund (TRF) Resources

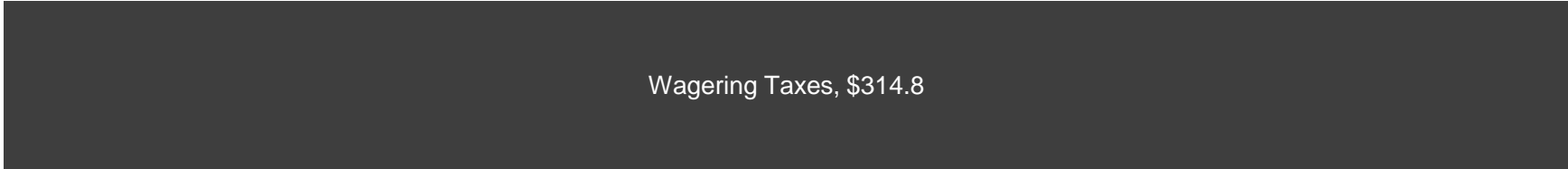
- \$17.5 million standing appropriation from the General Fund.
- This appropriation is often notwithstood. In other words, the General Assembly rescinds the appropriation for a single fiscal year and appropriates moneys to the TRF from other revenue sources.



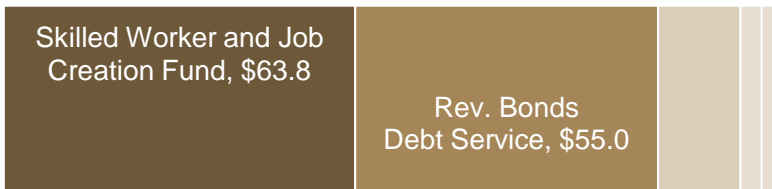
# Infrastructure Appropriations

Wagering Tax Distributions — Actual FY 2021 (in millions)

## Taxes Eligible for Distribution

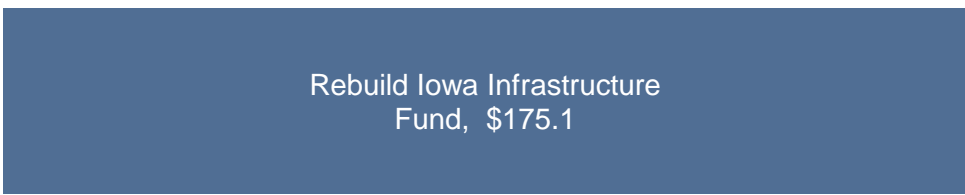


## Distributions to Debt Service and Other Funds



- Water Quality Infrastructure Fund \$15.0 million
- Federal Subsidy Holdback, \$3.75 million
- General Fund, \$2.25 million

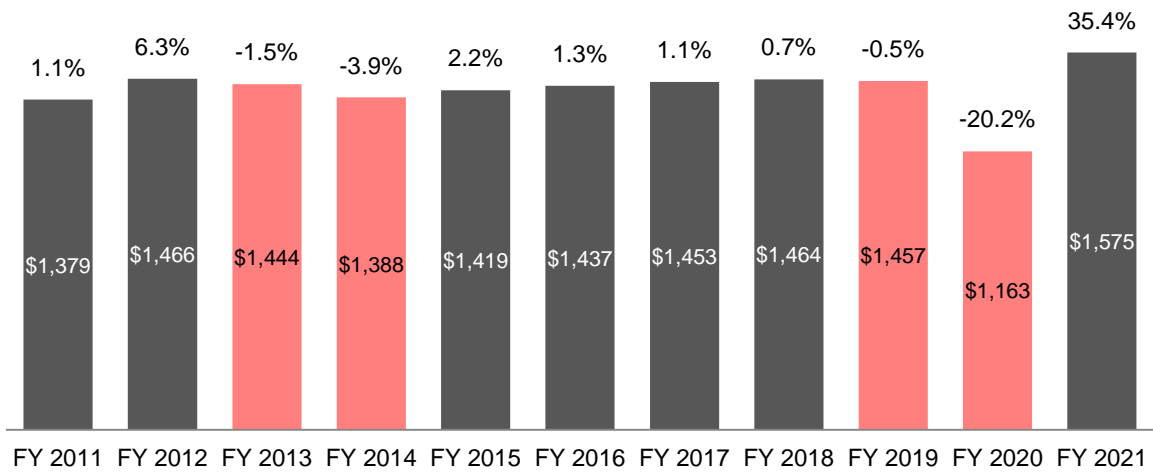
## Distribution to the Rebuild Iowa Infrastructure Fund



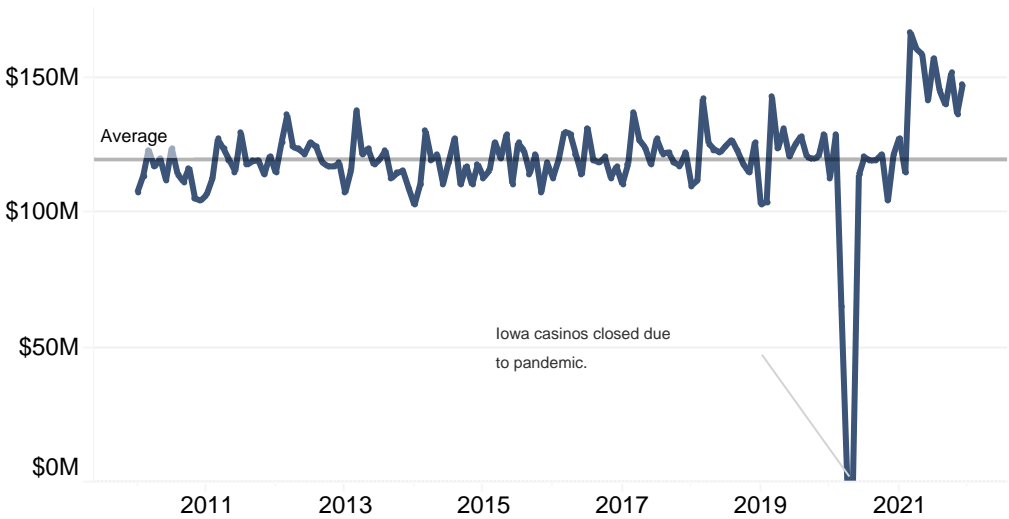
Note: Distributions to fund the Vision Iowa debt payment ended in FY 2020. After this date, \$15.0 million is distributed annually to the Water Quality Infrastructure Fund.

# Infrastructure Appropriations

Adjusted Gross Revenue by Year (in millions)



Adjusted Gross Revenue By Month



**19**  
Casinos in Iowa

**35.4%**  
Growth compared to FY 2021

**7.5%**  
Higher than the Second Place Year

# Infrastructure Appropriations

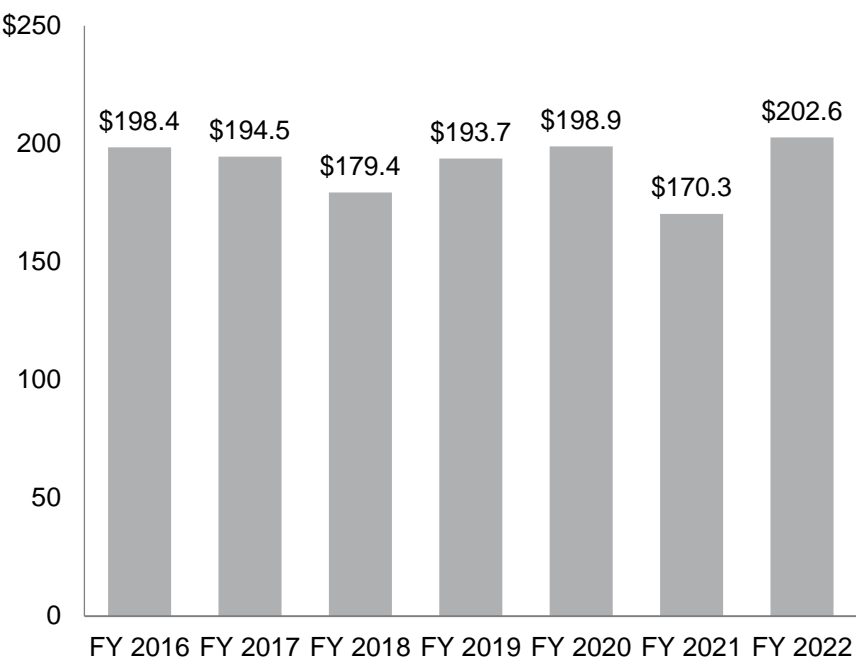
## Rebuild Iowa Infrastructure Fund — Appropriations

**\$1.337 Billion**  
RIIF Appropriations Since FY 2016

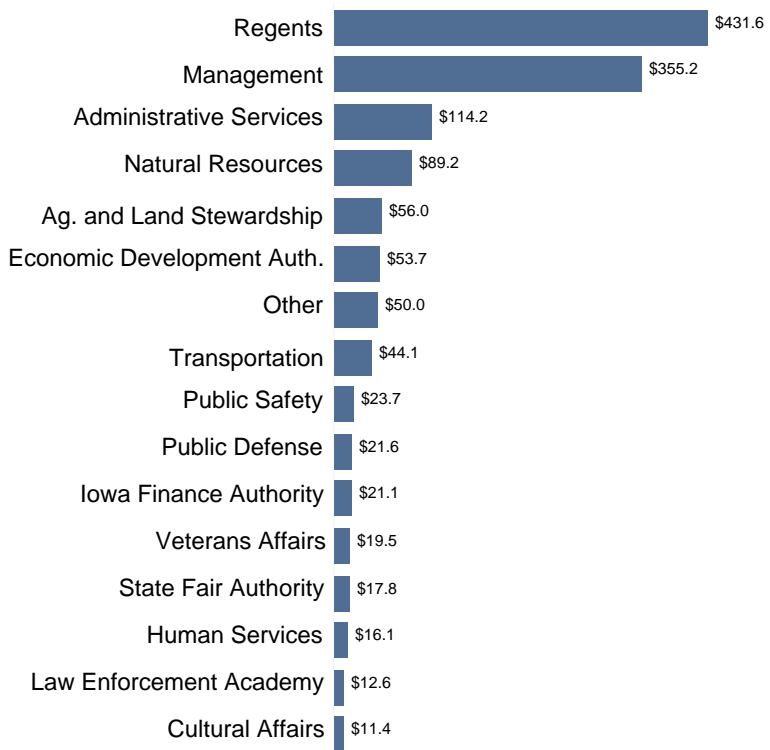
**\$191.1 million**  
Average Annual Appropriations from the RIIF

**28 Agencies**  
Have Received RIIF Funding Since FY 2016

**Total RIIF Appropriations by Year (in millions)**



**RIIF Appropriations by Agency (in millions)**



# Infrastructure Appropriations

Rebuild Iowa Infrastructure Fund  
 Governor's FY 2023 Recommendations by Fund

**\$268.6 million**  
 Total Appropriations from the RIIF

**\$20.5 million**  
 Appropriation from the RIIF  
 to the TRF

**\$273.1 million**  
 Available Funding for FY 2023

## Governor's RIIF Recommendations

	Estimated FY 2021	Gov. Rec. FY 2022	Gov. Rec. FY 2023
<b>Resources</b>			
Balance Forward	\$ 19,778,209	\$ 60,620,760	\$ 65,908,570
State Wagering Taxes and Fees	190,855,528	192,107,001	192,107,000
Interest	2,016,973	2,000,000	2,000,000
Tobacco Settlement	13,854,090	13,000,000	13,000,000
<b>Total Resources</b>	<b>\$ 226,504,800</b>	<b>\$ 267,727,761</b>	<b>\$ 273,015,570</b>
<b>Appropriations</b>			
Enacted Appropriations	\$ 170,292,036	\$ 110,125,000	\$ 115,100,000
New Recommendations	0	92,444,191	153,467,568
<b>Total Appropriations</b>	<b>\$ 170,292,036</b>	<b>\$ 202,569,191</b>	<b>\$ 268,567,568</b>
<b>Reversions</b>			
<b>Ending Balance</b>	<b>\$ 56,212,764</b>	<b>\$ 65,158,570</b>	<b>\$ 4,448,002</b>

# Infrastructure Appropriations

## Previously Enacted RIF Appropriations for FY 2023

**\$115.1 million**

Previously enacted and standing appropriations from the RIF for FY 2023

**\$47.5 million**

RIF standing appropriations

**\$67.7 million**

Other RIF appropriations that were enacted in prior legislative sessions

- Department of Management
  - \$42.0 million for the Environment First Fund (standing appropriation)
- Iowa Finance Authority
  - \$3.0 million for the State Housing Trust Fund (standing appropriation)
- Legislative Branch
  - \$1.3 million to replace gutters on the Iowa Capitol (standing approp.)
  - \$500,000 for State Capitol Building maintenance (standing approp.)
- Department of Administrative Services
  - \$20.0 million for major maintenance
  - \$2.0 million for routine maintenance
- Department of Corrections (DOC)
  - \$4.0 million to remodel the Clarinda Kitchen
- Economic Development Authority
  - \$1.0 million for two vacant building programs
- Homeland Security and Emergency Management
  - \$2.0 million for school safety, flood mitigation, and other emerg. serv.
- Board of Regents
  - \$2.0 million for the Iowa State University Student Innovation Center
  - \$12.5 million for the ISU Vet Laboratory
  - \$18.0 million for the UNI Industrial Tech Building
- Public Defense
  - \$1.9 million for the West Des Moines Armory



# Infrastructure Appropriations

## New RIIF and TRF Appropriations for FY 2023

**\$38.6 million**

New RIIF appropriations in FY 2023

**\$8.1 million**

FY 2023 recommendations to DOC and DHS that fund ongoing maintenance

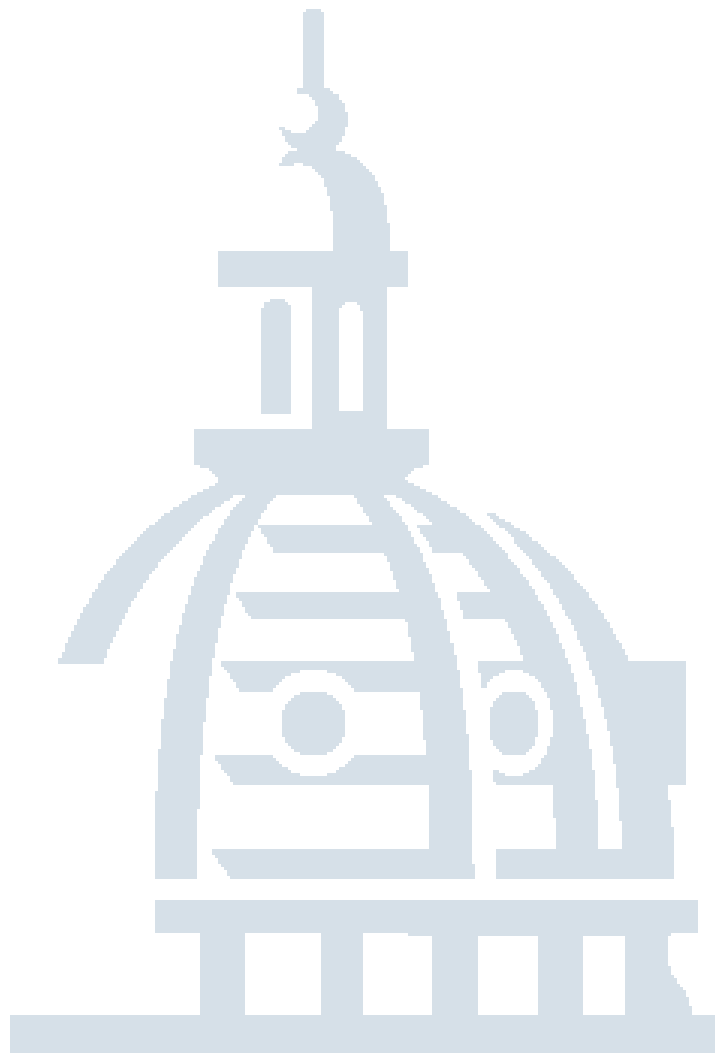
**\$4.6 million**

In new TRF recommendations

**\$3.4 million**

FY 2023 recommendations to DOC and IPBS that fund ongoing tech updates

- Rebuild Iowa Infrastructure Fund
- Agriculture and Land Stewardship
  - \$3.0 million for Fertilizer Management and Carbon Initiative
- Department of Corrections
  - \$750,000 for Clarinda furniture, fixtures, and equipment
- Economic Development Authority
  - \$5.0 million for the Carbon Ignition Fund
- Judicial Branch
  - \$165,000 for record storage at the Woodbury County Courthouse
- Board of Regents
  - \$2.8 million for Phase I to remodel the Pentacrest (\$28.0 million total)
  - \$15.7 million for Phase II of the Vet Diagnostic Lab (\$60.8 million total)
  - \$5.2 million to replace the HVAC in the ISD Girl's Dorm
- State Fair
  - \$6.0 million to renovate State Fair barns (\$12.0 million total)
- Technology Reinvestment Fund
- Department of Corrections
  - \$300,000 radio upgrades
- Department of Inspections and Appeals
  - \$760,000 for upgrades to three DIA systems
- Judicial Branch
  - \$650,000 for sound system improvement and phone upgrades
- Department of Public Safety
  - \$385,000 for body camera licensing



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