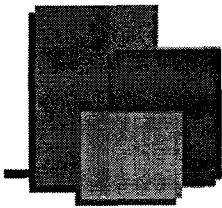


Legislative Fiscal Bureau

Analysis of the Governor's Revised FY 2002 Budget

**Administration & Regulation;
Agriculture & Natural Resources;
Economic Development; Education;
Health & Human Rights; Human Services;
Justice; Oversight & Communications;
Transportation, Infrastructure, & Capitals
Appropriations Subcommittees**

April 2, 2001



Legislative Fiscal Bureau

Analysis of the Governor's Revised FY 2002 Budget

**Administration and Regulation
Appropriations Subcommittee**

April 2, 2001

LFB Staff: Ron Robinson (1-6256) Christina Schaefer (1-7942)

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**ADMINISTRATION AND REGULATION
APPROPRIATIONS SUBCOMMITTEE**

***GOVERNOR'S REVISED
RECOMMENDATION - TOTAL
APPROPRIATIONS***

AUDITOR OF STATE

ETHICS AND CAMPAIGN
DISCLOSURE BOARD

DEPARTMENT OF COMMERCE

DEPARTMENT OF GENERAL
SERVICES

- The Governor is recommending \$88.5 million from the General Fund and 1,887.3 FTE positions for the Administration & Regulation Subcommittee for FY 2002. This is an increase of \$1.4 million and a decrease of 16.9 FTE positions compared to estimated net FY 2001.
- Decreases the appropriation to the Auditor by \$84,000 and no change in FTE positions compared to estimated net FY 2001 for a 6.0% general reduction.
- Decreases the appropriation to the Board of \$19,000 and no change in FTE positions compared to estimated net FY 2001 for a 3.6% general reduction.
- Increases the appropriation to the Department by \$316,000 and 5.0 FTE positions compared to estimated net FY 2001. The change, by division or program, include:
 - A decrease of \$97,000 and 2.0 in FTE positions compared to estimated net FY 2001 from the Alcoholic Beverages Division to reduce services, travel, and disconnect two toll free wats lines.
 - An increase of \$385,000 and a decrease of 3.0 FTE positions compared to estimate net FY 2001 in the Banking Division to reorganize personnel, implement a new pay plan, pay Attorney General costs, travel, training, and upgrades to the Internet database.
 - An increase of \$69,000 and no change in FTE positions compared to estimated net FY 2001 in the Credit Union Division to reorganize and reclassify existing staff and pay.
 - An increase of \$36,000 and no change in FTE positions compared to estimated net FY 2001 in the Insurance Division for increased building lease costs.
 - A decrease of \$52,000 and no change in FTE positions compared to estimated net FY 2001 from the Professional Licensing Division for decreased spending in support line items such as printing, binding, professional services, outside services, and out-of-State travel.
- Increases the appropriation from the Civil Penalties Fund to the Alcoholic Beverages Division of the Department of Commerce by \$25,000 for the Licensee Education Program.
- Decreases the appropriation to the Department by \$199,000 and 5.0 FTE positions compared to estimated net FY 2001. The change, by division or program, include:
 - A decrease of \$39,000 and no change in FTE positions compared to estimated net FY 2001 from the Utilities Division for reduced air-handling hours.
 - An increase of \$298,000 and no change in FTE positions compared to estimated net FY 2001 in the Rental Space Division for up-front costs to enter into less expensive leases.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**ADMINISTRATION AND REGULATION
APPROPRIATIONS SUBCOMMITTEE**

GENERAL SERVICES (CONT.)

- A decrease of \$321,000 and 5.0 FTE positions compared to estimated net FY 2001 from the Administration Division to eliminate temporary receptionists and possible elimination of contracts for micrographics.
- A decrease of \$135,000 and 1.0 FTE position compared to estimated net FY 2001 from the Property Management Division due to reallocation of resources.

OFFICE OF THE GOVERNOR

- Increases the appropriation to the Centralized Printing Division of the Department of General Services by \$23,000 from the Centralized Printing Revolving Fund for maintenance fees and software package upgrades.
- Decreases the appropriation to the Governor by \$91,000 and no change in FTE positions compared to estimated net FY 2001 due to a combination of selected reductions in supplies, outside services, travel, and salaries.

DEPARTMENT OF INSPECTIONS
AND APPEALS

- Decreases the appropriation to the Department of Inspections and Appeals by \$283,000 (2.7%) and increases 1.0 FTE position compared to estimated net FY 2001. The change, by division or program, include:
 - An increase of \$28,000 (5.9%) and no change in FTE positions to the Audits Division compared to estimated net FY 2001 for travel and related expenses to comply with federal regulations on audits of health care facilities and local Department of Human Services offices.
 - An increase of \$105,000 (4.3%) and 1.0 FTE positions to the Health Facilities Division compared to estimated net FY 2001 to survey non-Joint Commission on Accreditation of Health Care Organizations and the non-American Osteopathic Association accredited hospitals on a three-year cycle rather than the current four-year cycle, and to conduct complaint investigations at Joint Commission on Accreditation of Health Care Organizations and the American Osteopathic Association (JCAHO/AOA) accredited hospitals.
 - A decrease of \$417,000 (52.1%) and no change in FTE positions to the Foster Care Review Board compared to estimated net FY 2001 to make the State Citizen Foster Care Review Board an advisory board.
 - An increase of \$137,000 (9.2%) and no change in FTE positions to the Racing and Gaming Commission for Excursion Boat Gambling Regulation compared to estimated net FY 2001 to allocate more office staff expenses to Excursion Boats, to be billed to the Boats. The amount paid by the Pari-mutuel tracks will not change.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**ADMINISTRATION AND REGULATION
APPROPRIATIONS SUBCOMMITTEE**

**INSPECTIONS AND APPEALS
(CONT.)**

DEPARTMENT OF MANAGEMENT

DEPARTMENT OF PERSONNEL

- A decrease of \$137,000 (6.0%) and no change in FTE positions to the Racing and Gaming Commission for Pari-mutuel Gambling Regulation compared to estimated net FY 2001 to allocate more office staff expenses to Excursion Boats, to be billed to the Boats. The amount paid by the Pari-mutuel tracks will not change.
- Increases the appropriation to the Department by \$1.9 million and 1.0 FTE position compared to estimated net FY 2001. The change, by division or program, include:
 - An increase of \$1.8 million and no change in FTE positions compared to estimated net FY 2001 to repay the federal government for overcharging for technology services.
 - A decrease of \$48,000 and no change in FTE positions compared to estimated net FY 2001 to eliminate law enforcement training reimbursements. Local governments will pay reimbursements.
 - A decrease of \$71,000 and an increase of 1.0 FTE position compared to estimated net FY 2001 for a general reduction in line-item spending and to add a staff person for local government operations.
- Decreases the appropriation to the Department of Management by \$78,000 for the expenses of the Iowa 2010 Conference from the CLEAN Fund, Governor's Youth Conference, and Study on the Homeless.
- Increases the appropriation to the Department of Personnel by \$2.1 million (41.8%) and 3.0 FTE positions compared to estimated net FY 2001. The change, by division or program, include:
 - An increase of \$101,000 (5.3%) and no change in FTE positions to the Administration and Program Operations Division compared to estimated net FY 2001 to be used for the Workforce Planning Program.
 - An increase of \$256,000 (8.6%) and 3.0 FTE positions to the Customer Service and Benefits Management Division compared to estimated net FY 2001 to partner with departments providing recruitment and training services.
 - An increase of \$1.7 million to the Workers' Compensation Division compared to estimated net FY 2001 to increase the funds available for the payment of Workers' Compensation claims.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**ADMINISTRATION AND REGULATION
APPROPRIATIONS SUBCOMMITTEE**

**DEPARTMENT OF PERSONNEL –
IPERS DIVISION**

- Increases the appropriation to the Iowa Public Employees Retirement System from the Iowa Public Employees Retirement Trust Fund by \$292,000 (3.8%) and no change in FTE positions compared to estimated FY 2001. The changes include:
 - A decrease of \$150,000 due to the one-time FY 2001 funding for the Governor's Task Force on IPERS Structure and Governance Study.
 - A decrease of \$1.3 million and 11.0 FTE positions due to the FY 2001 appropriation being one-time funding to reengineer the IPERS information system. FY 2001 was identified as the second year of a two-year project.
 - A decrease of \$225,000 due to the FY 2001 appropriation being one-time funding for updated handbooks for IPERS members and employers. The handbooks are updated every two years.
 - A decrease of \$120,000 due to the FY 2001 appropriation being one-time funding to acquire a benefits estimator computer program. The FY 2001 appropriation was for \$150,000 and \$30,000 of that amount is for ongoing maintenance and licensing fees for the system.
 - A decrease of \$100,000 due to the FY 2001 appropriation of one-time funding to study methods of providing enhanced portability into and out of IPERS to allow State employees to transfer retirement funds into IPERS from a prior employer's plan or to transfer the employee's IPERS funds to a new employer's plan.
 - An increase of 2.0 FTE positions to continue to provide expanded disability for members employed in special occupation classes so that benefits will be comparable to the benefits members of the Municipal Fire and Police Retirement System of Iowa (MFPRSI) currently receive. IPERS was appropriated \$430,000 for the expanded benefits in FY 2001, and IPERS reallocated 2.0 FTE positions appropriated for reengineering the IPERS information system to provide the expanded benefits.
 - An increase of \$95,000 to provide once-a-year notice to IPERS members concerning the supplemental account deposit.
 - An increase of \$200,000 to upgrade computer and network systems.
 - An increase of \$187,000 to design and extend the IPERS parking and driveways to meet a new street to comply with business park covenants.
 - An increase of \$48,000 and 1.0 FTE position for a paralegal to support the Legal and Communications Unit.
 - An increase of \$50,000 and 1.0 FTE position for an Administrative Assistant for the Retirement

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**ADMINISTRATION AND REGULATION
APPROPRIATIONS SUBCOMMITTEE**

DEPARTMENT OF PERSONNEL –
IPERS DIVISION (CONT.)

DEPARTMENT OF REVENUE AND
FINANCE

Benefits Unit.

- An increase of \$179,000 and 2.0 FTE positions to continue work on the data-cleaning project and the completion of the restoration of historical wage detail to member data records.
- An increase of \$772,000 and 2.0 FTE positions to plan and design Internet services for employers.
- An increase of \$694,000 and 3.0 FTE positions to develop a records management plan and complete the first phase of converting paper documents to an electronic format.
- Decreases the appropriation to the Department of Revenue and Finance by \$1.5 million (5.2%) and 29.2 (5.8%) FTE positions compared to estimated net FY 2001. The change, by division or program, include:
 - Decreases the appropriation to the Compliance Division of the Department of Revenue and Finance by \$347,000 (3.0%) and 1.0 (0.6%) FTE position compared to estimated net FY 2001. The changes include:
 - An increase of \$291,000 and 9.0 FTE positions due to the reallocation of resources from the Internal Resources Management Division (\$218,000) and the State Financial Management Division (\$73,000).
 - An increase of \$151,000 to replace funding from the proposed fee to be collected for the administration of the Local Option Sales and Service Taxes.
 - A decrease of \$790,000 and 10.0 FTE positions due to a general reduction.
 - Decreases the appropriation to the Internal Resources Management Division by \$902,000 (13.3%) and 8.0 (9.5%) FTE position compared to estimated net FY 2001. The changes include:
 - A decrease of \$218,000 and 4.00 FTE positions due to the reallocation of resources to the Compliance Division.
 - An increase of \$61,000 to replace funding from the proposed fee to be collected for the administration of the Local Option Sales and Service Taxes.
 - A decrease of \$745,000 and 4.0 FTE positions due to a general reduction.
 - Decreases the appropriation to the State Financial Management Division by \$289,000 (2.5%) and 20.2 (8.0%) FTE position compared to estimated net FY 2001. The changes include:

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**ADMINISTRATION AND REGULATION
APPROPRIATIONS SUBCOMMITTEE**

DEPARTMENT OF REVENUE AND
FINANCE (CONT.)

- A decrease of \$73,000 and 5.0 FTE positions due to the reallocation of resources to the Compliance Division.
- An increase of \$188,000 to replace funding from the proposed fee to be collected for the administration of the Local Option Sales and Service Taxes.
- A decrease of \$404,000 and 15.2 FTE positions due to a general reduction.
- Decreases the appropriation for Collection Costs and Fees to the Department of Revenue and Finance by \$4,000 (6.0%) compared to estimated net FY 2001 due to a general reduction.

SECRETARY OF STATE

- Decreases the appropriation for Statewide Property Tax Administration to the Department of Revenue and Finance by \$5,000 (6.0%) compared to estimated net FY 2001 due to a general reduction.
- Decreases the appropriation to the Administration and Elections Division by \$14,000 and no change in FTE positions compared to estimated net FY 2001 due to a general reduction.
- Decreases the appropriation to Official Register by \$5,000 compared to estimated net FY 2001 to eliminate funding for printing and distribution.
- Decreases the appropriation to the Business Services Division by \$100,000 and no change in FTE positions compared to estimated net FY 2001. Savings are anticipated to result from on-line biennial corporate filings.

TREASURER OF STATE

- Decreases the appropriation to the Treasurer by \$250,000 and no change in FTE positions compared to estimated net FY 2001 due to the new administrative fee charged to College Savings Iowa participants.
- Decreases the appropriation to the Treasurer by \$59,000 and no change in FTE positions compared to estimated net FY 2001 due to a general reduction.

CHANGES TO CODE OF IOWA

- Amends Chapter 237, Code of Iowa, to make the State Citizen Foster Care Review Board an advisory board.
- Amends Chapters 7A.20, 18.86, 18.87, 18.88, 18.90, 18.91, Code of Iowa, to eliminate the printing, binding, and distribution of the Official Register by the Office of the Secretary of State.

Administration and Regulation

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Auditor of State					
Auditor of State - Gen. Office	\$ 1,399,414	\$ 1,399,414	\$ 1,315,449	\$ -83,965	<p>Gov. Analysis: 6% budget reduction.</p> <p>LFB Analysis: 88% of the Office's current budget is salaries. The reduction will impact FTE positions. The Office is allowed to add FTE's for their reimbursable audits.</p>
Ethics and Campaign Disclosure					
Ethics and Campaign Disclosure	\$ 515,505	\$ 528,505	\$ 496,795	\$ -18,710	<p>Gov. Analysis: The IECDB will maintain its commitment to assuring accurate information regarding campaign finance, executive branch ethics and executive branch lobbying, while reducing administration costs. The availability of data to the public may be slowed, hearings may be delayed and staff may be reduced. The IECDB will also continue to perform all statutorily required duties such as enforcing compliance with Campaign finance and disclosure laws.</p> <p>LFB Analysis: A decrease of 3.6% compared to estimated net FY 2001.</p>
Commerce Department of					
Administration	\$ 1,137,329	\$ 1,137,329	\$ 1,137,329	\$ 0	
License Fee Education-ABD	25,000	0	0	-25,000	LFB Analysis: Funding for licensee education will be paid for from the Civil Penalties Fund.
Alcoholic Beverages	\$ 1,610,057	\$ 1,610,057	\$ 1,513,454	\$ -96,603	Gov. Analysis: Reduce services; possible reassign 4 field investigators to rotating "office duty" thereby saving 25% of travel costs. Discontinue two toll free wats line for customers.
Banking Division	5,918,784	6,303,256	6,303,256	384,472	<p>LFB Analysis: A decrease of \$274,160 and 3.0 FTE positions due to the elimination of positions during reorganization.</p> <p>A decrease of \$180,001 due to the purchase of laptop computers by the Division in FY 2001. The laptops were a one-time expenditure.</p> <p>An increase of \$174,540 to implement a pay scale that will eliminate the option of granting extra duty pay.</p>

Administration and Regulation

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Commerce (cont.)					
Banking Division (cont.)					An increase of \$300,000 for travel, communication, Attorney General costs, and training.
					An increase of \$364,093 for maintenance and upgrades for the risk-focused examination procedure and the Internet database.
Credit Union Division	1,228,248	1,297,471	1,297,471	69,223	LFB Analysis: A decrease of \$24,438 for the Division to reclassify an Information Technology Specialist 3 to a Clerk Advanced position to reallocate funding into the implementation of a pay study. The study, conducted by the Department of Personnel, is designed to reduce the high employee turnover suffered by the Division and to eliminate extra pay.
					An increase of \$93,661 for the Division to implement a pay study conducted by the Department of Personnel and reclassifies a position from an Executive Officer 3 to Executive Officer 4.
Insurance Division	3,874,539	3,910,539	3,910,539	36,000	LFB Analysis: An increase of \$36,000 to pay for increased building lease costs.
Professional Licensing	870,544	870,544	818,311	-52,233	Gov. Analysis: Reductions in support budget items such as printing and binding, prof./sci. services, and in-state and out-of-state travel.
Utilities Division	6,034,571	6,034,571	6,034,571	0	
Total Commerce, Department of	\$ 20,699,072	\$ 21,163,767	\$ 21,014,931	\$ 315,859	
General Services, Dept. of					
Utilities	2,247,323	2,247,323	2,207,926	-39,397	Gov. Analysis: Change air handling hours from 12.5 to 10.0 per day and maintain 68 degrees in winter and 78 in summer.
Rental Space	1,028,898	1,483,799	1,326,799	297,901	Gov. Analysis: Delay some rental space changes and expansions.
					LFB Analysis: An increase for up-front costs to enter into less expensive leases.

Administration and Regulation

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
General Services (cont.)					
General Services Admin Serv	2,051,607	2,051,607	1,730,607	-321,000	Gov. Analysis: Internal reallocations and changes such as eliminating temporary receptions and contracting micrographic.
Terrace Hill Operations	259,191	259,191	259,191	0	LFB Analysis: Decreased amounts from contributors are expected from the Terrace Hill Foundation, therefore no decreases were made.
Capitol Planning Commission	1,284	0	0	-1,284	LFB Analysis: The decrease would eliminate funding for the expenses of the Commission. Members would no longer receive reimbursement.
General Services Property Mgmt	4,831,359	4,831,359	4,696,359	-135,000	Gov. Analysis: Implement internal changes such as restoration painting to Ola Babcock Miller project LFB Analysis: Partial reductions will be absorbed by the Ola Babcock Miller Fund and other revolving funds.
Total General Services, Dept. of	\$ 10,419,662	\$ 10,873,279	\$ 10,220,882	\$ -198,780	
Governor					
General Office	\$ 1,509,293	\$ 1,509,293	\$ 1,418,735	\$ -90,558	Gov. Analysis: Combination of selected cuts in supplies and outside services, travel, and salaries.
Terrace Hill Quarters	133,078	169,073	158,929	25,851	Gov. Analysis: See comments for General Office.
Admin Rules Coordinator	152,252	152,252	143,117	-9,135	Gov. Analysis: See comments for General Office.
Natl Governor's Association	68,800	74,500	70,030	1,230	Gov. Analysis: 6% cut could be absorbed elsewhere within Office.
State-Federal Relations	297,421	297,421	279,576	-17,845	Gov. Analysis: See comments for General Office.
Total Governor	\$ 2,160,844	\$ 2,202,539	\$ 2,070,387	\$ -90,457	

Administration and Regulation

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Inspections & Appeals, Dept of					
Inspections and Appeals					
Administration Division	\$ 573,427	\$ 573,427	\$ 573,427	\$ 0	LFB Analysis: This is no change compared to estimated net FY 2001.
Audits Division	480,567	508,938	508,938	28,371	LFB Analysis: An increase of \$28,371 (5.90%) and no change in FTE position compared to estimated net FY 2001 for travel and related expenses to comply with federal regulations on audits of health care facilities and local Department of Human Services offices.
Administrative Hearings Div.	514,668	514,668	514,668	0	LFB Analysis: This is no change compared to estimated net FY 2001.
Investigations Division	1,054,636	1,054,636	1,054,636	0	LFB Analysis: This is no change compared to estimated net FY 2001.
Health Facilities Division	2,473,611	2,579,075	2,579,075	105,464	LFB Analysis: An increase of \$105,464 (4.26%) and 1.00 FTE position compared to estimated net FY 2001 to survey non-Joint Commission on Accreditation of Health Care Organizations and the non-American Osteopathic Association accredited hospitals on a three-year cycle rather than the current four-year cycle, and to conduct complaint investigations at Joint Commission on Accreditation of Health Care Organizations and the American Osteopathic Association (JCAHO/AOA) accredited hospitals. A proposal has been made by the Department to increase the annual hospital license renewal fee from the current \$10 to \$1,000 to cover the cost of expanding the surveys and complaint investigations. The Department currently expends approximately \$198,000 to conduct the surveys which is paid for from the General Fund and is not covered by any fees.
Inspections Division	877,970	877,970	877,970	0	LFB Analysis: This is no change compared to estimated net FY 2001.

Administration and Regulation

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Inspections and Appeals (cont.)					
Employment Appeal Board	35,091	35,091	35,091	0	LFB Analysis: This is no change compared to estimated net FY 2001.
Foster Care Review Board	799,362	799,362	382,772	-416,590	Gov. Analysis: A 6% cut in the Inspect. & App. budget from FCRB. Total reduction in FCRB budget equals 53%. FCRB was created as a pilot program with the goal of expanding the program statewide. This goal has never been realized. Change Chap. 237 to make FCRB an advisory board and achieve savings thru functional changes and operational efficiencies. LFB Analysis: A decrease of \$416,590 (52.12%) and no change in FTE positions compared to estimated net FY 2001 to make the State Citizen Foster Care Review Board an advisory board. This requires the amendment of Chapter 237, <u>Code of Iowa</u> .
Total Inspections and Appeals	6,809,332	6,943,167	6,526,577	-282,755	
Racing Commission					
Excursion Boat Gambling Reg.	1,491,474	1,491,474	1,628,440	136,966	LFB Analysis: An increase of \$136,966 (9.18%) and no change in FTE positions compared to estimated net FY 2001 to allocate more office staff expenses to Excursion Boats, to be billed to the Boats. The amount paid by the Pari-mutuel tracks will not change.

Administration and Regulation

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Racing Commission (cont.)					
Pari-mutuel Regulation	2,282,778	2,282,778	2,145,812	-136,966	<p>Gov. Analysis: Change the current 50/50 split of salary costs for the D.M. office between the boats and the tracks. Change the split to 75/25 weighted towards the boats to account for the greater workload associated with administering 10 boats versus 3 tracks. DIA will bill the boats for the increased share of these costs as a part of the licensing/admission fee process currently in place.</p> <p>LFB Analysis: A decrease of \$136,966 (6.00%) and no change in FTE positions compared to estimated net FY 2001 to allocate more office staff expenses to Excursion Boats, to be billed to the Boats. The amount paid by the Pari-mutuel tracks will not change.</p>
Total Racing Commission	3,774,252	3,774,252	3,774,252	0	
Total Inspections & Appeals, Dept of	\$ 10,583,584	\$ 10,717,419	\$ 10,300,829	\$ -282,755	
Management, Department of					
Federal Overbilling	0	2,000,000	1,790,000	1,790,000	<p>Gov. Analysis: Require longer timeframe to correct overbilling issue.</p>
Statewide Property Tax Admin.	90,078	90,078	90,078	0	<p>Gov. Analysis: Eliminate funding for the Law Enforcement Training Reimbursement program. Dept. offered to cut in Oct. 1 budget.</p>
Law Enforcement Training	47,500	0	0	-47,500	<p>LFB Analysis: Eliminates law enforcement training reimbursements. Reimbursement will be paid by local governments.</p>
Salary Adjustment	133,800	133,800	133,800	0	<p>Gov. Analysis: 6% reduction in general funded appropriations (incl. General Office, Salary Admin., Property Tax, and CSG dues).</p>
General Office	2,361,258	2,361,258	2,290,358	-70,900	
Total Management, Department of	\$ 2,632,636	\$ 4,585,136	\$ 4,304,236	\$ 1,671,600	

Administration and Regulation

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Personnel, Department of					
IDOP-Admin. and Prog. Op.	1,916,895	2,294,695	2,017,695	100,800	<p>Gov. Analysis: Provides a program increase over current level for workforce planning.</p> <p>LFB Analysis: An increase of \$100,800 (5.26%) compared to estimated net FY 2001 to be used for the Workforce Planning Program. The recommendation also requires \$85,000 in agency billings. This is a decrease of \$47,000 (35.61%) in agency billings for the Workforce Planning Program compared to estimated net FY 2001.</p>
IDOP-Customer Services and Ben	2,967,385	3,289,585	3,223,585	256,200	<p>Gov. Analysis: Provides a program increase over current level for specialized recruitment and training.</p> <p>LFB Analysis: An increase of \$256,200 (8.63%) and 3.00 FTE positions compared to estimated net FY 2001. The recommendation also requires \$50,000 from the Department's Training Revolving Fund and \$195,000 from additional agency billings to partner with departments providing recruitment and training services.</p>
Institute for Public Leadership	40,000	40,000	40,000	0	
Worker's Compensation	0	1,800,000	1,700,000	1,700,000	<p>Gov. Analysis: Will still implement new Workers' Compensation program.</p> <p>LFB Analysis: A new recommendation of \$1,700,000 compared to estimated net FY 2001 to increase the funds available for the payment of Workers' Compensation claims. The Department anticipates the increased need for funds due to one-time expenses resulting from the expected retention of a third-party administrator. It is anticipated that the third-party administrator will attempt to settle claims to close open files that have open-ended liability. In FY 2001, all funding for the Workers' Compensation and Insurance Fund was placed with State agencies, which then pay insurance premiums into the Fund.</p>
Total Personnel, Department of	\$ 4,924,280	\$ 7,424,280	\$ 6,981,280	\$ 2,057,000	

Administration and Regulation

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Revenue and Finance, Dept. of					
Compliance	\$ 11,101,136	\$ 11,401,234	\$ 10,753,828	\$ -347,308	<p>Gov. Analysis: Reduce services. Improvements in audit selection and resolution processes will mitigate any reduction of staff.</p> <p>LFB Analysis: This is a decrease of \$347,308 (3.13%) and 0.95 (0.58%) FTE position compared to estimated net FY 2001. FY 2001 supplemental of \$142,236 has been added to estimated net FY 2001. The changes include:</p> <p>An increase of \$291,226 and 9.00 FTE positions due to the reallocation of resources from the Internal Resources Management Division (\$218,182) and the State Financial Management Division (\$73,044).</p> <p>An increase of \$151,108 to replace funding from the proposed fee to be collected for the administration of the Local Option Sales and Service Taxes.</p> <p>A decrease of \$789,642 and 9.95 FTE positions due to a general reduction.</p>
Internal Resources Management	6,787,886	6,630,511	5,885,391	-902,495	<p>Gov. Analysis: Planned improvements in software development and application will be delayed. Implementation of e-government strategies will continue however at a slower pace.</p> <p>LFB Analysis: This is a decrease of \$902,495 (13.30%) and 8.00 (9.50%) FTE position compared to estimated net FY 2001. The changes include:</p> <p>A decrease of \$218,182 and 4.00 FTE positions due to the reallocation of resources to the Compliance Division.</p> <p>An increase of \$60,807 to replace funding from the proposed fee to be collected for the administration of the Local Option Sales and Service Taxes.</p> <p>A decrease of \$745,120 and 4.00 FTE positions due to a general reduction.</p>

Administration and Regulation

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Revenue and Finance (Cont.)					
State Financial Management	11,806,260	11,921,301	11,517,347	-288,913	<p>Gov. Analysis: Reduce temporary help. Eliminate edit step in income tax processing. Collection of revenue will be adversely impacted.</p> <p>LFB Analysis: This is a decrease of \$288,913 (2.45%) and 20.23 (8.04%) FTE position compared to estimated net FY 2001. The changes include:</p> <p>A decrease of \$73,044 and 5.00 FTE positions due to the reallocation of resources to the Compliance Division.</p> <p>An increase of \$188,085 to replace funding from the proposed fee to be collected for the administration of the Local Option Sales and Service Taxes.</p> <p>A decrease of \$403,954 and 15.23 FTE positions due to a general reduction.</p>
Collection Costs and Fees	67,000	67,000	62,980	-4,020	<p>LFB Analysis: This is a decrease of \$4,020 (6.00%) compared to estimated net FY 2001 due to a general reduction. The appropriation is used to pay recording fees for the recording of tax liens.</p>
Statewide Property Tax	75,000	75,000	70,500	-4,500	<p>LFB Analysis: This is a decrease of \$4,500 (6.00%) compared to estimated net FY 2001 due to a general reduction. The appropriation is used for the salaries, support services, and equipment to administer and enforce the replacement tax and the statewide property tax.</p>
Total Revenue and Finance, Dept. of	\$ 29,837,282	\$ 30,095,046	\$ 28,290,046	\$ -1,547,236	

Administration and Regulation

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Secretary of State					
Iowa Official Register	\$ 5,000	\$ 50,000	\$ 0	\$ -5,000	<p>Gov. Analysis: The Secretary will no longer publish and mail the "Red Book."</p> <p>LFB Analysis: The Official Register, or "Red Book" will continue to be available on-line. Change to the <u>Code of Iowa</u> will be required. The decrease would eliminate funding for the Election Supplemental.</p>
Redistricting	25,000	25,000	25,000	0	<p>LFB Analysis: Funding for software purchases for decennial redistricting would not be available (approximately \$50,000).</p>
Administration and Elections	809,439	809,439	795,573	-13,866	<p>Gov. Analysis: In-state and out of state travel and other administrative costs will be reduced. The Secretary will maintain current voter registration and election services.</p>
Business Services	1,846,660	1,846,660	1,746,660	-100,000	<p>Gov. Analysis: Administrative overhead will be reduced. Technology will be utilized to provide more efficient and cost-effective services.</p> <p>LFB Analysis: The Division is in the process of implementing on-line filing procedures for biennial corporate filings thus reducing costs for paper, printing, postage, and temporary staff. Amount of savings contingent upon participation.</p>
Total Secretary of State	\$ 2,686,099	\$ 2,731,099	\$ 2,567,233	\$ -118,866	
Treasurer of State					
Treasurer - General Office	\$ 1,232,627	\$ 982,627	\$ 923,669	\$ -308,958	<p>Gov. Analysis: 6% reduction to budget.</p> <p>LFB Analysis: Savings of \$250,000 will result due the new administrative fee charged to the participants of College Savings Iowa. The remaining reduction of \$58,958 is a general reduction.</p>
Total Administration and Regulation	\$ 87,091,005	\$ 92,703,111	\$ 88,485,737	\$ 1,394,732	

Administration and Regulation

Non General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
<u>Commerce, Department of</u>					
Alcoholic Beverages					
Licensee Education	\$ 0	\$ 25,000	\$ 25,000	\$ 25,000	LFB Analysis: A decrease of \$25,000 (100.00%) compared to the estimated net FY 2001 to transfer funding source to the Civil Penalty Fund.
Department of Commerce					
Professional Licensing	62,317	62,317	62,317	0	
Total Commerce, Department of	\$ 62,317	\$ 87,317	\$ 87,317	\$ 25,000	
<u>General Services, Dept. of</u>					
Centralized Purchasing Divsn	\$ 1,036,522	\$ 1,059,022	\$ 1,059,022	\$ 22,500	LFB Analysis: An increase of \$22,500 (2.17%) and no change in FTE positions to pay for maintenance fees and software package upgrades.
Vehicle Dispatcher Division	847,776	847,776	847,776	0	LFB Analysis: No change compared to estimated
Central Print Division	1,098,927	1,098,927	1,098,927	0	LFB Analysis: No change compared to estimated
Total General Services, Dept. of	\$ 2,983,225	\$ 3,005,725	\$ 3,005,725	\$ 22,500	
<u>Inspections & Appeals, Dept of</u>					
Administrative Hearings Div.	\$ 1,150,421	\$ 1,150,421	\$ 1,150,421	\$ 0	LFB Analysis: This is no change compared to estimated net FY 2001. The Division hears cases arising out of licensing by the Iowa Department of Transportation.
<u>Management, Department of</u>					
General Office	\$ 56,000	\$ 56,000	\$ 56,000	\$ 0	
Youth Conference - Iowa 2010	939	0	0	-939	LFB Analysis: This is a decrease of \$79,615 (58.71%) from the C.L.E.A.N., Governor's Youth Conference, and Governor's Study on the Homeless Funds to pay for expenses of the Iowa 2010 Conference.
Study On Homeless - Iowa 2010	396	0	0	-396	
C.L.E.A.N. - Iowa 2010	78,280	0	0	-78,280	
Total Management, Department of	\$ 135,615	\$ 56,000	\$ 56,000	\$ -79,615	

Administration and Regulation

Non General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Personnel, Department of					
Personnel, Department of					
Health Insurance Reform Prog.	\$ 544,026	\$ 275,000	\$ 0	\$ -544,026	LFB Analysis: The Governor is recommending that support for the Group Insurance, Wellness, Deferred Compensation, and Return to Work Program no longer come from the Health Insurance Premium Reserve Fund.
Primary Road HR Bureau	410,100	410,100	410,100	0	LFB Analysis: This is no change compared to estimated net FY 2001.
Road Use Tax HR Bureau	66,760	66,760	66,760	0	LFB Analysis: This is no change compared to estimated net FY 2001.
Ready to Work Program	89,416			-89,416	LFB Analysis: The Program had been funded with \$44,708 from the Health Insurance Premium Reserve Fund and \$44,708 from the Workers' Compensation Trust Fund in FY 2001.
Total Personnel, Department of	1,110,302	751,860	476,860	-633,442	
IDOP - Retirement					
IPERS Administration	5,688,002	7,998,070	7,998,070	2,310,068	LFB Analysis: The Governor is recommending \$7,998,070 and 88.04 FTE positions from the Iowa Public Employees Retirement Trust Fund for FY 2002. This is an increase of \$291,627 (3.78%) and no change in FTE positions compared to estimated FY 2001. The changes include: A decrease of \$224,586 due to the FY 2001 appropriation being one-time funding for updated handbooks for IPERS members and employers. The handbooks are updated every two years.

Administration and Regulation

Non General Fund

	Estimated Net FY 2001 <u>(1)</u>	Gov. Rec. FY 2002 <u>(2)</u>	Revised Gov. FY 2002 <u>(3)</u>	Revised Gov. vs. FY 2001 <u>(4)</u>	<u>Analysis</u> <u>(5)</u>
Department of Personnel - IDOP Retirement (Cont.)					<p>LFB Analysis (cont'd): A decrease of \$120,000 due to the FY 2001 appropriation being one-time funding to acquire a benefits estimator computer program. The FY 2001 appropriation was for \$150,000 and \$30,000 of that amount is for ongoing maintenance and licensing fees for the system.</p> <p>An increase of \$430,411 and 2.00 FTE positions to continue to provide expanded disability for members employed in special occupation classes so that benefits will be comparable to the benefits members of the Municipal Fire and Police Retirement System of Iowa (MFPRSI) currently receive. IPERS received a separate appropriation of \$430,411 for the expanded benefits in FY 2001, and IPERS reallocated 2.00 FTE positions appropriated for reengineering the IPERS information system to provide the expanded benefits.</p> <p>An increase of \$94,650 to provide once-a-year notice to IPERS members concerning the supplemental account deposit.</p> <p>An increase of \$200,000 to upgrade computer and network systems.</p> <p>An increase of \$187,000 to design and extend the IPERS parking and driveways to meet a new street to comply with business park covenants.</p>

Administration and Regulation

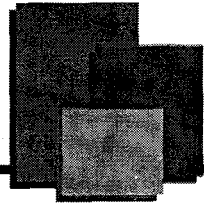
Non General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Department of Personnel - IDOP Retirement (Cont.)					<p>LFB Analysis (cont'd):</p> <p>An increase of \$48,262 and 1.00 FTE position for a paralegal to support the Legal and Communications Unit.</p> <p>An increase of \$49,855 and 1.00 FTE position for an Administrative Assistant for the Retirement Benefits Unit.</p> <p>An increase of \$178,607 and 2.00 FTE positions to continue work on the data-cleaning project and the completion of the restoration of historical wage detail to member data records.</p> <p>An increase of \$772,239 and 2.00 FTE positions to plan and design Internet services for employers.</p> <p>An increase of \$693,630 and 3.00 FTE positions to develop a records management plan and complete the first phase of converting paper documents to an electronic format.</p>
IPERS Management Inform System	1,338,030	0	0	-1,338,030	<p>A decrease of \$1,338,030 and 11.00 FTE positions due to the FY 2001 appropriation being one-time funding to reengineer the IPERS information system. FY 2001 was identified as the second year of a two-year project.</p>

Administration and Regulation

Non General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Department of Personnel (Cont.)					
IDOP - Retirement (Cont.)					
IPERS One Times - HF 2545	530,411	0	0	-530,411	<p>LFB Analysis (cont'd): A decrease of \$100,000 due to the FY 2001 appropriation of one-time funding to study methods of providing enhanced portability into and out of IPERS to allow State employees to transfer retirement funds into IPERS from a prior employer's plan or to transfer the employee's IPERS funds to a new employer's plan.</p> <p>A decrease of \$430,411 for the expenses relating to the enhanced disability provisions for IPERS' Public Safety members. The funding is being requested under the IPERS Administration General Office.</p>
IPERS Structure & Governance	150,000	0	0	-150,000	A decrease of \$150,000 due to the one-time FY 2001 funding for the Governor's Task Force on IPERS Structure and Governance Study.
Total IDOP - Retirement	7,706,443	7,998,070	7,998,070	291,627	
Total Personnel, Department of Revenue and Finance, Dept. of	\$ 8,816,745	\$ 8,749,930	\$ 8,474,930	\$ -341,815	
Revenue and Finance, Dept. of					
MVFT - Administration					
MVFT - Administration	\$ 1,017,849	\$ 1,017,849	\$ 1,017,849	\$ 0	LFB Analysis: This is no change compared to estimated net FY 2001.
Lottery Division					
Lottery Operations	8,443,058	8,443,058	8,443,058	0	LFB Analysis: This is no change compared to estimated net FY 2001.
Total Revenue and Finance, Dept. of	\$ 9,460,907	\$ 9,460,907	\$ 9,460,907	\$ 0	
Total Administration and Regulation	\$ 22,609,230	\$ 22,510,300	\$ 22,235,300	\$ -373,930	



LFB
Legislative Fiscal Bureau

Analysis of the Governor's Revised FY 2002 Budget

**Agriculture & Natural Resources
Appropriations Subcommittee**

April 2, 2001

LFB Staff: Deb Kozel (1-6767)

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**AGRICULTURE & NATURAL RESOURCES
APPROPRIATIONS SUBCOMMITTEE**

***GOVERNOR'S REVISED
RECOMMENDATION - TOTAL
APPROPRIATIONS***

**DEPARTMENT OF AGRICULTURE
AND LAND STEWARDSHIP**

- The Governor is recommending \$37.3 million from the General Fund and 1,512.56 FTE positions for the Agriculture & Natural Resources Subcommittee for FY 2002. This is a decrease of \$6.6 million and 4.6 FTE positions compared to estimated net FY 2001.
- Decreases the General Fund appropriation to the Administration Division by \$202,000 and 1.6 FTE positions compared to the estimated net FY 2001 appropriation. Changes include:
 - A decrease of \$115,000 and 1.6 FTE positions compared to estimated net FY 2001 due to the elimination of the Apiary Inspection Program. These positions are filled and will require a layoff.
 - A decrease of \$87,000 and no change in FTE positions compared to estimated net FY 2001 appropriation to eliminate the Livestock Market News Program.
 - Eliminates the FY 2002 Decision Package of \$66,000 and 1.0 FTE position to pursue marketing opportunities for Iowa-grown products.
- Decreases the General Fund appropriation to the Regulatory Division by \$42,000 and 1.0 FTE position compared to the estimated net FY 2001 appropriation for the elimination of a secretary position. This position is vacant.
- Decreases the General Fund appropriation to the Milk Fund Inspections Program by \$42,000 and 1.0 FTE position compared to the estimated net FY 2001 appropriation for the elimination of a secretary position. This position is vacant.
- Decreases the General Fund appropriation to the Laboratory Division by \$150,000 and 5.0 FTE positions compared to the estimated net FY 2001 appropriation for the elimination of the Gypsy Moth Program. These positions are vacant. This will reduce federal funds by \$7,000.
- Decreases the General Fund appropriation to the Soil Conservation Cost Share Program by \$5.5 million compared to the estimated net FY 2001 appropriation. Funding will be replaced from the Environment First Fund.
- Increases the General Fund appropriation to the Soil Conservation Division by \$141,000 and a decrease of 2.0 FTE positions compared to the estimated net FY 2001 appropriation. Changes include:
 - A deappropriation of \$550,000 to the estimated FY 2001 appropriation as specified in SF 267 (Deappropriations Act).
 - A decrease of \$165,000 to eliminate a contract for soil surveys.
 - A decrease of \$200,000 to reduce reimbursements to Soil Conservation Commissioners.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**AGRICULTURE & NATURAL RESOURCES
APPROPRIATIONS SUBCOMMITTEE**

DEPARTMENT OF AGRICULTURE
AND LAND STEWARDSHIP
(CONT'D.)

- A decrease of \$44,000 and 2.0 FTE positions in the Mines and Mineral Bureau. One position was funded with federal funds and the other with General Fund money. These positions require layoffs.

DEPARTMENT OF NATURAL
RESOURCES

- Eliminates the FY 2002 Decision Package of \$135,000 and 3.0 FTE positions for additional staffing at State Parks.
- Decreases General Fund appropriation to the Forest and Prairies Division by \$50,000 and no change in FTE positions compared to the estimated net FY 2001 appropriation for reduced maintenance activities in State Forests.
- Decreases General Fund appropriation to the Environmental Protection Division by \$200,000. Increase of 11.0 FTE positions compared to the estimated net FY 2001 appropriation. Changes include:
 - A decrease of \$200,000 for administering Confined Animal Feeding regulations. Funds will be replaced with \$200,000 from the Manure Storage Indemnity Fund. The estimated FY 2001 carry-forward balance for the Manure Storage Indemnity Fund is \$460,000.
 - No change in funding and an increase of 5.0 FTE positions for the Total Maximum Daily Load Program. Funding will be from the Environment First Fund.
 - An increase of 3.0 FTE positions for the federal Comprehensive Planning Process Program. Funding is from federal funds.
 - An increase of 1.0 FTE position for the Volunteer Coordinator positions for expansion of the Keepers of the Land Program. Funding is from the Environment First Fund.
 - An increase of 2.0 FTE positions for the Septic Tank Revolving Loan Fund. Funding is from the Environment First Fund.
- An increase of 2.0 FTE positions compared to the estimated net FY 2001 appropriation for the Private Land Access Program. Funding is from the Fish and Game Protection Fund.

Ag. and Natural Resources

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Agriculture & Land Stewardship					
Agriculture & Land Stewardship					
Administrative Division	\$ 2,511,256	\$ 2,576,966	\$ 2,309,560	\$ -201,696	<p>Gov. Analysis: No additional funding to establish mktg. opportunities for processed food & feed of IA origin. Elimination of Apiary Inspections & coverage of Livestock Mkt news.</p> <p>LFB Analysis: Eliminates the Apiary Inspection Program of bees. This will reduce the General Fund by \$115,257 and 1.55 FTE positions. These positions are filled and will require a layoff. Reduces the General Fund allocation to the Livestock Market News Program by \$86,439. Eliminates FY 2002 General Fund decision package of \$65,710 and 1.00 FTE position to pursue marketing opportunities for Iowa-grown processed food, feed and other items.</p>
Farmer's Market Coupon Program	304,680	418,970	304,680	0	<p>Gov. Analysis: No state funding for a pilot Farmer's Market Coupon Program for Seniors might impact federal funding.</p> <p>LFB Analysis: Eliminates FY 2002 General Fund decision package for \$114,290 to provide elderly Iowa citizens with Farmer's Market coupons.</p>
Regulatory Division	4,488,250	4,672,465	4,446,344	-41,906	<p>Gov. Analysis: Elimination of 2 Sec. 2 positions both unfilled. One in Weights & Measures Bureau and other one provides support to the Division Administrator.</p> <p>LFB Analysis: Eliminates 1.00 FTE position for a General Fund reduction of \$41,906. This position is vacant.</p>
Milk Fund Inspections	719,871	719,871	677,829	-42,042	<p>Gov. Analysis: Reduction in Milk Dairy Inspections.</p> <p>LFB Analysis: Eliminates 1.00 FTE position for a General Fund reduction of \$42,042. This position is vacant.</p>
Laboratory Division	3,769,638	3,769,638	3,619,638	-150,000	<p>Gov. Analysis: Elimination of Gypsy Moth Program resulting in a potential infiltration of gypsy moths impacting Iowa's Oak trees.</p>

Ag. and Natural Resources

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Agriculture & Land Stewardship (contd.)					
International Relations	20,151	20,151	20,151	0	
Pseudorabies Eradication	900,700	900,700	900,700	0	
Total Agriculture & Land Stewardshi	12,714,546	13,078,761	12,278,902	-435,644	
Ag. - Soil Conservation					
Soil Consv Cost Share-01	5,500,850	0	0	-5,500,850	Gov. Analysis: Eliminate General Fund appropriaton Soil Conservation Cost Share and provide funding from the Environment First Fund. LFB Analysis: Moves funding from to Soil Conservaton Cost Share from General Fund to the Environment First Fund.
Soil Consv Division Ops	6,627,875	7,177,875	6,768,803	140,928	Gov. Analysis: Elimination of soil survey, Mines & Minerals Regulatory services and reduced operational cost for Commissioners. LFB Analysis: Reduced the Estimated FY 2001 appropriation by \$550,000 in SF 267 (Deappropriations Act). Eliminates General Fund contract of \$165,000 for soil surveys. Eliminates \$44,072 and 1.00 FTE position for an Environmental Specialist in the Mines and Minerals Bureau. This position is filled and will require a layoff. Reduces General Fund expenditures of \$200,000 to reimburse the Soil Commissioners.
Total Ag. - Soil Conservation	12,128,725	7,177,875	6,768,803	-5,359,922	
Total Agriculture & Land Steward.	\$ 24,843,271	\$ 20,256,636	\$ 19,047,705	\$ -5,795,566	

Ag. and Natural Resources

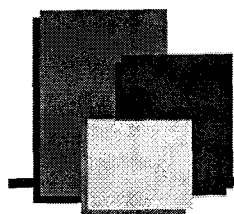
General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Natural Resources, Department of					
Natural Resources Dept. Ops.	\$ 73,606	\$ 73,606	\$ 73,606	\$ 0	
Admin Services Division	2,252,531	2,252,531	2,252,531	0	
Parks & Preserves Division	6,483,100	6,618,100	6,483,100	0	Gov. Analysis: \$135,000 reduction by not providing full time staffing to Stone, Makoqueta Caves, and Bellevue State Parks.
Forestry Division	1,815,460	1,815,460	1,765,460	-50,000	LFB Analysis: Eliminates FY 2002 decision package for \$135,000 and 3.00 FTE positions from the General Fund for additional staffing at three State Parks. Gov. Analysis: \$50,000 reduction resulting in reduced recreational opportunities in some state forests. LFB Analysis: Reduces maintenance activities in the State Forests by \$50,000.
Energy & Geology Division	2,004,683	2,004,683	2,004,683	0	
Environ. Protection Division	5,212,753	5,512,753	5,012,753	-200,000	Gov. Analysis: \$300,000 reduction for funding the Total Maximum Daily Load Program (TMDL). Code change of {Chapter 455J.2(3)} to allow use of \$200,000 from Manure Storage Indemnity Fund for administering Confined Animal Feeding regulations. LFB Analysis: Moves the FY 2002 decision package for increase of \$300,000 and 5.00 FTE positions for the TMDL program from the General Fund to the Environment First Fund. Allows the Department to use \$200,000 from the Manure Storage Indemnity Fund for administering the Confined Animal Feeding regulations.

Ag. and Natural Resources

General Fund

	Estimated Net FY 2001	Gov. Rec. FY 2002	Revised Gov. FY 2002	Revised Gov. vs. FY 2001	Analysis
	(1)	(2)	(3)	(4)	(5)
Environ/Water Quality Protect.	729,000	729,000	248,953	-480,047	Gov. Analysis: \$480,047 reduction in annual appropriation for Water Protection Fund. No change in services for FY 02, future program expansion to meet EPA rules might be affected. LFB Analysis: Reduces the General Fund appropriation to the Water Quality Protection Fund by \$480,047.
MFT - Parks Operations	411,311	411,311	411,311	0	
Total Natural Resources, Department	\$ 18,982,444	\$ 19,417,444	\$ 18,252,397	\$ -730,047	
Regents, Board of					
Johnne's Disease	\$ 100,000	\$ 0	\$ 0	\$ -100,000	
Total Ag. and Natural Resources	\$ 43,925,715	\$ 39,674,080	\$ 37,300,102	\$ -6,625,613	



Legislative Fiscal Bureau

Analysis of the Governor's Revised FY 2002 Budget

**Economic Development
Appropriations Subcommittee**

April 2, 2001

LFB Staff: Dwayne Ferguson (1-6561) Alice Wisner (1-4611)

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**ECONOMIC DEVELOPMENT
APPROPRIATIONS SUBCOMMITTEE**

***GOVERNOR'S REVISED
RECOMMENDATION - TOTAL
APPROPRIATIONS***

DEPT. OF ECONOMIC
DEVELOPMENT

- . The Governor is recommending \$34.5 million from the General Fund and 1,246.5 FTE positions for the Economic Development Subcommittee for FY 2002. This is a decrease of \$2.7 million (7.4%) and an increase of 4.2 FTE (0.3%) positions compared to estimated net FY 2001.
- . The Governor is recommending \$19.5 million from the General Fund and 222.8 FTE positions for the Department of Economic Development for FY 2002. This is a decrease of \$2.4 million (11.0%) and an increase of 1.8 FTE positions (0.8%) compared to estimated net FY 2001.
 - . Increases the appropriation for General Administration by \$20,000 (1.1%) compared to estimated net FY 2001. The change includes an increase of \$50,000 to expand the Youth Institute of the World Food Prize and a decrease of \$30,000 to eliminate funding for a vacant position.
 - . Makes an appropriation for the School-to-Career Refund of \$35,000 to match projected demand.
 - . Decreases the appropriation for Business Development by \$222,000 (4.7%) compared to estimated net FY 2001 for reductions to the Iowa Manufacturing Extension Partnership (IMEP) at Iowa State University and for consortium projects.
 - . Decreases the Strategic Investment Appropriation by \$100,000 (2.7%) compared to estimated net FY 2001 for reductions in the Self Employment Loan Program (SELP).
 - . Decreases the appropriation for Community Development Programs by \$57,000 (6.3%) compared to estimated net FY 2001. Fewer projects will be funded.
 - . Eliminates the funding for Housing Development Assistance (\$500,000) as part of the consolidation of housing programs.
 - . Decreases the appropriation for Tourism Operations by \$1.4 million (29.4%) compared to estimated net FY 2001 due to a reduction in the advertising budget and closing the Waukee and Victor Welcome Centers. The Governor is recommending partially offsetting the advertising reduction with \$1.2 million from the Community Attractions and Tourism Program, funded through the Rebuild Iowa Infrastructure Fund (RIIF).
 - . Decreases the appropriation for International Trade by \$47,000 (2.0%) compared to estimated net FY 2001 to eliminate or reduce contracts in Viet Nam, India, China, and Mexico and to reduce office budgets in Germany and Japan.
 - . Decreases the appropriation for the Export Assistance Program by \$100,000 (24.5%) compared to estimated net FY 2001 for a general reduction.
 - . Increases the appropriation for the Partner State Program by \$20,000 (16.7%) compared to estimated net FY 2001 to host Japanese dignitaries.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**ECONOMIC DEVELOPMENT
APPROPRIATIONS SUBCOMMITTEE**

**DEPT. OF WORKFORCE
DEVELOPMENT**

- The Governor is recommending \$6.5 million from the General Fund and 938.2 FTE positions for Iowa Workforce Development for FY 2002. This is a decrease of \$342,000 (5.0%) and an increase of 3.0 FTE positions (3.0%) compared to estimated net FY 2001.
 - Increases the appropriation to the Workers' Compensation Division by \$100,000 (4.2%) and 1.0 FTE position (2.9%) compared to estimated net FY 2001 to oversee compliance in the Workers' Compensation Compliance Program.
 - Increases the appropriation to the Labor Division by \$104,000 (3.0%) and 3.0 (3.3%) FTE positions compared to estimated net FY 2001. Of this increase, \$80,000 and 3.0 FTE positions are for two additional Occupational Safety and Health inspectors and one support staff. The remainder is to replace equipment and materials used to conduct required inspections, air sampling, carbon dioxide, and heat stress monitoring.
 - Decreases \$8,000 (6.0%) compared to estimated net FY 2001 from the Workforce Development Board for a general reduction in operations.
 - Decreases \$67,000 (100.0%) compared to estimated net FY 2001 due to a recommended shift in funding to the Penalty and Interest Fund for Employment Statistics.
 - Decreases the General Fund appropriation for the Labor/Management Coordinator by \$70,000 (100.0%) compared to estimated net FY 2001. The recommendation includes \$30,000 from the Department of Economic Development's Job Training Fund to phase out the current program over FY 2002.
 - Decreases the Welfare-to-Work Program by \$153,000 (100.0%) compared to estimated net FY 2001. This decrease is because the program will end in FY 2003 and the already appropriated funds should be adequate to meet client needs.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**ECONOMIC DEVELOPMENT
APPROPRIATIONS SUBCOMMITTEE**

OTHER FUND RECOMMENDATIONS

- Reduces the withholding tax diversion to the Workforce Development Fund (260F training programs) from \$8.0 million to \$4.0 million. The revenues that are no longer diverted will go into the General Fund.
- Shifts funding for the Value-Added Agriculture Products Program from the Strategic Investment Fund (\$3.0 million in FY 2001) to Use Tax receipts (\$3.5 million in FY 2002).
- No recommendations were made by the Governor concerning the Vision Iowa and the Community Attraction and Tourism Programs.
 - The Vision Iowa Program will receive \$15.0 million from gambling receipts in FY 2002. These monies will be used to fund bonds issued to support the Program. To date, there are seven Vision Iowa applications in varying stages of review. The Vision Iowa Board is scheduled to consider the first round of Vision Iowa awards at its April 11 meeting.
 - The Community Attraction and Tourism Program (CAT) has been appropriated \$12.5 million from the Rebuild Iowa Infrastructure Fund for FY 2002. To date, the Program has received seventeen applications and made five awards. Sixty-nine other applicants have indicated an intent to apply in the future. Of the \$7.4 million available for FY 2001 awards, approximately \$2.2 million has been committed, and approximately \$1.7 million has been committed from \$12.5 million available for FY 2002.
- Recommends \$160,000 from the Penalty and Interest Fund to continue the pilot program for immigration centers around the State. Centers are currently being established in Sioux City and Muscatine. This is no change compared to estimated net FY 2001.
- Recommends \$7.48 million from the Job Service Surcharge Administration Fund and 85.87 FTE positions. This is a decrease of \$19,000 (0.25%) and 1.45 FTE positions (1.66%) compared to estimated net FY 2001.

Economic Development

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Economic Development, Dept. of					
Administrative Services					
General Administration	\$ 1,755,666	\$ 1,805,666	\$ 1,775,666	\$ 20,000	Gov. Analysis: Leave one support position vacant.
					LFB Analysis: The Governor is recommending an increase of \$50,000 for the World Food Prize to expand its Youth Institute and a decrease of \$30,000 from monies available from a funded vacant position and no change in FTE positions.
Film Office	260,641	260,641	260,641	0	
IA Comm. on Volunteerism	80,000	80,000	80,000	0	LFB Analysis: The Governor is recommending a decrease of 0.20 FTE positions. The positions are supported by other funds.
School to Career Refund	0	100,000	35,000	35,000	Gov. Analysis: Continue assistance consistent with program demand.
					LFB Analysis: The FY 2001 budget of \$100,000 was deappropriated due to lack of program participation. The Department of Management (DOM) projects FY 2002 demand to be \$35,000.
Total Administrative Services	2,096,307	2,246,307	2,151,307	55,000	
Business Development					
Business Development	4,773,768	4,973,768	4,551,768	-222,000	Gov. Analysis: Reduced capacity for marketing and communications strategies. Requires a more refined, focused plan.
					LFB Analysis: The Governor is recommending decreases of \$272,000 in funding allocated to the Iowa Manufacturing Extension Partnership (IMEP) and the Iowa Manufacturing Technology Center (IMTC), which is part of IMEP, at Iowa State University and \$50,000 in awards for consortium projects. Any reductions in federal match monies are expected to be offset by funding from other University sources. The Governor is recommending increases of \$50,000 for high technology activities and a general increase of \$50,000.

Economic Development

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Workforce Recruitment Proj.	401,230	401,230	401,230	0	
Strategic Invest. Approp.	3,727,474	3,727,474	3,627,474	-100,000	Gov. Analysis: Retains a viable financial assistance program for new business starts and existing business expansions. LFB Analysis: The Governor is recommending a reduction for the Self Employment Loan Program.
Tech. Marketing Initiative	0	100,000	0	0	Gov. Analysis: Will include targeted cluster industries as part of the refined, focused national marketing plan.
Total Business Development	8,902,472	9,202,472	8,580,472	-322,000	
Community & Rural Development					
Community Assistance	821,825	871,825	821,825	0	Gov. Analysis: Elimination of one outreach position. LFB Analysis: The funding for the position identified by the Governor was deappropriated in FY 2001.
Mainstreet/Rural Mainst. Community Dev. Programs	435,278 910,354	435,278 960,354	435,278 853,284	0 -57,070	Gov. Analysis: 7 - 12 fewer projects which support leadership development, diversity training and planning at the community level. LFB Analysis: The Governor is recommending a decrease of \$80,000 for fewer projects and \$27,070 to eliminate funding for a contract position, and a general increase of \$50,000.
Community Dev. Block Grant	421,314	421,314	421,314	0	
Housing Development Assist.	500,000	0	0	-500,000	LFB Analysis The Governor is recommending consolidating housing programs and transferring this funding to the Housing Trust Fund.
Total Community & Rural Develop	3,088,771	2,688,771	2,531,701	-557,070	

Economic Development

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Tourism Division					
Tourism Operations	4,918,216	4,968,216	3,470,123	-1,448,093	<p>Gov. Analysis: \$1.2 million of cut is replaced with funding from CAT fund. Increase cooperative advertising with private sector.</p> <p>LFB Analysis: The Governor is recommending a decrease of \$1,465,000 from the advertising budget, a decrease of \$33,093 from closing the Waukee and Victor Welcome Centers, and a general increase of \$50,000. The Community Attraction and Tourism Program (CAT) receives an appropriation from the Rebuild Iowa Infrastructure Fund (RIIF). Language permitting use of \$1,200,000 of these funds for advertising was eliminated after FY 2001, and the Governor is recommending it be reinstated.</p>
Economic Development, Dept. of (cont.)					
International Division					
International Trade	2,330,737	2,330,737	2,283,830	-46,907	<p>Gov. Analysis: We will retain emphasis in our most productive foreign markets.</p> <p>LFB Analysis: The Governor is recommending funding that will eliminate contracts for services in Viet Nam and India and reduce contract costs in China and Mexico (\$20,800), and reduce funding for offices in Germany (\$14,107) and Japan (\$12,000).</p>
Export Assistance Program	408,000	408,000	308,000	-100,000	<p>Gov. Analysis: 5 - 12 fewer projects to assist companies with increasing export sales.</p> <p>LFB Analysis: The Governor is recommending a general reduction that will lead to a scaling back of awards.</p>
Partner State Program	120,000	140,000	140,000	20,000	<p>LFB Analysis: The Governor is recommending an increase to host Japanese dignitaries.</p>
Total International Division	<u>2,858,737</u>	<u>2,878,737</u>	<u>2,731,830</u>	<u>-126,907</u>	
Total Economic Development, Dept.	<u>\$ 21,864,503</u>	<u>\$ 21,984,503</u>	<u>\$ 19,465,433</u>	<u>\$ -2,399,070</u>	

Economic Development

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Iowa Workforce Development					
Welfare To Work Match	\$ 153,024	\$ 0	\$ 0	\$ -153,024	LFB Analysis: The Governor is recommending no funding since the program will end in FY 2003 and the already appropriated funds should be adequate to meet client needs.
Workers' Comp. Division	2,377,858	2,568,148	2,478,147	100,289	Gov. Analysis: Maintain increased compliance with Iowa Workers' Compensation statutes and rules. LFB Analysis: The Governor had recommended an additional 2.0 FTE positions to oversee compliance and reduce the backlog of cases in the Workers' Compensation Compliance Program. The revised recommendation still increases the FY 2001 level by \$100,289 and 1.0 FTE position for this area.
Labor Division	3,500,474	3,670,034	3,604,474	104,000	Gov. Analysis: Will allow hiring of two additional health inspectors. Recommendation for upgrading/calibrating testing equipment will be reduced to allow the additional inspectors to be hired. LFB Analysis: The Governor is recommending an increase of \$79,710 and 3.0 FTE positions for two additional Occupational Safety and Health inspectors, one support staff, and \$24,290 for additional equipment needs.
Workforce Dev. Board	126,277	126,277	118,700	-7,577	LFB Analysis: The Governor is recommending a general reduction in operations.
Employment Statistics	67,078	0	0	-67,078	LFB Analysis: The Governor is recommending eliminating \$67,078 in General Funds and shifting this same amount to the Penalty and Interest Fund. The recommendation includes maintaining 1.20 FTE positions, which is no change compared to estimated FY 2001.

Economic Development

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Labor Management Coord.	69,652	0	0	-69,652	<p>LFB Analysis: The Governor is recommending eliminating \$69,652 in General Funds, \$75,000 in federal funds, and 0.25 FTE positions for the Labor Management Coordinator. The recommendation includes \$30,000 from the Department of Economic Development's Job Training Fund to phase out the current program over FY 2002.</p> <p>Gov. Analysis: Keeps funding for the program in FY02 at approx. \$250,000. This new program did not begin until the middle of FY 01. Including carryforward language for the FY 01 balance will allow the program to operate at its intended service level in FY 02.</p> <p>LFB Analysis: The DOM is estimating that nearly 50% of the original appropriation will not be expended by the end of FY 2001. This budget unit was identified by the LFB as an area where FY 2001 deappropriations could occur.</p>
New Employment Opportunities	500,000	500,000	251,270	-248,730	
Total Iowa Workforce Development	\$ 6,794,363	\$ 6,864,459	\$ 6,452,591	\$ -341,772	
Public Employment Relations Board					
General Office	\$ 912,222	\$ 941,825	\$ 912,222	\$ 0	<p>Gov. Analysis: Maintains the department at the FY 01 funding level. Use technology to reduce printing/publication costs.</p>
Regents, Board of					
University of Iowa					
Oak Park Res./Tech. Park	\$ 341,021	\$ 341,021	\$ 341,021	\$ 0	
Advanced Drug Development	275,811	275,811	275,811	0	
Total University of Iowa	616,832	616,832	616,832	0	
Iowa State University					
Small Business Dev. Ctrs.	1,220,417	1,220,417	1,220,417	0	
Regents, Board of (cont.)					
Iowa State University (cont.)					
Research Park/ISIS	385,271	385,271	385,271	0	
Inst. for Physical Res.	4,474,108	4,474,108	4,474,108	0	
Total Iowa State University	6,079,796	6,079,796	6,079,796	0	
Univ. of Northern Iowa					

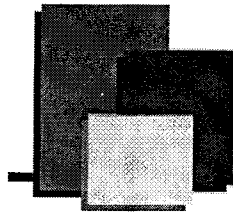
Economic Development

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Metal Casting	176,861	176,861	176,861	0	LFB Analysis: The Governor is recommending a decrease of 0.10 FTE positions.
Decision Making Institute	757,098	757,098	757,098	0	LFB Analysis: The Governor is recommending a decrease of 0.50 FTE positions.
Total Univ. of Northern Iowa	933,959	933,959	933,959	0	
Total Regents, Board of	\$ 7,630,587	\$ 7,630,587	\$ 7,630,587	\$ 0	
Total Economic Development	\$ 37,201,675	\$ 37,421,374	\$ 34,460,833	\$ -2,740,842	

Economic Development Non General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Economic Development, Dept. of					
Workforce Dev. Approp.	\$ 8,000,000	\$ 8,000,000	\$ 4,000,000	\$ -4,000,000	LFB Analysis: Reduces the withholding tax diversion to the Workforce Development Fund (260F training programs) from \$8.0 million to \$4.0 million. The revenues that are no longer diverted will go into the General Fund.
Brownfields Redevelopment Prog	3,000,000	1,500,000	1,500,000	-1,500,000	LFB Analysis: Governor's recommendation is a \$1,500,000 reduction from the FY 2001 appropriation.
Total Economic Development, Dept.:	\$ 11,000,000	\$ 9,500,000	\$ 5,500,000	\$ -5,500,000	
Iowa Workforce Development					
Employment Statistics	\$ 0	\$ 67,078	\$ 67,078	\$ 67,078	
Labor Management Coord.	0	30,000	30,000	30,000	
Target Alliance	30,000	0	0	-30,000	
P & I Projects	540,000	540,000	0	-540,000	
P&I Immigration Service Center	160,000	160,000	160,000	0	LFB Analysis: Recommends \$160,000 from the Penalty and Interest Fund to continue the pilot program for immigration centers around the State. Centers are currently being established in Sioux City and Muscatine. This is no change compared to estimated net FY 2001.
Iowa Workforce Development					
Job Service ACS Admin. Fund	7,500,000	7,481,000	7,481,000	-19,000	LFB Analysis: Recommends \$7.48 million from the Job Service Surcharge Administration Fund and 85.87 FTE positions. This is a decrease of \$19,000 (0.25%) and 1.45 FTE positions (1.66%) compared to estimated net FY 2001.
Workers' Comp. Division	471,000	471,000	471,000	0	
Total Iowa Workforce Development	\$ 8,701,000	\$ 8,749,078	\$ 8,209,078	\$ -491,922	
Total Economic Development	\$ 19,701,000	\$ 18,249,078	\$ 13,709,078	\$ -5,991,922	



Legislative Fiscal Bureau

Analysis of the Governor's Revised FY 2002 Budget

**Education
Appropriations Subcommittee**

April 2, 2001

LFB Staff: Mary Shipman (1-4617) Robin Madison (1-5270)

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**EDUCATION
APPROPRIATIONS SUBCOMMITTEE**

***GOVERNOR'S REVISED
RECOMMENDATION - TOTAL
APPROPRIATIONS***

**COLLEGE STUDENT AID
COMMISSION**

**DEPARTMENT OF CULTURAL
AFFAIRS**

- The Governor is recommending \$937.4 million from the General Fund and 17,407.1 FTE positions for the Education Subcommittee for FY 2002. This is a decrease of \$42.6 million and an increase of 54.4 FTE positions compared to estimated net FY 2001.
- The Governor is recommending \$1,971.6 million from the General Fund for standing education appropriations for FY 2002. This is an increase of \$57.7 million compared to estimated net FY 2001.
- Increases the appropriation to the Osteopathic Forgivable Loan Program by \$108,000 compared to estimated net FY 2001.
- Decreases the appropriation to the Osteopathic Primary Care Program by \$17,000 compared to estimated net FY 2001.
- Decreases the appropriation to Iowa Grant Program by \$50,000 compared to estimated net FY 2001.
- Decreases the appropriation to the Chiropractic Forgivable Loan Program by \$4,000 compared to estimated net FY 2001.
- Decreases the appropriation to the Teacher Shortage Forgivable Loan Program by \$23,000 compared to estimated net FY 2001.
- Decreases the standing appropriation to the Tuition Grant Program by \$1.1 million compared to estimated net FY 2001.
- Decreases the standing appropriation to the State of Iowa Scholarship Program by \$22,000 compared to estimated net FY 2001.
- Decreases the standing appropriation to the Vocational-Technical Tuition Grant Program by \$108,000 compared to estimated net FY 2001.
- Decreases the standing appropriation to the Work Study Program by \$264,000 compared to estimated net FY 2001.
- Decreases the appropriation for Historic Sites by \$42,000 compared to estimated net FY 2001. The decrease will eliminate most of the routine repair budget.
- Decreases the appropriation for the Iowa Arts Council by \$30,000 compared to estimated net FY 2001. The decrease eliminates proposed new funding for the Touring Arts Team and reduces the budget for administrative expenses.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**EDUCATION
APPROPRIATIONS SUBCOMMITTEE**

DEPARTMENT OF CULTURAL
AFFAIRS, CONTINUED

DEPARTMENT OF EDUCATION

- Decreases the appropriation for the State Historical Society by \$166,000 compared to estimated net FY 2001. The decrease eliminates proposed new funding to provide 24-hour security at the State Historical Building and reduces the budget for printing and administrative expenses.
- Decreases the appropriation to the Department of Education for administration by \$60,000 compared to estimated net FY 2001.
- Decreases the appropriation for the Board of Educational Examiners by \$153,000 compared to estimated net FY 2001.
- Decreases the appropriation for Independent Living Program in the Division of Vocational Rehabilitation by \$49,000 compared to estimated net FY 2001. The decrease reduces funding to minimum state match requirements for federal funding.
- Decreases the appropriation for Iowa Public Television by \$491,000 compared to estimated net FY 2001. The decrease will eliminate funding for temporary staffing of four part-time receptionist positions and a contract for evening and weekend security. The decrease reduces funding for testing of new digital transmitters and overnight block feeds of educational programming.
- Decreases the appropriation for the State Library by \$1.5 million compared to estimated net FY 2001. The decrease will eliminate funding for Access Plus and shift funding for Open Access to the Enrich Iowa Program. The decrease will reduce funding for SILO, administrative expenses, and the purchase of library materials.
- Decreases the appropriation for the Division of Vocational Rehabilitation by \$249,000 compared to estimated net FY 2001. The decrease will require a greater reliance on soft match dollars to meet required state match for federal funding.
- Appropriates \$90,000 for the Governor's Education Roundtable to develop recommendations to create a seamless statewide education delivery system. This is a new appropriation.
- Decreases the appropriation for the Jobs for America's Grads Program by \$19,000 compared to estimated net FY 2001. The decrease will reduce funding for administrative expenses and will not affect the level of service.
- Increases the appropriation for the Americorps At-Risk Youth Initiative by \$88,000 compared to estimated net FY 2001. The increase will fund expansion of the Program from 15 to 30 sites.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**EDUCATION
APPROPRIATIONS SUBCOMMITTEE**

DEPARTMENT OF EDUCATION,
CONTINUED

- Decreases the appropriation for the Beginning Teacher Mentoring Program by \$775,000 compared to estimated net FY 2001. The decrease eliminates funding for the Program, which will be funded as part of a teacher compensation initiative.
- Decreases the appropriation for the Education Innovation Fund by \$225,000 compared to estimated net FY 2001. The reduced appropriation will fund the National Assessment of Educational Progress and Regional Academy planning grants.
- Decreases the appropriation for Employability Skills Assessments by \$200,000 compared to estimated net FY 2001. The decrease eliminates all funding for the Program that reimburses school districts for the cost of administering the assessments.
- Increases the appropriation for the Enrich Iowa Program by \$1.0 million compared to estimated net FY 2001. The increase represents a shift of funds from the State Library's Open Access Program.
- Decreases the appropriation for the Family Resource Centers by \$90,000 compared to estimated net FY 2001. The decrease eliminates all funding for the three existing pilot programs.
- Decreases the appropriation for Local Arts Comprehensive Educational Strategies Program (LACES) by \$25,000 compared to estimated net FY 2001. The decrease eliminates all funding for the Program.
- Decreases the appropriation for the National Board Certification Stipend Program by \$1.4 million compared to estimated net FY 2001. The decrease eliminates funding for the Program, which will be funded as part of a teacher compensation initiative.
- Decreases the appropriation for the Regional Libraries by \$101,000 compared to estimated net FY 2001. The decrease will reduce funding for administrative services and result in staff reductions.
- Appropriates \$225,000 to the Division of Community Colleges and Workforce Preparation for Adult English-as-a-Second-Language (ESL) Programs. This is a new appropriation. The appropriation will fund adult ESL programs at three community colleges serving communities with large non-English-speaking adult populations.
- Increases the appropriation for community colleges by \$2.5 million compared to estimated net FY 2001.
- Decreases the appropriation to the Regents Board Office by \$78,000 compared to estimated net FY 2001.

BOARD OF REGENTS

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**EDUCATION
APPROPRIATIONS SUBCOMMITTEE**

BOARD OF REGENTS, CONTINUED

- Decreases the appropriation to the Regents Board Office for tuition replacement by \$1.5 million compared to estimated net FY 2001.
- Decreases the appropriation to the Regents Board Office for the Tri-State Graduate Center by \$5,000 compared to estimated net FY 2001.
- Decreases the appropriation to the Regents Board Office for the Southwest Iowa Graduate Center by \$7,000 compared to estimated net FY 2001.
- Decreases the appropriation to the Regents Board Office for the Quad Cities Graduate Center by \$10,000 compared to estimated net FY 2001.
- Decreases the appropriation to the University of Iowa general university by \$18.8 million compared to estimated net FY 2001.
- Decreases the appropriation to Iowa State University general university by \$13.1 million compared to estimated net FY 2001.
- Decreases the appropriation to the University of Northern Iowa general university by \$5.4 million compared to estimated net FY 2001.
- Decreases the appropriation to the Iowa School for the Deaf by \$483,000 compared to estimated net FY 2001.
- Decreases the appropriation to the Iowa Braille and Sight Saving School by \$270,000 compared to estimated net FY 2001.
- Increases the appropriation for the Early Intervention Block Grant Program by \$5.0 million compared to estimated net FY 2001. The Program was established in the Early Intervention Block Grant Act during the 1999 legislative session. The Act set funding for FY 2002 at \$30.0 million, increase of \$10.0 million compared to estimated net FY 2001.
- Decreases the standing appropriation for the Educational Excellence Program by \$580,000 compared to estimated net FY 2001. The decrease eliminates set-aside funding for special programs.
- Decreases the standing unlimited appropriation for Transportation of Nonpublic School Students by \$5.7 million compared to estimated net FY 2001. The decrease eliminates funding for students not eligible for free or reduced price lunch. Students whose families meet the eligibility requirements would continue receiving the service.

**STANDING EDUCATION
APPROPRIATIONS**

Education
General Fund

	Estimated Net FY 2001	Gov. Rec. FY 2002	Revised Gov. FY 2002	Revised Gov. vs. FY 2001	Analysis
	(1)	(2)	(3)	(4)	(5)
College Aid Commission					
College Aid Commission					
ACE Opportunity Grants	\$ 250,000	\$ 250,000	\$ 250,000	\$ 0	
US Army Educational Benefits	0	50,000	50,000	50,000	
Foster Care Grant Program	0	65,000	62,159	62,159	Gov. Analysis: Reduce the maximum grant award by \$184. Recipients will still receive awards of up to \$4,016.
Total College Aid Com.	250,000	365,000	362,159	112,159	
Operations & Loan Program					
Scholarship and Grant Admin	337,534	337,534	337,534	0	Gov. Analysis: This state appropriation is combined with a \$5 million federally funded administrative budget. These state funds support a 20% match for expenses that aren't allocable to specific programs.
					LFB Analysis: This budget unit has an FTE position that has been vacant for more than 12 months. Budgeted cost of the position is \$22,000 and \$4,000 (18.0%) is charged to the General Fund. The Governor's recommendation for FY 2002 for College Aid also includes forcing reversion of the Scholarship and Grant Reserve Fund balance of approximately \$300,000.
National Guard Loan Program	1,250,000	1,250,000	1,250,000	0	
Osteopathic Forgivable Loans	254,260	379,260	362,686	108,426	Gov. Analysis: Reduce the maximum grant award by \$175. Students will still receive awards of up to \$3,825.
					LFB Analysis: This Program is a forgivable loan program (not a grant program) and was reduced in FY 2001 by \$125,000 as a result of repayments from recipients that were not fulfilling the Iowa service requirement.

Education
General Fund

	<u>Estimated Net FY 2001 (1)</u>	<u>Gov. Rec. FY 2002 (2)</u>	<u>Revised Gov. FY 2002 (3)</u>	<u>Revised Gov. vs. FY 2001 (4)</u>	<u>Analysis (5)</u>
College Aid Com., cont.					
Osteopathic Univ. Primary Care	395,000	395,000	377,738	-17,262	<p>Gov. Analysis: Reduce the maximum grant award by \$1,311. Students will still receive awards of up to \$28,689.</p> <p>LFB Analysis: This is a decrease of 4.4% compared to estimated net FY 2001. This Program requires a community match for locating physicians in rural communities.</p>
Student Aid Prog. (IA Grants)	1,144,850	1,144,850	1,094,820	-50,030	<p>Gov. Analysis: Reduce the maximum grant award by \$44. Students will still receive awards of up to \$956.</p> <p>LFB Analysis: This is a decrease of 4.4% compared to estimated net FY 2001. This Program provides grants to all higher education sectors (Regents, community colleges, and private colleges). Maximum grant for FY 2001 is \$1,000. The average grant is \$870 and serves 1,835 students. This Program is supplemented by \$452,000 in federal funds.</p>
Chiropractic Forgivable Loans	100,000	100,000	95,630	-4,370	<p>Gov. Analysis: Reduce the maximum grant award by \$186. Students will still receive awards of up to \$4,064.</p> <p>LFB Analysis: This is a decrease of 4.4% compared to estimated net FY 2001. For FY 2001, this Program is providing forgivable loans averaging \$4,700 each to 22 students at Palmer College of Chiropractic in Davenport.</p>
Teacher Shortage Forg. Loans	525,000	525,000	502,057	-22,943	<p>Gov. Analysis: Reduce the maximum grant award by \$131. Students will still receive awards of up to \$2,869.</p> <p>LFB Analysis: This is a decrease of 4.4% compared to estimated net FY 2001. More than 275 students applied for funding for FY 2001 and 185 students received loans averaging \$2,837 each.</p>
Total Operations & Loan Prog.	<u>4,006,644</u>	<u>4,131,644</u>	<u>4,020,465</u>	<u>13,821</u>	

Education General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
College Aid Com., cont.					
Standing Grant & Loan Prog.					
Tuition Grant Program Standing	48,830,075	49,930,075	47,748,131	-1,081,944	<p>Gov. Analysis: Reduce the maximum grant award by \$179. Students will still receive a maximum of \$3,921.</p> <p>LFB Analysis: This is a decrease of 2.2% compared to estimated net FY 2001. For FY 2001 the maximum grant is \$4,100 and the average grant is \$3,307 for 14,765 recipients.</p>
Scholarship Program Standing	498,540	498,540	476,754	-21,786	<p>Gov. Analysis: Reduce the maximum grant award by \$17. Students will still receive awards of up to \$400.</p> <p>LFB Analysis: This is a decrease of 4.4% compared to estimated net FY 2001. This Program provides a \$400 academic award to approximately 1,246 Iowa college freshmen (State of Iowa Scholarship Program).</p>
Voc Tech Grant - Standing	2,482,400	2,482,400	2,373,919	-108,481	<p>Gov. Analysis: Reduce the maximum grant award by \$28. Students will still receive awards of up to \$622.</p> <p>LFB Analysis: This is a decrease of 4.4% compared to estimated net FY 2001. For FY 2001 the maximum grant is \$650 and the average grant is \$423 for 5,875 recipients.</p>
College Work-Study Program	2,750,000	2,750,000	2,486,380	-263,620	<p>Gov. Analysis: Reduce the maximum grant award by \$28. Students will still receive awards of up to \$609.</p> <p>LFB Analysis: This is a reduction of 9.6% compared to estimated net FY 2001. For FY 2001 the average grant is \$650 for 4,230 recipients. At the end of FY 2000, several colleges and universities carried over balances in work study funds.</p>
Total Standing Grant & Loan Prog.	<u>54,561,015</u>	<u>55,661,015</u>	<u>53,085,184</u>	<u>-1,475,831</u>	
Total College Aid Commission	<u>\$ 58,817,659</u>	<u>\$ 60,157,659</u>	<u>\$ 57,467,808</u>	<u>\$ -1,349,851</u>	

Education
General Fund

	Estimated Net FY 2001	Gov. Rec. FY 2002	Revised Gov. FY 2002	Revised Gov. vs. FY 2001	Analysis
	(1)	(2)	(3)	(4)	(5)
Department of Cultural Affairs					
Cultural Affairs - Admin.	\$ 254,188	\$ 254,188	\$ 254,188	\$ 0	
Cultural Grants	691,149	691,149	691,149	0	
Historical Sites	602,293	602,293	560,293	-42,000	Gov. Analysis: Eliminate most of the routine repair budget.
					LFB Analysis: This is a decrease of 7.0% compared to estimated net FY 2001. The total budgeted for repairs in FY 2001 is \$36,000.
Iowa Arts Council	1,431,406	1,506,406	1,401,406	-30,000	Gov. Analysis: Eliminate proposed Touring Arts Team funding, reduce administrative expenses. Touring Arts Team funding was a new item.
					LFB Analysis: This is a decrease of 2.1% compared to estimated net FY 2001.
State Historical Society	3,361,387	3,436,387	3,195,387	-166,000	Gov. Analysis: Eliminate proposed increase for building security and reduce printing and administrative expenses.
					LFB Analysis: This is a decrease of 4.9% compared to estimated net FY 2001. The Governor originally recommended \$75,000 to provide 24-hour per day security at the State Historical Building.
Total Cultural Affairs, Dept. of	\$ 6,340,423	\$ 6,490,423	\$ 6,102,423	\$ -238,000	

Education
General Fund

	<u>Estimated Net FY 2001</u> (1)	<u>Gov. Rec. FY 2002</u> (2)	<u>Revised Gov. FY 2002</u> (3)	<u>Revised Gov. vs. FY 2001</u> (4)	<u>Analysis</u> (5)
Department of Education					
Administration					
Dept. of Ed. Administration	\$ 6,056,580	\$ 6,056,580	\$ 5,996,580	\$ -60,000	Gov. Analysis: No layoffs anticipated, but some vacated positions may remain unfilled for longer periods of time.
					LFB Analysis: This is a decrease of 1.0% compared to estimated net FY 2001.
Board of Ed. Examiners	204,156	54,156	50,907	-153,249	Gov. Analysis: Slight reduction in administrative funding; should be able to manage over the course of a full fiscal year.
					LFB Analysis: This is a decrease of 75.1% compared to estimated net FY 2001. No change in FTE positions is anticipated.
Independent Living	76,579	76,579	27,500	-49,079	Gov. Analysis: Reduces funding to minimum state match requirements, but should be able to meet those requirements.
					LFB Analysis: This is a decrease of 64.1% compared to estimated net FY 2001.
Iowa Public Television	8,181,552	8,181,552	7,690,659	-490,893	Gov. Analysis: Will move funding for 4 positions to other funds, lay off 4 part-time evening and weekend receptionists, cancel security contract, reduce digital television operations and reduce funding for overnight block feeds of educational programming.
					LFB Analysis: This is a decrease of 6.0% compared to estimated net FY 2001. The contract for one security guard on duty evenings and weekends will be eliminated. A new electronic security system has been installed, and broadcast technicians are on duty 24-hours per day, six days per week, to address facility problems that arise. Plans to test three new digital transmitters will be significantly reduced. Reduction in overnight block feeds will result in lower utility costs, as well as fewer program purchases.

Education General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
State Library	3,172,038	1,819,616	1,710,439	-1,461,599	<p>Gov. Analysis: Reduces funding for SILO, administration and the purchase of library materials.</p> <p>LFB Analysis: This is a decrease of 46.1% compared to estimated net FY 2001. The Governor originally recommended a decrease of \$1.3 million and eliminated Access Plus and shifted Open Access funding to Enrich Iowa.</p>
Vocational Ed. Admin.	577,628	577,628	577,628	0	
Vocational Rehabilitation	4,982,384	4,982,384	4,733,265	-249,119	<p>Gov. Analysis: Will require a greater reliance on soft match dollars to meet required state match for federal funding. Federal match should still be attainable.</p> <p>LFB Analysis: This is a decrease of 5.0% compared to estimated net FY 2001.</p>
Total Administration	23,250,917	21,748,495	20,786,978	-2,463,939	
Department of Education					
Governor's Ed. roundtable	0	95,000	90,000	90,000	<p>Gov. Analysis: New program; will adjust level of service accordingly.</p>
Jobs For America's Grads	333,000	333,000	314,348	-18,652	<p>Gov. Analysis: Reduced administrative funding, should not affect level of service.</p> <p>LFB Analysis: This is a decrease of 5.6% compared to estimated net FY 2001.</p>
School Food Service	2,716,859	2,716,859	2,716,859	0	
School to Work	210,000	210,000	210,000	0	
Teacher of The Year	75,000	75,000	75,000	0	
Total Department of Education	3,334,859	3,429,859	3,406,207	71,348	
Grants & State Aid					
Americorps	121,000	221,000	208,621	87,621	<p>Gov. Analysis: Reduced administrative funding, should not affect level of service.</p> <p>LFB Analysis: This is an increase of 72.4% compared to estimated net FY 2001. The Governor is recommending increasing the number of sites from 15 to 30.</p>
Beginning Teacher/Mentoring	775,000	0	0	-775,000	<p>LFB Analysis: Funding for the Program is anticipated in the teacher compensation initiative.</p>

Education
General Fund

	<u>Estimated Net FY 2001 (1)</u>	<u>Gov. Rec. FY 2002 (2)</u>	<u>Revised Gov. FY 2002 (3)</u>	<u>Revised Gov. vs. FY 2001 (4)</u>	<u>Analysis (5)</u>
Education Innovation Fund	425,000	425,000	200,000	-225,000	Gov. Analysis: Fund the National Assessment of Educational Progress and Regional Academy planning grants. No funding for implementation. LFB Analysis: This is a decrease of 52.9% compared to estimated net FY 2001.
Employability Skills	200,000	200,000	0	-200,000	Gov. Analysis: Eliminates program, which reimbursed selected schools for a portion of the cost of acquisition and administration of this particular test. Other tests are not reimbursed in this way. LFB Analysis: In FY 2001, 181 school districts indicated they will assess 21,802 students. Districts will be reimbursed approximately \$9.17 per student assessed.
Empowerment Bd - Early Child. Enrich Iowa Libraries	15,600,000 1,000,000	15,600,000 2,000,000	15,600,000 2,000,000	0 1,000,000	LFB Analysis: The increase represents a shift of funds from the State Library's Open Access Program.
Family Resource Centers	90,000	90,000	0	-90,000	Gov. Analysis: Eliminates three pilot programs. Chapters 256.9(46) and 256C LFB Analysis: Family Resource Centers are currently operating in the Oelwein Community School District, Hills Elementary School in the Iowa City Community School District, and The Family Place in the Central Decatur Community School District in Leon.
LACES	25,000	25,000	0	-25,000	Gov. Analysis: Eliminates program that provides support for local arts curricula. Schools can access support from other educational services.
National Certification Stipend	1,380,000	0	0	-1,380,000	LFB Analysis: Funding for the Program is anticipated in the teacher compensation initiative.

Education General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Regional Library	1,687,000	1,687,000	1,585,780	-101,220	<p>Gov. Analysis: Reduced administrative funding, primarily through staff reductions - layoffs (not state employees). Services provided can be obtained from other library sources.</p> <p>LFB Analysis: This is a decrease of 6.0% compared to estimated net FY 2001. Approximately \$1.3 million of the FY 2001 appropriation is budgeted for personnel.</p>
Textbooks Nonpublic	650,000	650,000	650,000	0	
Vocational Educ Secondary	3,308,850	3,308,850	3,308,850	0	
Voc Ed. Youth Org.	94,400	94,400	94,400	0	
Total Grants & State Aid	25,356,250	24,301,250	23,647,651	-1,708,599	
Community College					
English 2nd Language			225,000	225,000	<p>Gov. Analysis: Funding for 3 community colleges to begin adult language programs.</p> <p>LFB Analysis: This is a new program. Three community colleges are to be selected based upon largest percentage of the State's non-English-speaking adult population.</p>
MAS - General Aid	147,577,403	152,577,403	150,077,403	2,500,000	<p>Gov. Analysis: Represents a \$2.5 million increase over current year funding. May create problems for local boards in dealing with staff salary obligations and tuition policy.</p> <p>LFB Analysis: This is an increase of 1.7% compared to estimated net FY 2001. The Governor's Rebuild Iowa Infrastructure Fund recommendations include shifting \$2.5 million from the Accelerated Career Education Program to Community College Technology.</p>
Total Community College	147,577,403	152,577,403	150,302,403	2,725,000	
Total Department of Education	\$ 199,519,429	\$ 202,057,007	\$ 198,143,239	\$ -1,376,190	

Education
General Fund

Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
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Board of Regents
Board of Regents

Gov. Analysis: State law provides that the Board of Regents itself, rather than other policymakers, have the final determination on budget and program decisions that will need to be taken if this proposed reduction is approved by lawmakers and the Governor. Funds other than state appropriations make up approximately 36.2% of Regents institutions budgets, so active efforts will be undertaken to maximize other resources, federal, private, etc., to offset state appropriations reductions. Included elsewhere in the budget recommendations are significant new salary adjustment dollars for the Regents institutions, which will result in the overall dollar amounts of state funds for '02 to a level roughly comparable to FY '01, although there will be additional salary obligations in '02 as well. Once all external funding sources are maximized, determinations will be made by the Board to balance institutional budgets and consideration will be given to various combinations of deferred capital expenses, direct service reductions, and/or increased fees or other income.

Education

General Fund

	<u>Estimated Net FY 2001 (1)</u>	<u>Gov. Rec. FY 2002 (2)</u>	<u>Revised Gov. FY 2002 (3)</u>	<u>Revised Gov. vs. FY 2001 (4)</u>	<u>Analysis (5)</u>
Board of Regents, continued					<p>LFB Analysis: The Governor's FY 2002 recommendation for all State salaries is \$91.0 million. Assuming that the Regents salary funding will be distributed in the same percentage as the FY 2000 salary adjustment, the Regents share of salary funding is expected to be \$48.3 million. If the Regents receive \$48.3 million in salary funding combined with the revised Governor's recommendation for FY 2002, the overall <i>increase</i> for the Regents for FY 2002 will be \$8.5 million (1.2%) compared to estimated net FY 2001. In FY 2001, the Regents received a reduced level of salary adjustment based on only the General Fund portion of salaries. In years prior to FY 2001, the Regents had also received salary adjustment on the portion of salaries supported by tuition revenues. In FY 2001, the Regents requested funding of approximately \$27.0 million for salaries (based on General Fund and tuition revenues). The actual funding for the Regent salaries in FY 2001 was \$18.1 million (based on the General Fund portion only).</p>
Regents Board Office	\$ 1,321,335	\$ 1,321,335	\$ 1,243,333	\$ -78,002	<p>Gov. Analysis 6% reduction applied (see above).</p> <p>LFB Analysis: This is a decrease of 5.9% compared to estimated net FY 2001. The Board Office typically charges the institutions for shortages or reductions in the Board Office budget.</p>

Education
General Fund

	<u>Estimated Net FY 2001</u> (1)	<u>Gov. Rec. FY 2002</u> (2)	<u>Revised Gov. FY 2002</u> (3)	<u>Revised Gov. vs. FY 2001</u> (4)	<u>Analysis</u> (5)
Tuition Replacement	28,174,854	27,356,714	26,681,714	-1,493,140	<p>Gov. Analysis: Refinancing of Academic Revenue Bonds will result in savings.</p> <p>LFB Analysis: This is a decrease of 5.3% compared to estimated net FY 2001. The Governor's initial recommendation consisted of a decrease of \$818,240 (2.9%) compared to FY 2001 for the regularly scheduled decrease in bond payments. The Regents Board Office proposed refinancing of Academic Revenue Bonds at the March 2001 Banking Committee meeting due to recent reductions in interest rates. According to Board documents, the refinancing would not extend principal payments, it would reduce the effective interest rate resulting in savings. The bonds to be refinanced would be 1990 and 1991 Iowa State bond issues totalling \$23.3 million. The refunding of the bonds would be a current refunding since the call date for the outstanding bonds is July 1, 2001. The net and present value savings from the refundings in future tuition replacement appropriations between FY 2002 and FY 2015 are estimated at \$3.1 million and \$2.4 million respectively. The Board approved the sale of the refunding bonds at the March 2001 meeting and has planned the actual sale of the refunding bonds for the April 2001 meeting.</p>
Tri State Graduate Center	85,936	85,936	80,855	-5,081	<p>Gov. Analysis 6% reduction applied (see above).</p> <p>LFB Analysis: This is a decrease of 5.9% compared to estimated net FY 2001. If the Governor's recommended salary adjustment of \$5,600 is included, the decrease is \$1,300 (1.1%) compared to estimated net FY 2001. The FY 2001 salary adjustment allocation for the Tri State Graduate Center was \$2,200.</p>

Education
General Fund

	<u>Estimated Net FY 2001 (1)</u>	<u>Gov. Rec. FY 2002 (2)</u>	<u>Revised Gov. FY 2002 (3)</u>	<u>Revised Gov. vs. FY 2001 (4)</u>	<u>Analysis (5)</u>
Board of Regents, continued					
Southwest Iowa Resource Center	117,546	117,546	110,607	-6,939	Gov. Analysis 6% reduction applied (see above). LFB Analysis: This is a decrease of 5.9% compared to estimated net FY 2001. If the Governor's recommended salary adjustment of \$3,600 is included, the decrease is \$1,500 (1.7%) compared to estimated net FY 2001. The FY 2001 salary adjustment allocation for the Southwest Iowa Graduate Center was \$3,200.
Quad Cities Graduate Center	175,686	175,686	165,323	-10,363	Gov. Analysis 6% reduction applied (see above). LFB Analysis: This is a decrease of 5.9% compared to estimated net FY 2001. If the Governor's recommended salary adjustment of \$7,500 is included, the decrease is \$2,900 (1.6%) compared to estimated net FY 2001. The FY 2001 salary adjustment allocation for the Quad Cities Graduate Center was \$4,300.
Total Regents, Board Office	<u>29,875,357</u>	<u>29,057,217</u>	<u>28,281,832</u>	<u>-1,593,525</u>	

Education General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
University of Iowa					
Univ. of Iowa: Gen. University	255,836,163	255,836,163	237,029,085	-18,807,078	Gov. Analysis 6% reduction applied (see above). LFB Analysis: This is a decrease of 7.4% compared to estimated net FY 2001. The impact of this reduction on FTE positions is not known at this time.
State of Iowa Cancer Registry	217,012	217,012	217,012	0	
Iowa Birth Defects Registry	53,266	53,266	53,266	0	
Indigent Patient Program: UIHC	33,040,152	33,040,152	33,040,152	0	
Psychiatric Hospital	8,411,522	8,411,522	8,411,522	0	
Hospital School	7,487,966	7,487,966	7,487,966	0	
Oakdale Campus	3,207,848	3,207,848	3,207,848	0	
University Hygienic Laboratory	4,203,122	4,203,122	4,203,122	0	
Family Practice Program	2,460,405	2,460,405	2,460,405	0	
Spec. Child Health Care	689,890	689,890	689,890	0	
SUI Ag Health and Safety	284,452	284,452	284,452	0	
SUI Substance Abuse Consortium	77,286	77,286	77,286	0	
Primary Health Care	916,974	916,974	916,974	0	
Biocatalysis	1,084,871	1,084,871	1,084,871	0	
Total University of Iowa	317,970,929	317,970,929	299,163,851	-18,807,078	LFB Analysis: This is an overall decrease of 5.9% compared to estimated net FY 2001. If the Governor's recommended salary adjustment of \$22.4 million is included, the <i>increase</i> is \$3.6 million (1.1%) compared to estimated net FY 2001. The FY 2001 salary adjustment allocation for all budget units within the University of Iowa was \$8.4 million.
Iowa State University					
Iowa State: Gen. University	202,542,309	205,542,308	189,432,441	-13,109,868	Gov. Analysis 6% reduction applied (see above). LFB Analysis: This is a decrease of 6.5% compared to estimated net FY 2001. The impact of this reduction on FTE positions is not known at this time.
ISU: Ag & Home Ec. Exp. Sta.	37,029,596	37,029,596	37,029,596	0	
ISU - Cooperative Extension	23,386,276	23,386,276	23,386,276	0	
ISU Leopold Center	579,843	579,843	579,843	0	
Livestock Disease Research	279,773	279,773	279,773	0	

Education

General Fund

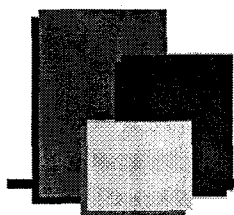
	Estimated Net FY 2001 <u>(1)</u>	Gov. Rec. FY 2002 <u>(2)</u>	Revised Gov. FY 2002 <u>(3)</u>	Revised Gov. vs. FY 2001 <u>(4)</u>	<u>Analysis</u> <u>(5)</u>
Total Iowa State University	263,817,797	266,817,796	250,707,929	-13,109,868	LFB Analysis: This is an overall decrease of 5.0% compared to estimated net FY 2001. If the Governor's recommended salary adjustment of \$18.0 million is included, the <i>increase</i> is \$4.8 million (1.8%) compared to estimated net FY 2001. The FY 2001 salary adjustment allocation for all budget units within Iowa State University was \$6.9 million.
Univ. of Northern Iowa					
University of Northern Iowa	90,643,431	90,643,431	85,222,513	-5,420,918	Gov. Analysis 6% reduction applied (see above). LFB Analysis: This is a decrease of 6.0% compared to estimated net FY 2001. The impact of this reduction on FTE positions is not known at this time.
Recycling & Reuse Center	251,754	251,754	251,754	0	
Total Univ. of Northern Iowa	90,895,185	90,895,185	85,474,267	-5,420,918	LFB Analysis: This is an overall decrease of 6.0% compared to estimated net FY 2001. If the Governor's recommended salary adjustment of \$7.0 million is included, the <i>increase</i> is \$1.6 million (1.8%) compared to estimated net FY 2001. The FY 2001 salary adjustment allocation for all budget units within the University of Northern Iowa was \$2.4 million.

Education
General Fund

	<u>Estimated Net FY 2001 (1)</u>	<u>Gov. Rec. FY 2002 (2)</u>	<u>Revised Gov. FY 2002 (3)</u>	<u>Revised Gov. vs. FY 2001 (4)</u>	<u>Analysis (5)</u>
Special Schools					
Iowa School for the Deaf	8,178,008	8,178,008	7,695,239	-482,769	Gov. Analysis: 6% reduction applied (see above). LFB Analysis: This is a decrease of 5.9% compared to estimated net FY 2001. If the Governor's recommended salary adjustment of \$400,000 is included, the decrease is \$65,000 (0.8%) compared to estimated net FY 2001. The FY 2001 salary adjustment allocation for the Iowa School for the Deaf was \$170,000.
Braille & Sight Saving School	4,568,379	4,568,379	4,298,696	-269,683	Gov. Analysis: 6% reduction applied (see above). LFB Analysis: This is a decrease of 5.9% compared to estimated net FY 2001. If the Governor's recommended salary adjustment of \$265,000 is included, the decrease is \$4,800 (0.1%) compared to estimated net FY 2001. The FY 2001 salary adjustment allocation for the Braille & Sight Saving School was \$19,000.
Tuition and Transportation	16,941	16,941	15,941	-1,000	Gov. Analysis: 6% reduction applied (see above).
Total Special Schools	<u>12,763,328</u>	<u>12,763,328</u>	<u>12,009,876</u>	<u>-753,452</u>	
Total Board of Regents	\$ 715,322,596	\$ 717,504,455	\$ 675,637,755	\$ -39,684,841	
Total Ed. Subcommittee	<u>\$ 980,000,107</u>	<u>\$ 986,209,544</u>	<u>\$ 937,351,225</u>	<u>\$ -42,648,882</u>	
Education Standing Appropriations					
Child Development	\$ 12,560,000	\$ 12,560,000	\$ 12,560,000	\$ 0	
Instructional Support	14,798,227	14,798,227	14,798,227	0	
Transportation/Nonpublic	8,150,000	8,150,000	2,445,000	-5,705,000	Gov. Analysis: Subsidize transportation costs only for students who are eligible for free or reduced price lunch. Students of families with demonstrated financial need will continue to receive the service. Chapter 285.1, Code of Iowa. LFB Analysis: This is a decrease of 70.0% compared to estimated net FY 2001. The statewide average for public school students eligible for free or reduced price lunch is 30.0%. The reduction in funding will require statutory changes to eligibility requirements.

Education General Fund

	<u>Estimated Net FY 2001 (1)</u>	<u>Gov. Rec. FY 2002 (2)</u>	<u>Revised Gov. FY 2002 (3)</u>	<u>Revised Gov. vs. FY 2001 (4)</u>	<u>Analysis (5)</u>
Educational Excellence	80,891,336	80,891,336	80,311,236	-580,100	<p>Gov. Analysis: Eliminates special set aside funding from Phases I, II, and III - DHS, IBSSS, ISD, Sac and, Fox Indians, Geography Alliance, Math and Science. Will not impact funding for local school districts.</p> <p>LFB Analysis: This is a decrease of .7% compared to estimated net FY 2001. The decrease in funding will require statutory changes to Program allocations.</p>
Technology/School Improvement	30,000,000	30,000,000	30,000,000	0	<p>Gov. Analysis: Delay a portion of the planned increase in funding, and give districts the flexibility to blend these funds and school technology monies in areas of greatest local need. This amount, though reduced from January, still represents a 25% increase in class size reduction funds for FY 02 over the current year. Chapter 256D.4.</p> <p>LFB Analysis: An increase of \$10.0 million for FY 2002 and FY 2003 is set in statute. The Governor's recommendation will require a statutory change.</p>
Early Intervention Block Grant	20,000,000	30,000,000	25,000,000	5,000,000	
School Foundation Aid	<u>1,747,500,000</u>	<u>1,806,500,000</u>	<u>1,806,500,000</u>	<u>59,000,000</u>	
Total Standing Appropriations	<u>\$ 1,913,899,563</u>	<u>\$ 1,982,899,563</u>	<u>\$ 1,971,614,463</u>	<u>\$ 57,714,900</u>	
Total Sub. and Standings	<u>\$ 2,893,899,670</u>	<u>\$ 2,969,109,107</u>	<u>\$ 2,908,965,688</u>	<u>\$ 15,066,018</u>	



Legislative Fiscal Bureau

Analysis of the Governor's Revised FY 2002 Budget

**Health & Human Rights
Appropriations Subcommittee**

April 2, 2001

LFB Staff: Lisa Burk (1-6765) Russ Trimble (1-4613)

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HEALTH AND HUMAN RIGHTS
APPROPRIATIONS SUBCOMMITTEE**

***GOVERNOR'S REVISED
RECOMMENDATION - TOTAL
APPROPRIATIONS***
CIVIL RIGHTS COMMISSION

DEPARTMENT OF ELDER AFFAIRS

GOVERNOR'S OFFICE OF DRUG
CONTROL POLICY

DEPARTMENT OF PUBLIC HEALTH

- The Governor is recommending \$89.5 million from the General Fund and 1,481.9 FTE positions for the Health and Human Rights Subcommittee for FY 2002. This is a decrease of \$1.7 million and 22.5 FTE positions compared to estimated net FY 2001.
- Decreases the appropriation to the Civil Rights Commission by \$27,000 and 1.1 FTE position compared to estimated net FY 2001. Changes include:
 - A decrease of \$27,000 for office supplies, outside services, and outside repairs.
 - An unspecified decrease of 1.1 FTE positions.
- Decreases the General Fund appropriation for Aging Programs by \$6,000 compared to the estimated net FY 2001 appropriation. Changes include:
 - Eliminates the FY 2002 General Fund decision package of \$218,000 to provide funding for adult abuse detection, services, and training.
 - Eliminates the FY 2002 General Fund decision package for a \$40,000 increase for RSVP.
 - A decrease of \$66,000 to the allocation for Elderly Services. The decrease will provide for the FY 2002 decision package for \$60,000 and 1.0 FTE position for an additional long-term care ombudsman.
- Decreases the General Fund appropriation for Drug Abuse Resistance Education Program (DARE) Coordination by \$5,000 compared to the estimated net FY 2001 appropriation. The decrease will reduce support for classroom materials and DARE officer training.
- Decreases the General Fund appropriation to the Drug Policy Coordinator by \$31,000 compared to the estimated net FY 2001 appropriation. Changes include:
 - Eliminates funding for the Youth Mentoring Conference in the amount of \$20,000.
 - A decrease of \$6,000 to support funding for the Substance Abuse Clearinghouse.
 - A decrease of \$5,000 to the Partnership for a Drug-Free Iowa advertising campaign.
- Decreases the appropriation to the Addictive Disorders Program in the Department of Public Health by \$23,000 and increases the staffing by 3.6 FTE positions compared to estimated net FY 2001. Changes include:

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HEALTH AND HUMAN RIGHTS
APPROPRIATIONS SUBCOMMITTEE**

**DEPARTMENT OF PUBLIC HEALTH
(CONTINUED)**

- A decrease of \$42,000 and 0.4 FTE position to eliminate the Advisory Council on Chemically Exposed Infants.
- An increase of \$19,000 for substance abuse treatment.
- An increase of 4.0 FTE positions to provide substance abuse treatment that was previously provided by contractors in FY 2001.
- The overall decrease of \$23,000 will be offset by an allocation of \$371,000 from the Gambling Treatment Fund Appropriation to the Department of Public Health.
- Decreases the appropriation to the Child and Adolescent Wellness Program in the Department of Public Health by approximately \$20,000 and 0.9 FTE position compared to estimated net FY 2001. Changes include:
 - A decrease of \$201,000 to eliminate the Physicians Care for Children Program.
 - An increase of \$90,000 and 2.0 FTE positions for an African American infant mortality initiative.
 - An increase of \$20,000 and 0.1 FTE position for a Child Death Review Team assessment of the response of the DHS in the death of a child.
 - An increase of \$71,000 and 0.5 FTE position for the Child Death Review Team investigation of children from birth through age 17.
 - An unspecified decrease of 3.5 FTE positions.
- Decreases the appropriation to the Chronic Conditions Program in the Department of Public Health by \$1.3 million and 3.6 FTE positions compared to estimated net FY 2001. Change include:
 - A decrease of \$743,000 and 2.0 FTE positions to eliminate funding for the Chronic Renal Disease Program.
 - A decrease of \$393,000 to eliminate funding for Child Health Specialty Clinics.
 - A decrease of \$116,000 to eliminate funding for the Neuromuscular and Related Disorders Program.
 - An unspecified decrease of 1.6 FTE positions.
- Decreases the appropriation to the Community Capacity Program in the Department of Public Health by \$110,000 and 0.3 FTE position compared to estimated net FY 2001. Changes include:

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HEALTH AND HUMAN RIGHTS
APPROPRIATIONS SUBCOMMITTEE**

**DEPARTMENT OF PUBLIC HEALTH
(CONTINUED)**

- A decrease of \$80,000 to eliminate funding for the Community Grant portion of the PRIMECARRE Program.
- A decrease of \$30,000 and 0.5 FTE position to transfer the local board of health Environmental Liaison Program to the Public Protection Program.
- An unspecified increase of 0.2 FTE position.
- Decreases the appropriation to the Environmental Hazards Program in the Department of Public Health by \$128,000 and 1.0 FTE position compared to estimated net FY 2001. Changes include:
 - A decrease of \$128,000 and 2.0 FTE positions to transfer support for the administration of the Radiological Health Bureau to the Public Protection Program.
 - An increase of 1.0 FTE position to transfer an environmental epidemiologist from Healthy Iowans 2010.
- Decreases the appropriation to the Injuries Program in the Department of Public Health by \$416,000 and increases staffing by 1.8 FTE positions compared to estimated net FY 2001. Changes include:
 - A decrease of \$416,000 to reduce funding for Home Care Aide – Court Ordered Services.
 - An unspecified increase of 1.8 FTE positions.
- Increases the appropriation to the Public Protection Program in the Department of Public Health by \$158,000 and decreases staffing by 2.0 FTE positions. Changes include:
 - An increase of \$128,000 and 2.0 FTE positions to transfer support for the administration of the Radiological Health Bureau from the Environmental Hazards Program.
 - An increase of \$30,000 and 0.5 FTE position to transfer the local board of health Environmental Liaison Program from the Community Capacity Program.
 - An unspecified decrease of 4.5 FTE positions.
- Decreases the General Fund appropriations to the Divisions in the Department of Human Rights by \$78,000 compared to the estimated net FY 2001 appropriations. Changes include:
 - An increase of \$14,000 to the Division of Deaf Services to offset a decrease in fees collected for interpreting services. Reduces the FY 2002 General Fund decision package for \$37,000 by \$23,000 for this purpose.

DEPARTMENT OF HUMAN RIGHTS

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HEALTH AND HUMAN RIGHTS
APPROPRIATIONS SUBCOMMITTEE**

**DEPARTMENT OF HUMAN RIGHTS
(CONTINUED)**

- Decreases the General Fund appropriation to the Division of Persons with Disabilities by \$12,000 compared to the estimated net FY 2001 appropriation.
- Decreases the General Fund appropriation to the Division of Latino Affairs by \$11,000 compared to the estimated net FY 2001 appropriation.
- Decreases the General Fund appropriation to the Division on the Status of Women by \$25,000 compared to the estimated net FY 2001 appropriation. This will reduce the number of grants available for the Iowans in Transition Program.
- Decreases the General Fund appropriation to the Division on the Status of African Americans by \$3,000 compared to the estimated net FY 2001 appropriation.
- An increase of \$32,000 to the Division of Criminal and Juvenile Justice to merge the Justice Data Warehouse support and personnel into main operations. Reduces the FY 2002 General Fund decision package for \$60,000 by \$28,000 for this purpose.
- Reduces the General Fund appropriation to the Community Grant Fund by \$102,000 compared to the estimated net FY 2001 appropriation.
- A new increase of \$87,000 and 0.92 FTE position for the establishment of a Commission on the Status of Asian and Pacific Islanders. Reduces the FY 2002 General Fund decision package for \$93,000 and 1.0 FTE position by \$5,500 and .08 FTE position for this purpose. The increase of \$87,000 includes a transfer of \$40,000 from the Administration Division.
- Reduces the General Fund appropriation to the Division of Administration by \$58,000 compared to the estimated net FY 2001 appropriation. The reduction includes a transfer of \$40,000 for the establishment of Division on the Status of Asian and Pacific Islanders.

VETERANS AFFAIRS COMMISSION

- Increases the appropriation to the Commission of Veterans Affairs by \$30,000 and 0.2 FTE position compared to estimated net FY 2001. Changes include:
 - An increase of \$35,000 and 0.5 FTE position for an outreach coordinator.
 - An increase of \$3,000 for a poster campaign on veteran's benefits availability.
 - A decrease of \$8,000 and 0.3 FTE position for the military graves registrar.
- Increase the appropriation to the Iowa Veterans Home by \$339,000 and decreases the staffing at the Home by 18.9 FTE positions compared to estimated net FY 2001. Changes include:

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HEALTH AND HUMAN RIGHTS
APPROPRIATIONS SUBCOMMITTEE**

**VETERANS AFFAIRS COMMISSION
(CONTINUED)**

- . An increase of \$224,000 for new and increased medication costs.
- . An increase of \$175,000 for a projected increase in the cost of providing worker's compensation.
- . An increase of \$693,000 for unfunded FY 2001 COLA and health insurance increases.
- . An increase of \$120,000 for the inflationary adjustment to the housekeeping contract and the additional cost of increased building space from the current construction project.
- . An increase of \$32,000 for inflationary costs for food and dietary supplies.
- . A decrease of \$895,000 and 18.5 FTE positions. The FTE positions are as follows:
 - . \$43,000 and 1.0 FTE position for an LPN (unfilled).
 - . \$47,000 and 1.0 FTE position for an RN (unfilled).
 - . \$58,000 and 1.5 FTE positions for Resident Treatment Workers (unfilled).
 - . \$354,000 and 7.0 FTE positions for Activity Specialist 1s.
 - . \$393,000 and 8.0 FTE positions for Social Worker 3s.
- . A decrease of \$10,000 for supplies.
- . An unspecified decrease of 0.4 FTE positions.

GAMBLING TREATMENT FUNDS

- . Increases the appropriation from Gambling Treatment Funds to the Addictive Disorders Program in the Department of Public Health by \$371,000 compared to estimated net FY 2001 for substance abuse treatment. Changes include the following:
 - . An increase of \$271,000 for substance abuse treatment, which is the amount estimated to carry forward in the Gambling Treatment Fund. This would be one-time funding for FY 2002. The Governor originally recommended that these funds be appropriated to the Gambling Treatment Program in the Department of Public Health.
 - . An increase of \$100,000 for substance abuse treatment, which is generated from receipts collected by the General Fund from 0.3% of the gross sum wagered at pari-mutuel tracks. The Governor originally recommended that these funds be appropriated to the Community Action Agencies Division in the Department of Human Rights for HAWK-I outreach efforts.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HEALTH AND HUMAN RIGHTS
APPROPRIATIONS SUBCOMMITTEE**

TOBACCO SETTLEMENT FUNDS

• The Governor is recommending an appropriation from Tobacco Settlement Funds to the Department of Public Health of \$23.2 million and 9.6 FTE positions, which is a decrease of \$890,000 and no change in FTE positions compared to estimated net FY 2001. The changes include:

- An increase of \$610,000 to the Addictive Disorders Program in the Department of Public Health for substance abuse treatment
- A decrease of \$1.5 million to the Tobacco Use Prevention and Cessation Program in the Department of Public Health. The Governor is recommending that these funds be transferred to the DHS to backfill a General Fund cut to the Medical Assistance Program.

SENIOR LIVING TRUST FUND

• The Governor is recommending an appropriation from the Senior Living Trust Fund to the Department of Elder Affairs for \$5.3 million and 8.0 FTE positions, which is an increase of \$1.1 million and 1.0 FTE position compared to estimated net FY 2001. The changes include:

- An increase of \$672,000 for the enhancement of the long-term care system in order to create new and expand existing home and community-based services for the elderly.
- An increase of \$256,000 and 1.0 FTE position for adult abuse detection, training, and services.
- An increase of \$100,000 for recruitment and retention strategies for certified nurse aides.
- An increase of 70,000 to contract with the Fire Marshal's office for the inspection of converted assisted living facilities.

Health and Human Rights General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Blind, Iowa Commission for the					
Department for the Blind	\$ 1,826,993	\$ 1,856,993	\$ 1,856,993	\$ 30,000	LFB Analysis: Estimated net FY 2001 includes one-time appropriations for Newsline for the Blind and the Iowa Radio Reading Information Service in the amount of \$30,000. The revised Governor's recommendation is no change compared to estimated net FY 2001.
Newsline for the Blind	15,000	0	0	-15,000	
Iowa Radio Reading Information	15,000	0	0	-15,000	
Total Blind, Iowa Commission for the	\$ 1,856,993	\$ 1,856,993	\$ 1,856,993	\$ 0	
Civil Rights Commission					
Civil Rights Commission	\$ 1,226,743	\$ 1,276,743	\$ 1,200,138	\$ -26,605	Gov. Analysis: Reduce office supplies, outside services, and outside service repair. LFB Analysis: The Governor is recommending a decrease of \$26,605 and 1.05 FTE positions compared to estimated net FY 2001. Changes include: 1) A decrease of \$26,605 to office supplies, outside services, and outside service repairs. 2) An unspecified decrease of 1.05 FTE position.
Elder Affairs, Department of					
Aging Programs	\$ 5,071,211	\$ 5,389,011	\$ 5,065,411	\$ -5,800	Gov. Analysis: Replaces General Fund appropriation with Senior Living Trust Funding for Abuse Initiative (\$217,800). Eliminates the FY'02 recommended increase in RSVP (\$40,000), the program continues at the FY'01 level of \$217,592. Reduces funding for elderly services by \$65,600, leaving \$961,643 to go toward elderly services. LFB Analysis: Eliminates FY 2002 General Fund decision package for \$217,800 to provide funding for adult abuse detection, services, and training. Eliminates FY 2002 General Fund decision package for a \$40,000 increase for RSVP. Reduces the General Fund Allocation to Elderly Services by \$65,800 to provide \$60,000 and 1.0 FTE position for an additional long-term care ombudsman. Reduces the General Fund appropriation for Aging Programs by \$5,800 compared to estimated net FY 2001.

Health and Human Rights General Fund

	<u>Estimated Net FY 2001 (1)</u>	<u>Gov. Rec. FY 2002 (2)</u>	<u>Revised Gov. FY 2002 (3)</u>	<u>Revised Gov. vs. FY 2001 (4)</u>	<u>Analysis (5)</u>
Governor's Subst. Abuse Coord.					
ODCP - DARE Coordination	\$ 80,000	\$ 80,000	\$ 75,200	\$ -4,800	<p>Gov. Analysis: Reduce support available, (-\$4,800)</p> <p>LFB Analysis: Reduces the General Fund appropriation for DARE coordination by \$4,800 compared to estimated net FY 2001. The decrease will reduce support for classroom materials and DARE officer training.</p>
Drug Policy Coordinator	518,892	518,892	487,759	-31,133	<p>Gov. Analysis: Reduce mentoring training (-\$20,000), reduce free materials (-\$6,133), reduce public service medical campaign (-\$5,000).</p> <p>LFB Analysis: Reduces the General Fund appropriation for the Drug Policy Coordinator by \$31,133 compared to estimated net FY 2001. The decrease eliminates \$20,000 in funding for the Youth Mentoring Conference; reduces support funding for the Substance Abuse Clearinghouse by \$6,133; and reduces funding for the Partnership for a Drug-Free Iowa advertising campaign by \$5,000.</p>
Total Governor's Subst. Abuse Coord.	<u>598,892</u>	<u>\$ 598,892</u>	<u>\$ 562,959</u>	<u>\$ -35,933</u>	
Health, Department of Public					
Addictive Disorders	2,383,320	2,773,320	2,360,225	-23,095	<p>Gov. Analysis: Eliminate the Advisory Council on Chemically Exposed Infants, with the duties of the Council rolled into the MCH Advisory Council. Change \$371,488 of General Fund funding for substance abuse treatment to Gambling Treatment funding.</p> <p>LFB Analysis: The Governor is recommending a decrease of \$23,095 and an increase 3.6 FTE positions compared to estimated net FY 2001. Changes include: 1) An increase of \$18,512 for Substance Abuse Treatment. 2) A decrease of \$41,607 and 0.4 FTE position to eliminate the Advisory Council on Chemically Exposed Infants. 3) An increase of 4.0 FTE positions to provide substance abuse treatment that was previously provided by contractors in FY 2001. The Governor is also recommending using \$371,488 of Gambling Treatment Funds to increase Substance Abuse Treatment funding.</p>

Health and Human Rights General Fund

	<u>Estimated Net FY 2001</u>	<u>Gov. Rec. FY 2002</u>	<u>Revised Gov. FY 2002</u>	<u>Revised Gov. vs. FY 2001</u>	<u>Analysis</u>
	(1)	(2)	(3)	(4)	(5)
Adult Wellness	643,855	643,855	643,855	0	
Child and Adolescent Wellness	1,424,456	1,505,608	1,404,421	-20,035	<p>Gov. Analysis: Eliminate the funding for physician care for children, alternative funding through the HAWK-I program is available.</p> <p>LFB Analysis: The Governor is recommending a decrease of \$20,035 and 0.9 FTE positions compared to estimated net FY 2001. Changes include: 1) A decrease of \$201,187 to eliminate funding for the Physicians Care for Children Program. 2) An increase of \$90,000 and 2.0 FTE positions for an African American infant mortality initiative. 3) An increase of \$20,000 and 0.10 FTE position for a CDRT assessment of the response of DHS to the death of a child. 4) An increase of \$71,152 and 0.50 FTE position for the CDRT investigations of children from birth through age 17. 4) An unspecified decrease of 3.5 FTE positions.</p>
Chronic Conditions	1,846,534	1,846,534	594,757	-1,251,777	<p>Gov. Analysis: Eliminate the funding for Chronic Renal Disease Program, Child Health Specialty Clinics, and Neuromuscular and Related Disorders Program. Alternative funding for these programs will be explored, such as moving the clients from the Chronic Renal Disease Program to the State Medicaid program, additional federal dollars will be requested for the other two programs.</p> <p>LFB Analysis: The Governor is recommending a decrease of \$1,251,777 and 3.6 FTE positions compared to estimated net FY 2001. Changes include: 1) A decrease of \$743,233 and 2.0 FTE positions to eliminate funding for the Chronic Renal Disease Program. 2) A decrease of \$392,931 to eliminate funding for Child Health Specialty Clinics. 3) A decrease of \$115,613 to eliminate the Neuromuscular and Related Disorders Program. 4) An unspecified decrease of 1.6 FTE positions.</p>

Health and Human Rights

General Fund

	<u>Estimated Net FY 2001</u>	<u>Gov. Rec. FY 2002</u>	<u>Revised Gov. FY 2002</u>	<u>Revised Gov. vs. FY 2001</u>	<u>Analysis</u>
	(1)	(2)	(3)	(4)	(5)
Community Capacity	1,647,230	1,617,230	1,537,230	-110,000	<p>Gov. Analysis: Eliminate the funding for the Community Grant portion of the PRIMECARRE program. Alternative sources of funding will be explored.</p> <p>LFB Analysis: The Governor is recommending a decrease of \$110,000 and 0.3 FTE positions compared to estimated net FY 2001. Changes include: 1) A decrease of \$80,000 to eliminate funding for the Community Grant portion of the PRIMECARRE program. 2) A decrease of \$30,000 and 0.5 FTE position to transfer the local board of health Environmental Liaison Program to the Public Protection Program. 3) An unspecified increase of 0.2 FTE position.</p>
Elderly Wellness	10,932,737	10,932,737	10,932,737	0	
Environmental Hazards	\$ 167,069	\$ 39,547	\$ 39,547	\$ -127,522	<p>LFB Analysis: The Governor is recommending a decrease of \$127,522 and 1.0 FTE position compared to estimated net FY 2001. Changes include: 1) A decrease of \$127,522 and 2.0 FTE positions to transfer support for the administration of the Radiological Health Bureau to the Public Protection Division. 2) An increase of 1.0 FTE position to transfer an environmental epidemiologist from the Public Protection Program.</p>
Infectious Diseases	1,370,436	1,370,436	1,370,436	0	
Injuries	1,872,355	1,872,355	1,456,273	-416,082	<p>Gov. Analysis: Reduction in funding for the Home Care Aide - Court Ordered Services. Counties that used this funding will be encouraged to explore alternative funding sources with the Department of Human Services, utilize decategorization or empowerment funding or attempt to secure payment from Medicaid for certain services covered by this program.</p> <p>LFB Analysis: The Governor is recommending a decrease of \$416,082 and an increase of 1.75 FTE positions compared to estimated net FY 2001. Changes include: 1) A decrease of \$416,082 to the Home Care Aide - Court Ordered Services. 2) An unspecified increase of 1.75 FTE positions.</p>

Health and Human Rights General Fund

	<u>Estimated Net FY 2001</u>	<u>Gov. Rec. FY 2002</u>	<u>Revised Gov. FY 2002</u>	<u>Revised Gov. vs. FY 2001</u>	<u>Analysis</u>
	(1)	(2)	(3)	(4)	(5)
Public Protection	7,323,647	7,481,169	7,481,169	157,522	LFB Analysis: The Governor is recommending an increase of \$157,522 and a decrease of 1.95 FTE positions compared to estimated net FY 2001. Changes include: 1) An increase of \$127,522 and 2.0 FTE positions to transfer support of the Radiological Health Bureau from the Environmental Hazards Division. 2) An increase of \$30,000 and 0.5 FTE position to transfer the local board of health Environmental Liaison Program from the Community Capacity Program. 3) An unspecified decrease of 4.45 FTE positions.
Resource Management	1,428,097	1,428,097	1,428,097	0	
Total Health, Department of Public	\$ 31,039,736	\$ 31,510,888	\$ 29,248,747	\$ -1,790,989	
Human Rights, Department of					
Deaf Services	\$ 350,211	\$ 387,558	\$ 364,505	\$ 14,294	Gov. Analysis: Reduce outside services, rentals, professional services, office supplies, etc. LFB Analysis: The Governor's original recommendation included an increase of \$37,347 to offset a decrease in fees collected for interpreting services. The revised recommendation reduces this amount by \$23,053 for a net increase of \$14,294 for this purpose.
Persons with Disabilities	204,880	204,880	192,587	-12,293	Gov. Analysis: Reduce printing, travel, and supplies. LFB Analysis: Reduces the General Fund appropriation to the Division of Persons with Disabilities by \$12,293 compared to estimated net FY 2001. Reductions for printing, travel, and supplies may impact Division outreach services.
Division of Latino Affairs	183,062	183,062	172,528	-10,534	Gov. Analysis: Reduce support costs. LFB Analysis: Reduces the General Fund appropriation to the Division of Latino Affairs by \$10,534 compared to estimated net FY 2001. A reduction to support costs may impact Division outreach services.

Health and Human Rights General Fund

	<u>Estimated Net FY 2001</u> (1)	<u>Gov. Rec. FY 2002</u> (2)	<u>Revised Gov. FY 2002</u> (3)	<u>Revised Gov. vs. FY 2001</u> (4)	<u>Analysis</u> (5)
Status of Women	426,464	426,464	400,996	-25,468	<p>Gov. Analysis: Reduce lowans in Transition grants.</p> <p>LFB Analysis: Reduces the General Fund appropriation to the Division on the Status of Women by \$25,468 compared to the estimated net FY 2001. The reduction will result in the elimination of one or two grants to programs that serve lowans in Transition, or all grant recipients will receive reduced amounts resulting in inadequate operational funding. In addition, up to 395 fewer individuals will be served. In FY 2000, the Division awarded 11 grants to programs that serve lowans in Transition, assisting 2,166 individuals.</p>
Status of African Americans	140,525	140,525	137,714	-2,811	<p>Gov. Analysis: Reduce printing, office supplies, and communications</p> <p>LFB Analysis: Reduces the General Fund appropriation to the Division on the Status of African Americans by \$2,811 compared to estimated net FY 2001. A reduction to printing, office supplies, and communications may impact Division outreach services.</p>
Criminal & Juvenile Justice	412,481	472,474	444,126	31,645	<p>Gov. Analysis: Delay implementation of justice data warehouse.</p> <p>LFB Analysis: The Governor's original recommendation included an increase of \$59,993 from the General Fund to continue the operation of the Justice Data Warehouse and replace funding from the Pooled Technology Account for this purpose. The revised recommendation reduces this amount by \$28,348 for an increase of \$31,645. The reduction may decrease access to the services provided through the Justice Data Warehouse.</p>

Health and Human Rights

General Fund

	Estimated Net FY 2001	Gov. Rec. FY 2002	Revised Gov. FY 2002	Revised Gov. vs. FY 2001	Analysis
	(1)	(2)	(3)	(4)	(5)
Community Grant Fund	1,600,494	1,600,494	1,498,074	-102,420	<p>Gov. Analysis: Reduction in community grants. Decat boards are potential alternative source to make up lost funds.</p> <p>LFB Analysis: Reduces the General Fund appropriation to the Community Grant Fund by \$102,420 compared to estimated net FY 2001. The reduction will reduce the amount of grant funds available for distribution to local communities for juvenile justice and delinquency programs. Since these grants are distributed according to a child population formula, the reduction will be shared proportionally by all 39 decategorization boards. In addition, a small decrease in service levels may occur in some sites and a reduction may occur in the amount of available events that promote and support youth.</p>
Status of SE Asians	0	92,700	87,138	87,138	<p>Gov. Analysis: Delay hiring of new division administrator.</p> <p>LFB Analysis: The Governor's original recommendation included an increase of \$92,700 and 1.0 FTE position for the establishment of a Commission on the Status of Asian and Pacific Islanders. The revised recommendation reduces this amount by \$5,562 and .08 FTE position for a net increase of \$87,138 and .92 FTE position. The reduction will delay the hiring of a new division administrator by one to two months. The recommendation of \$87,138 includes a \$40,000 transfer from the Division of Administration.</p>
Administration	335,048	295,048	277,345	-57,703	<p>Gov. Analysis: Reduce communications, printing, office supplies, and other support costs.</p> <p>LFB Analysis: Reduces the General Fund appropriation to the Division of Administration by \$57,703. The reduction includes a transfer of \$40,000 to the Status of Asian and Pacific Islanders. The reduction of \$17,703 may affect the level of support provided by the Division of Administration to other Department Divisions.</p>
Total Human Rights, Department of	\$ 3,653,165	\$ 3,803,205	\$ 3,575,013	\$ -78,152	

Health and Human Rights

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Veterans Affairs, Comm. of					
Veterans Affairs, Comm of	\$ 314,544	\$ 364,544	\$ 344,097	\$ 29,553	<p>Gov. Analysis: Partial reduction of an outreach coordinator and military graves register, however both functions will continue.</p> <p>LFB Analysis: The Governor is recommending an increase of \$29,553 and 0.25 FTE positions compared to estimated net FY 2001. Changes include: 1) An increase of \$35,010 and 0.5 FTE position for an outreach coordinator. 2) An increase of \$3,000 for a poster campaign on veteran's benefits availability. 3) A decrease of \$8,457 and 0.25 FTE position for the military graves registrar.</p>
War Orphans	6,000	6,000	6,000	0	
Iowa Veterans Home	47,300,942	48,544,881	47,640,013	339,071	<p>Gov. Analysis: Services not directly related to resident care will be reduced. However no beds will be closed and all residents will remain at the Veterans Home.</p> <p>LFB Analysis: The Governor is recommending an increase of \$339,071 and a decrease of 18.9 FTE positions compared to estimated net FY 2001. Changes include: 1) An increase of \$224,339 for new and increased medication costs. 2) An increase of \$693,285 for unfunded FY 2001 COLA and health insurance increases. 3) An increase of \$174,678 for a projected increase in the cost of providing worker's compensation. 4) An increase of \$119,717 for the inflationary adjustment to the housekeeping contract and the additional cost of increased building space from the current construction project. 5) An increase of \$31,919 for food and dietary supplies. 6) A decrease of \$894,578 and 18.5 FTE positions. Unfilled FTE positions include: 1.0 FTE for an LPN (\$42,704), 1.0 FTE for an RN (\$46,874), and 1.5 FTEs for Resident Treatment Workers (\$58,114). 7) A decrease of \$10,290 for supplies. 8) An unspecified decrease of 0.4 FTE position.</p>
Merchant Marine Bonus	150,000	0	0	-150,000	<p>LFB Analysis: This was a one-time appropriation made in FY 2001.</p>
Total Veterans Affairs, Comm. of	\$ 47,771,486	\$ 48,915,425	\$ 47,990,110	\$ 218,624	
Total Health and Human Rights	\$ 91,218,226	\$ 93,351,157	\$ 89,499,371	\$ -1,718,855	

Health and Human Rights

Non General Fund

	<u>Estimated Net FY 2001 (1)</u>		<u>Gov. Rec. FY 2002 (2)</u>		<u>Revised Gov. FY 2002 (3)</u>		<u>Revised Gov. vs. FY 2001 (4)</u>	<u>Analysis (5)</u>
<u>Elder Affairs, Department of</u>								
Senior Living Trust Fund								
Aging Programs	\$ 4,188,123	\$	5,067,626	\$	5,285,426	\$	1,097,303	<p>LFB Analysis: The Governor is recommending an appropriation to the Department of Elder Affairs for \$5,285,426 and 8.0 FTE positions from the Senior Living Trust Fund. This is an increase of \$1,097,303 and 1.0 FTE position compared to estimated net FY 2001. The changes include: 1) An increase of \$671,503 for the enhancement of the long-term care system in order to create new and expand existing home and community-based services for the elderly. 2) An increase of \$255,800 and 1.0 FTE position for adult abuse detection, training, and services. 3) An increase of \$100,000 for recruitment and retention strategies for certified nurse aides. 4) An increase of \$70,000 to contract with the Fire Marshal's office for the inspection of converted assisted living facilities.</p>
 <u>Tobacco Settlement Funds</u>								
 Department of Public Health								
Tobacco Use Prev./Control-Tbco	\$ 9,345,394	\$	9,345,394	\$	7,845,394	\$	-1,500,000	<p>LFB Analysis: This is a decrease of \$1,500,000 to the Tobacco Use Prevention and Control Program compared to estimated net FY 2001. The Governor is recommending that \$1,500,000 be transferred to the DHS to backfill a General Fund cut to the Medical Assistance Program.</p>

Health and Human Rights

Non General Fund

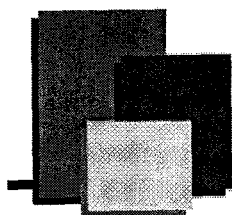
	<u>Estimated Net FY 2001</u>	<u>Gov. Rec. FY 2002</u>	<u>Revised Gov. FY 2002</u>	<u>Revised Gov. vs. FY 2001</u>	<u>Analysis</u>
	(1)	(2)	(3)	(4)	(5)
Substance Abuse-Tbco	11,900,000	0	0	-11,900,000	LFB Analysis: These funds were appropriated and deposited into the account titled Substance Abuse Tobacco in FY 2001 to be used by the Addictive Disorders Program for substance abuse treatment. In FY 2002, these funds will be appropriated directly to the Addictive Disorders Program for substance abuse treatment. (See Addictive Disorders-Tbco)
Addictive Disorders-Tbco		12,510,000	12,510,000	12,510,000	LFB Analysis: Increases the appropriation to the Addictive Disorders Program for substance abuse treatment by \$610,000 compared to estimated net FY 2001. The \$610,000 was a one-time appropriation to the CBC for FY 2001.
Healthy Iowans 2010-Tbco	2,800,000	0	0	-2,800,000	LFB Analysis: These funds were appropriated and deposited into the account titled Healthy Iowans 2010 Tobacco in FY 2001 to be used by various Programs in the Department to address some of the goals outlined in the Healthy Iowans 2010 Program. In FY 2002, these funds will be appropriated directly to the programs for which they are to be used. The Governor is recommending \$2,800,000 for FY 2002, which is no change compared to estimated net FY 2001. Healthy Iowans 2010 Tobacco dollars are indicated by an asterisks (*).
Community Capacity - Tbco	0	1,500,000	1,500,000	1,500,000 •	
Environmental Hazards-Tbco		153,852	153,852	153,852 •	
Adult Wellness-Tbco		81,500	81,500	81,500 *	
Child & Adolescent Well-Tbco	0	81,500	81,500	81,500 •	LFB Analysis: These funds were used in FY 2001 for the Prevention of Suicide in Children Program. The Governor is recommending transferring these funds to the Childhood Lead Poisoning Prevention Program for FY 2002.
Injuries-Tbco		837,000	837,000	837,000 •	
Resource Management-Tbco		146,148	146,148	146,148 •	
Total Health, Department of Public	\$ 24,045,394	\$ 24,655,394	\$ 23,155,394	\$ -890,000	

Health and Human Rights

Non General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Gambling Treatment Funds					
Department of Public Health					
Addictive Disorders	\$ 3,382,000	\$ 3,653,488	\$ 3,753,488	\$ 371,488	

LFB Analysis: The Governor is recommending an increase of \$371,488 of Gambling Treatment Funds to the Addictive Disorders Program for substance abuse treatment. Of these funds, \$271,488 are dollars estimated to carry forward in the Gambling Treatment Fund from FY 2001. Therefore, this would be a one-time appropriation for FY 2002. The Governor originally recommended that these funds be appropriated to the Gambling Treatment Program. The remaining \$100,000 are funds generated from receipts collected by the General Fund from 0.3% of the gross sum wagered at pari-mutuel tracks. This would also be a one-time appropriation for FY 2002. The Governor originally recommended that these funds be appropriated to the Community Action Agencies Division in the Department of Human Rights for HAWK-I outreach efforts.



Legislative Fiscal Bureau

Analysis of the Governor's Revised FY 2002 Budget

**Human Services
Appropriations Subcommittee**

April 2, 2001

LFB Staff: Sue Lerdal (1-7794) Sam Leto (1-6764)

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**

***GOVERNOR'S REVISED
RECOMMENDATION - TOTAL
APPROPRIATIONS***

TEMPORARY ASSISTANCE FOR
NEEDY FAMILIES (TANF) BLOCK
GRANT

FAMILY INVESTMENT PROGRAM
(FIP)

EMERGENCY ASSISTANCE

CHILD SUPPORT RECOVERY UNIT

MEDICAL ASSISTANCE PROGRAM

- The Governor is recommending \$796.9 million from the General Fund and 5,752.8 FTE positions for the Human Services Subcommittee for FY 2002. This is an increase of \$13.9 million and 221.0 FTE positions compared to estimated net FY 2001. The Governor's revised recommendation includes a decrease of 49.0 FTE positions compared to the original recommendation. These represent a change from 143.0 additional FTE positions recommended for child protection to 94.0 additional FTE positions. The reduction of the FTE positions should not result in layoffs within the Department of Human Services.
- A decrease of \$1.4 million for FY 2001 compared to the Governor's original recommendation by eliminating the recommendation for a supplemental appropriation from the Temporary Assistance for Needy Family (TANF) Funds for a possible child care subsidy shortfall, which is no longer expected. For FY 2002, the Governor reduces various General Fund appropriations by a total of \$450,000 and replaces with TANF Funds.
- An increase of \$1.1 million compared to the estimated net FY 2001 appropriation which now includes:
 - An increase of \$734,000 to continue FY 2001 funding for technology.
 - An increase of \$422,000 to complete Electronic Benefit Transfer expansion.
 - An increase of \$314,000 needed for Maintenance of Effort.
 - A decrease of \$291,000 due to increased child support recoveries.
 - A decrease of \$100,000 for Food Stamps Employment and Training from the Governor's original recommendation.
- No change compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation.
- A decrease of \$68,000 and an increase of 49.0 FTE positions compared to the estimated net FY 2001 appropriation.
- An increase of \$16.7 million compared to the estimated net FY 2001 appropriation which now includes:
 - An increase of \$1.0 million due to increases in Health Maintenance Organization (HMO) payments.
 - An increase of \$829,000 due to an increase in the Iowa Plan cost.
 - An increase of \$8.7 million due to an increase in inpatient fee for service.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**

**MEDICAL ASSISTANCE PROGRAM
(CONTINUED)**

- An increase of \$8.3 million due to an increase in outpatient fee for service.
- An increase of \$3.9 million due to an increase in physician fee for service.
- An increase of \$4.6 million due to an increase in drug fee for service.
- An increase of \$7.5 million due to an increase in other fee for service providers.
- An increase of \$1.5 million due to reinstatement of reductions for historical reversions.
- An increase of \$1.1 million due to an increase in Health Insurance Premium Payments premium costs.
- An increase of \$338,000 due to an increase in the remainder of miscellaneous provider group.
- An increase of \$481,000 due to an increase in case management.
- An increase of \$1.5 million due to an increase in Buy-In costs.
- An increase of \$3.2 million due to an increase in nursing facilities funding.
- An increase of \$5.7 million due to an increase in waiver costs.
- A decrease of \$224,000 due to decrease in Intermediate Care Facilities for the Mentally Retarded (ICF/MR) costs for children.
- A decrease of \$297,000 due to an increase in recoveries.
- An increase of \$240,000 due to an increase in Health Management Systems contract expenditures.
- An increase of \$263,000 due to an increase in medical transportation costs.
- An increase of \$30,000 due to an increase in postage costs.
- An increase of \$142,000 due to an increase in maximum rate for the Ill and Handicapped waiver.
- A decrease of \$14.1 million due to transfer of funds from the Tobacco Settlement Fund.
- A decrease of \$436,000 due to higher Supplemental Security Income (SSI) subsidy.
- A decrease of \$167,000 due to revised need estimate.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**

**MEDICAL ASSISTANCE PROGRAM
(CONTINUED)**

• Changes from the original recommendation of the Governor:

- A decrease of \$3.0 million due to increased federal reimbursement for the Hospital Disproportionate Share Program.
- A decrease of \$1.5 million due to court settlement of a former fiscal agent.
- A decrease of \$2.1 million due to increase participation in Health Insurance Premium Payments.
- A decrease of \$160,000 due to reduced funding for critical access hospitals.
- A decrease of \$695,000 due to deny payment for immunosuppressant drugs.
- A decrease of \$74,000 due to deny payment when daily strength exceeds maximum dosage.
- A decrease of \$186,000 due to reduced payment for injected medications.
- A decrease of \$594,000 due to increased discount on average wholesale price of medications from 10.0% to 12.5%.
- A decrease of \$112,000 due to reduced prior authorization for the use of the drug, Synagis, which is an antibody for certain respiratory viruses in children.
- A decrease of \$866,000 due to a freeze on physician rates.
- A decrease of \$747,000 due to a decrease in dispensing fee for drugs.
- A decrease of \$5.6 million due to a 3.0% across-the-board provider rate reduction for hospitals and other non-institutional providers.
- An increase of \$182,000 due to increased costs in the rehabilitation option in the program.
- A decrease of \$2.0 million due to an additional transfer of money from the Senior Living Trust Fund.

**PHARMACEUTICAL CASE
MANAGEMENT**

- A decrease of \$414,000 compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation.

**HEALTH INSURANCE PREMIUM
PAYMENTS**

- An increase of \$169,000 compared to the estimated net FY 2001 appropriation which is a change from the Governor's original recommendation.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**

**CHILD HEALTH INSURANCE
PROGRAM**

- An increase of \$6.4 million compared to the estimated net FY 2001 appropriation which now includes:
 - An increase of \$6.0 million to restore carryover offset from FY 2001.
 - A decrease of \$1.7 million to reduce Medicaid expansion costs.
 - An increase of \$10,000 due to increased administration costs.
 - An increase of \$3.3 million due to increased Healthy and Well Kids (HAWK-I) Program.
 - An increase of \$81,000 due to reduction in cost sharing.
 - An increase of \$67,000 to restore reductions made to FY 2001 appropriation.
 - An increase of \$259,000 due to increased Mothers And Children infant costs.
 - A decrease of \$2.0 million due to offset with the HAWK-I Trust Fund carry forward.
 - A decrease of \$200,000 due to offset with funding from the Tobacco Settlement Fund.
 - An increase of \$1.3 million to restore deappropriated amounts in FY 2001.
 - A decrease of \$700,000 due to revised estimate of anticipated carryover which is a change from the Governor's original recommendation.

MEDICAL CONTRACTS

- An increase of \$346,000 and 8.0 FTES compared to the estimated FY 2001 appropriation which now includes:
 - An increase of \$129,000 due to an increase in the managed care administration charge.
 - An increase of \$162,000 due to an increase in managed care enrollees.
 - A decrease of \$56,000 for systems work on 250.0% working disabled within Medicaid for Employed People with Disabilities.
 - An increase of \$112,000 due to an increase in mandatory claims payment.
 - An increase of \$95,000 due to an increase in the remainder of the fiscal agent contract.
 - An increase of \$18,000 due to an increase in the Peer Review Organization contract.
 - An increase of \$34,000 due to an increase in the Department of Inspections and Appeals contract.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**

**MEDICAL CONTRACTS
(CONTINUED)**

- . An increase of \$7,000 due to an increase in Drug Utilization Review.
- . A decrease of \$19,000 due to a decrease in disability determinations.
- . A decrease of \$9,000 due to a decrease in audits.
- . A decrease of \$55,000 due to a decrease in the Mental Health Center independent evaluations.
- . A decrease of \$50,000 due to a decrease in Managed Care Organization rate setting.
- . A decrease of \$12,000 due to a decrease in the Department of Public Health contract.
- . An increase of \$16,000 due to an increase in the Iowa State University contract for Home and Community-Based Services waiver.
- . An increase of \$823,000 due to changes in claim processing costs.
- . A decrease of \$500,000 and an increase of 8.0 FTE positions due to converting of fiscal agent employees to State FTE positions.

**STATE SUPPLEMENTARY
ASSISTANCE**

- . **Changes from the original recommendation of the Governor decrease by \$350,000 due to reduced payment for case reviews to determine medical necessity.**
- . A decrease of \$418,000 compared to the estimated net FY 2001 appropriation which now includes:
 - . A decrease of \$478,000 due to eligibility changes.
 - . An increase of \$328,000 due to increase Residential Care Facilities of 2.6% to meet federal Maintenance Of Effort requirements.
 - . An increase of \$155,000 due to increase of In-Home Health rate of 2.6% for Maintenance Of Effort.
 - . A decrease of \$423,000 due to higher Supplemental Security Income subsidy.

CHILD CARE

- . No change compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**

TOLEDO JUVENILE HOME

- An increase of \$95,000 and 2.0 FTE positions compared to the estimated net FY 2001 appropriation which now includes:
 - An increase of \$149,000 for inflation.
 - An increase of \$13,000 and 2.0 FTE positions for vocational instructors.
 - A decrease of \$67,000 for a 1.0% reduction from the Governor's original recommendation.

ELDORA TRAINING SCHOOL

- An increase of \$72,000 and no change in FTE positions compared to the estimated net FY 2001 appropriation which now includes:
 - An increase of \$182,000 for inflation.
 - A decrease of \$110,000 for a 1.0% reduction from the Governor's original recommendation.

CHILD AND FAMILY SERVICES

- A decrease of \$800,000 compared to the estimated net FY 2001 appropriation which now includes:
 - An increase of \$469,000 due to fewer children eligible for federal funds.
 - An increase of \$266,000 due to a decrease in the federal match rate.
 - An increase of \$131,000 to replace an FY 2000 one-time carry forward.
 - An increase of \$1.5 million for additional subsidized adoptions.
 - An increase of \$1.1 million to continue reimbursing subsidized adoptions and foster care subsidies at the 70.0% of the United States Department of Agriculture (USDA) rate of the cost to raise a child.
 - An increase of \$500,000 for the National Adoption Foster Care Information System.
 - An increase of \$255,000 for payment of Psychiatric Medical Institution for Children (PMIC) beds.
 - An increase of \$336,000 for a child protection quality assurance team.
 - An increase of \$282,000 for child abuse training.
- **Changes from the original recommendation of the Governor:**
 - A decrease of \$147,000 to eliminate matching funds for the Safe and Stable Families Grant.
 - A decrease of \$320,000 to include Psychiatric Medical Institutions for Children (PMICs) within the managed care system.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**

**CHILD AND FAMILY SERVICES
(CONTINUED)**

- . A decrease of \$2.5 million to decrease funding in Independent Living, Family Preservation, and Family Foster Care programs.
- . A decrease of \$1.1 million to reflect a decreased need for delinquency programs.
- . A decrease of \$1.2 million to eliminate wraparound services.
- . A decrease of \$29,000 to reduce residential treatment services technical assistance.
- . A decrease of \$121,000 to eliminate the mediation permanency project.
- . A decrease of \$45,000 for a reduction in adoption recruitment.
- . A decrease of \$211,000 to eliminate the Family to Family Program.

COMMUNITY BASED SERVICES

- . No change compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation.

FAMILY SUPPORT SUBSIDY

- . An increase of \$62,000 compared to the estimated net FY 2001 appropriation which was the Governor's recommendation.

CONNERS TRAINING

- . No change compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation.

**CHEROKEE MENTAL HEALTH
INSTITUTION**

- . An increase of \$77,000 compared to the estimated net FY 2001 appropriation which now includes:
 - . An increase of \$213,000 for inflation.
 - . A decrease of \$136,000 for a 1.0% reduction from the Governor's original recommendation.

**CLARINDA MENTAL HEALTH
INSTITUTE**

- . An increase of \$122,000 compared to the estimated net FY 2001 appropriation which now includes:
 - . An increase of \$134,000 for inflation.
 - . An increase of \$65,000 for general purposes.
 - . A decrease of \$77,000 for a 1.0% reduction from the Governor's original recommendation.

**INDEPENDENCE MENTAL HEALTH
INSTITUTE**

- . An increase of \$198,000 compared to the estimated net FY 2001 appropriation which now includes:
 - . An increase of \$379,000 for inflation.
 - . A decrease of \$181,000 for a 1.0% reduction from the Governor's original recommendation.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**

**MOUNT PLEASANT MENTAL
HEALTH INSTITUTE**

- A decrease of \$57,000 compared to the estimated net FY 2001 appropriation which now includes:
 - An increase of \$66,000 for inflation.
 - A decrease of \$65,000 for general purposes.
 - A decrease of \$58,000 for a 1.0% reduction from the Governor's original recommendation.

**GLENWOOD STATE RESOURCE
CENTER**

- A decrease of \$1.1 million compared to the estimated net FY 2001 appropriation which now includes:
 - A decrease of \$1.1 million due to increased federal receipts available from matching FY 2001 salary funds.
 - A decrease of \$39,000 due to an increased federal match rate.
 - An increase of \$27,000 for inflation.
 - A decrease of \$27,000 for a 1.0% reduction from the Governor's original recommendation.

**WOODWARD STATE RESOURCE
CENTER**

- A decrease of \$808,000 compared to the estimated net FY 2001 appropriation which now includes:
 - An increase of \$20,000 for inflation.
 - A decrease of \$782,000 due to increased federal receipts available from matching FY 2001 salary funds.
 - A decrease of \$28,000 due to an increased federal match rate.
 - A decrease of \$18,000 for a 1.0% reduction from the Governor's original recommendation.

MH/MR/DD SPECIAL SERVICES

- A decrease of \$121,220 compared to the estimated net FY 2001 appropriation to eliminate the program and fund from the proposed Housing Trust Fund, which was the Governor's original recommendation.

SPECIAL NEEDS GRANTS

- No change compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**

STATE CASES

- An increase of \$1.1 million compared to the estimated net FY 2001 appropriation which now includes an increase of \$1.2 million for increased cases and increased cost per case.

• **Changes from the original recommendation of the Governor:**

- An increase of \$700,000 to replace the reduction from the FY 2001 deappropriation.
- A decrease of \$300,000 due to a revised estimate of need.
- A decrease of \$500,000 due to funds being available from the Medicaid Rehabilitation Option.

COMMUNITY MH/MR FUND

- No change compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation.

PERSONAL ASSISTANCE

- No change compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation.

SEXUAL PREDATOR COMMITMENT PROGRAM

- An increase of \$460,000 and 5.0 FTE positions compared to the estimated net FY 2001 appropriation which now includes:

- An increase of \$250,000 to replace an FY 2000 one-time carry forward.
- An increase of \$14,000 for inflation.
- An increase of \$110,000 for additional patients.
- An increase of \$100,000 and 5.0 FTE positions for additional security staff.
- A decrease of \$16,000 for a 1.0% reduction from the Governor's original recommendation.

MENTAL HEALTH ALLOWABLE GROWTH

- A decrease of \$11.7 million compared to the estimated net FY 2001 appropriation which now includes:
 - An increase of \$5.5 million for the enacted FY 2002 allowed growth of 2.3353%.

• **Changes from the original recommendation of the Governor:**

- An increase of \$1.1 million to replace the reduction from the FY 2001 deappropriation.
- A decrease of \$7.3 million to reflect a 6.0% reduction from the Governor's original recommendation.
- A decrease of \$11.0 million to reduce funding.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**

FIELD OPERATIONS

- An increase of \$8.5 million and 280.2 FTE positions compared to the estimated net FY 2001 appropriation which now includes:
 - An increase of \$5.9 million and 154.2 FTE positions to merge the Regional Office budget units into the Field Operations budget unit.
 - An increase of \$738,000 for inflation.
 - An increase of \$50,000 to replace lost Social Services Block Grant (SSBG) funds.
 - An increase of 32.0 FTE positions for additional child care inspections.
 - A decrease of \$880,000 due to increased federal financial participation.
 - An increase of \$1.8 million and 45.0 FTE positions for additional child protection staff and support.
 - An increase of \$3.5 million and 98.0 FTE positions for additional child safety and permanency staff and support.
 - An increase of \$714,000 for training of new staff.
 - A decrease of \$1.0 million for a first year vacancy rate of new staff.
- **Changes from the original recommendation of the Governor:**
 - A decrease of \$586,000 for a 1.0% reduction from the Governor's original recommendation.
 - A decrease of \$1.7 million and 49.0 FTE positions in expectation of federal funds for the abuse prevention initiative.
- A decrease of \$1.7 million and 49.0 FTE positions compared to the estimated net FY 2001 appropriation to merge this budget unit into the Field Operations budget unit, which was the Governor's original recommendation.

REGIONAL OFFICES

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**

GENERAL ADMINISTRATION

- A decrease of \$44,000 and an increase of 25.2 FTE positions compared to the estimated net FY 2001 appropriation which now includes:
 - A decrease of \$100,000 due to an increase in federal financial participation from cost allocation.
 - An increase of 14.0 FTE positions due to transition of contract Information Technology (IT) positions to State FTE positions.
 - An increase of 7.0 FTE positions for Child Protection.
 - An increase of \$212,000 and 4.2 FTE positions for the New Iowans Recruitment Initiative.
 - A decrease of \$155,000 for a 1.0% reduction from the Governor's original recommendation.
- No change compared to the estimated net FY 2001 appropriation which was the original Governor's recommendation.

VOLUNTEERS

OTHER FUNDS

Tobacco Settlement Funds

- An increase of \$7.8 million compared to the estimated net FY 2001 appropriation, which now includes:
 - An increase of \$5.6 million for noninstitutional Medical Assistance providers for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services. The Governor's original recommendation was an increase of \$4.1 million. The difference of \$1.5 million is not an increase of additional funding to the providers, rather replaces a like decrease of \$1.5 million in the General Fund portion of the Governor's original Medical Assistance appropriation recommendation.
 - An increase of \$215,000 for dental Medical Assistance providers for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services, which was the Governor's original recommendation.
 - An increase of \$735,000 for hospital Medical Assistance providers for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services, which was the Governor's original recommendation.
 - An increase of \$1.1 million for home health care Medical Assistance providers for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services, which was the Governor's original recommendation.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**HUMAN SERVICES
APPROPRIATIONS SUBCOMMITTEE**

OTHER FUNDS (CONTINUED)

- An increase of \$84,000 for home health care and rehabilitative day care service for special needs children Medical Assistance providers for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services, which was the Governor's original recommendation.
- An increase of \$60,000 for respite care Medical Assistance providers for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services, which was the Governor's original recommendation.
- A decrease of \$35,000 to eliminate the one-time continuous eligibility pilot project funds.
- An increase of \$143,000 for rehabilitative treatment and support services Medical Assistance providers for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services, which was the Governor's original recommendation.
- A decrease of \$35,000 for adoption, independent living, shelter care, home studies, and other Medical Assistance providers for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services, which was the Governor's original recommendation.

Senior Living Trust Fund

- An increase of \$4.5 million compared to the estimated net FY 2001 appropriation which now includes:
 - An increase of \$5.0 million for long term care nursing facility Medical Assistance provider rate increases. The Governor's original recommendation was an increase of \$3.0 million. The difference of \$2.0 million is not an increase of additional funding to the providers, rather replaces a like decrease of \$2.0 million in the General Fund portion of the Governor's original Medical Assistance appropriation recommendation.
 - A decrease of \$507,000 for long term care alternative services administrative costs within the Department of Human Services, which was the Governor's original recommendation.

Human Services

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Human Services, Department of					
Economic Assistance					
Family Investment Program	\$ 35,545,738	\$ 36,798,958	\$ 36,624,803	\$ 1,079,065	Gov. Analysis: Eliminates the implementation of the fee for electronic benefit transactions paid to vendors who previously handled food stamps. Iowa would join 30 other states that do not have a fee. This funding level also assumes lower usage of food stamp employment and training activities based on current usage levels.
Emergency Assistance	10,000	10,000	10,000	0	
Child Support Recoveries	6,817,702	6,817,702	6,749,525	-68,177	Gov. Analysis: This reduction may impact amount of child support recoveries.
					LFB Analysis: With the revised Governor's recommendation, this is a decrease of 1.0% compared to the estimated net FY 2001 appropriation.
Total Economic Assistance	42,373,440	43,626,660	43,384,328	1,010,888	

Human Services

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Medical Services					
Medical Assistance	400,662,028	436,000,000	417,329,466	16,667,438	

Gov. Analysis: This level of funding would include the application of a 3% reduction to all health care providers except nursing homes. It does restore the reduction previously projected based upon the hospital upper payment limit. It also assumes implementation of cost saving measures in the pharmaceutical area that would bring Iowa in line with national averages. This includes reducing the average wholesale price reimbursement as well as dispensing fees. Other reductions are based on lower projected usage of services +1480 based on experience to date. This amount assumes all tobacco settlement dollars that are projected to be unused either this year or next are used to meet health care needs. It assumes that the disproportionate share payment for hospitals will increase \$3 million per latest federal legislation. This level of funding does maintain all current people on Medicaid and it keeps all services available to those persons with health care needs.

LFB Analysis: With the revised Governor's recommendation, this is an increase of 4.2% compared to the estimated net FY 2001 appropriation. Utilization of Senior Living Trust Fund dollars is increased by \$2.0 million for nursing facilities. See the executive summary for an outline of the increases. The Governor's recommendations for Medical Assistance Program transfers tobacco funding provided to Human Services in FY 2001 for Purchase of Service provider increases and other unexpended funding from the Tobacco Settlement Fund. The Department of Human Services is also allowed to utilize court settlement funds from prior fiscal agent. These items would require statutory changes.

Human Services

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Pharmaceutical Case Mgmt Study	414,000	0	0	-414,000	LFB Analysis: The study is expected to be completed in FY 2002. The Governor recommends the carryforward of unexpended FY 2001 funds into FY 2002.
Health Insurance Premium Pmt.	438,384	438,384	607,695	169,311	Gov. Analysis: This increase of \$169,000 will generate over \$2 million in savings to the Medical Assistance program by evaluating insurance that medical assistance recipients may purchase and paying for premiums when it is cost effective. LFB Analysis: With the revised Governor's recommendation, this is an increase of 38.6% compared to the estimated net FY 2001 appropriation.
State Children's Health Ins.	3,684,508	10,807,951	10,107,951	6,423,443	Gov. Analysis: Reflects increase in projected carryover from FY 01. LFB Analysis: With the revised Governor's recommendation, this is an increase of 174.3% compared to the estimated net FY 2001 appropriation. See the executive summary for an outline of the increases.
Medical Contracts	8,426,282	9,122,557	8,772,557	346,275	Gov. Analysis: This will reduce the number of cases being reviewed by the peer review organization. LFB Analysis: With the revised Governor's recommendation, this is an increase of 4.1% compared to the estimated net FY 2001 appropriation.
State Supplementary Assistance	19,985,747	19,568,106	19,568,106	-417,641	LFB Analysis: With the revised Governor's recommendation, this is an decrease of 2.1% compared to the estimated net FY 2001 appropriation.
Total Medical Services	433,610,949	475,936,998	456,385,775	22,774,826	

Human Services

General Fund

	<u>Estimated Net FY 2001</u>	<u>Gov. Rec. FY 2002</u>	<u>Revised Gov. FY 2002</u>	<u>Revised Gov. vs. FY 2001</u>	<u>Analysis</u>
	(1)	(2)	(3)	(4)	(5)
Child and Family Services					
Child Care Services	5,050,752	5,050,752	5,050,752	0	<p>LFB Analysis: The Governor's revised recommendation eliminates the \$1.4 million FY 2001 supplemental appropriation from the Temporary Assistance to Needy Families (TANF) Fund. For FY 2002, the Governor continues the TANF Funds for child care of an increase of \$4.5 million compared to the FY 2001 TANF Funds, in addition to the expected increase of \$6.9 million from federal Child Care Development Fund monies.</p>
Toledo Juvenile Home	6,533,335	6,695,699	6,628,742	95,407	<p>Gov. Analysis: The proposed reductions to institution appropriations will require closely monitoring admissions, as well as, associated expenses to assure adequate staffing.</p> <p>LFB Analysis: With the revised recommendation, this is a 1.5% increase compared to the estimated net FY 2001 appropriation. This includes an increase of \$149,000 for inflation; an increase of \$13,000 and 2.0 FTE positions for vocational instructors; and a decrease of \$67,000 for a 1.0% reduction from the Governor's original recommendation. Within the Education Standings appropriation, the Governor's revised recommendation eliminates Phase I and Phase II salary funding for the Juvenile Home. Together with the Eldora Training School, it is a total reduction of \$116,000 of Phase I and Phase II salary funding.</p>

Human Services

General Fund

	<u>Estimated Net FY 2001</u> (1)	<u>Gov. Rec. FY 2002</u> (2)	<u>Revised Gov. FY 2002</u> (3)	<u>Revised Gov. vs. FY 2001</u> (4)	<u>Analysis</u> (5)
Eldora Training School	10,809,260	10,990,694	10,880,787	71,527	<p>Gov. Analysis: The proposed reductions to institution appropriations will require closely monitoring admissions, as well as, associated expenses to assure adequate staffing.</p> <p>LFB Analysis: With the revised recommendation, this is a 0.1% increase compared to the estimated net FY 2001 appropriation. This includes an increase of \$182,000 for inflation and a decrease of \$110,000 for a 1.0% reduction from the Governor's original recommendation. Within the Education Standings appropriation, the Governor's revised recommendation eliminates Phase I and Phase II salary funding for the Training School. Together with the Toledo Juvenile Home, it is a total reduction of \$116,000 from Phase I and Phase II salary funding.</p>
Child and Family Services	108,788,161	113,971,633	107,987,622	-800,539	<p>Gov. Analysis: This funding level reflects reductions based on current program utilization experienced to date in programs related to foster family services, independent living, family preservation and wraparound services (wraparound services are unique services to family to assist maintaining the child in the home). Additionally psychiatric medical institutions for children services will be reviewed to assure services are appropriate and needed. A small federal grant would require grantees to provide match. Some small pilots would be aligned with other funding streams.</p> <p>LFB Analysis: With the revised Governor's recommendation, this is a decrease of 0.7% compared to the estimated net FY 2001 appropriation. See the executive summary for an outline of the decrease.</p>
Community Based Services	281,415	281,415	281,415	0	
Family Support Subsidy	2,028,215	2,089,858	2,089,858	61,643	
Total Child and Family Services	133,491,138	139,080,051	132,919,176	-571,962	

Human Services

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
MH/MR/DD/BI					
Conners Training	46,000	46,000	46,000	0	
Cherokee Mental Health Inst.	13,407,299	13,620,373	13,484,169	76,870	<p>Gov. Analysis: The proposed reductions to institution appropriations will require closely monitoring admissions, as well as, associated expenses to assure adequate staffing.</p> <p>LFB Analysis: With the revised Governor's recommendation, this is an increase of 0.6% compared to the estimated net FY 2001 appropriation. This includes an increase of \$213,000 for inflation and a decrease of \$136,000 for a 1.0% reduction from the Governor's original recommendation.</p>
Clarinda Mental Health Inst.	7,533,961	7,732,790	7,655,462	121,501	<p>Gov. Analysis: The proposed reductions to institution appropriations will require closely monitoring admissions, as well as, associated expenses to assure adequate staffing.</p> <p>LFB Analysis: With the revised Governor's recommendation, this is an increase of 1.6% compared to the estimated net FY 2001 appropriation. This includes an increase of \$134,000 for inflation; an increase of \$65,000 for general purposes; and a decrease of \$77,000 for a 1.0% reduction from the Governor's original recommendation.</p>
Independence Mental Health Ins	17,747,773	18,126,697	17,945,430	197,657	<p>Gov. Analysis: The proposed reductions to institution appropriations will require closely monitoring admissions, as well as, associated expenses to assure adequate staffing.</p> <p>LFB Analysis: With the revised Governor's recommendation, this is an increase of 1.1% compared to the estimated net FY 2001 appropriation. This includes an increase of \$379,000 for inflation and a decrease of \$181,000 for a 1.0% reduction from the Governor's original recommendation.</p>
Mt. Pleasant Mental Health Ins	5,779,175	5,780,303	5,722,500	-56,675	<p>Gov. Analysis: The proposed reductions to institution appropriations will require closely monitoring admissions, as well as, associated expenses to assure adequate staffing.</p>

Human Services

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
					<p>LFB Analysis: With the revised Governor's recommendation, this is a decrease of 1.0% compared to the estimated net FY 2001 appropriation. This is an increase of \$66,000 for inflation; a decrease of \$65,000 for general purposes; and a decrease of \$58,000 for a 1.0% reduction from the Governor's original recommendation.</p>
Glenwood Resource Center	3,735,483	2,658,458	2,631,873	-1,103,610	<p>Gov. Analysis: The proposed reductions to institution appropriations will require closely monitoring admissions, as well as, associated expenses to assure adequate staffing.</p> <p>LFB Analysis: With the revised Governor's recommendation, this is a decrease of 29.5% compared to the estimated net FY 2001 appropriation. This includes a decrease of \$1.1 million due to increased federal receipts from matching FY 2001 salary funds; a decrease of \$39,000 due to an increased federal match rate; a decrease of \$27,000 for inflation; and a decrease of \$27,000 for a 1.0% reduction from the Governor's original recommendation.</p>
Woodward Resource Center	2,603,836	1,813,936	1,795,797	-808,039	<p>Gov. Analysis: The proposed reductions to institution appropriations will require closely monitoring admissions, as well as, associated expenses to assure adequate staffing.</p> <p>LFB Analysis: With the revised Governor's recommendation, this is a decrease of 31.0% compared to the estimated net FY 2001 appropriation. This is an increase of \$20,000 for inflation; a decrease of \$782,000 due to increased federal receipts from matching FY 2001 salary funds; a decrease of \$28,000 due to an increased federal match rate; and a decrease of \$18,000 for a 1.0% reduction from the Governor's original recommendation.</p>
MI/MR/DD Special Services	121,220	0	0	-121,220	
DD Special Needs Grants	53,212	53,212	53,212	0	
MI/MR State Cases	12,608,845	14,500,000	13,700,000	1,091,155	<p>Gov. Analysis: This reflects projected need based on services used to date and additional federal funding available under the Medicaid rehabilitation option.</p>

Human Services

General Fund

	<u>Estimated Net FY 2001</u> (1)	<u>Gov. Rec. FY 2002</u> (2)	<u>Revised Gov. FY 2002</u> (3)	<u>Revised Gov. vs. FY 2001</u> (4)	<u>Analysis</u> (5)
MH/DD Community Services	19,560,000	19,560,000	19,560,000	0	<p>LFB Analysis: The Governor's revised recommendation replaces the FY 2001 deappropriation of \$700,000 prior to the specified reductions for the revised estimate of needed appropriations and the increased use of the Medicaid Rehabilitation Option at the local level.</p> <p>Gov. Analysis Assumes savings as clients leave the pilot or access other services.</p> <p>LFB Analysis: For FY 2000, \$38,000 was not expended for those in the pilot project within the three counties eligible for the Program.</p> <p>Gov. Analysis: The proposed reductions to institution appropriations will require closely monitoring admissions, as well as, associated expenses to assure adequate staffing.</p> <p>LFB Analysis: With the Governor's revised recommendation, this is an increase of 38.00%. This is an increase of \$250,000 to replace an FY 2000 one-time carryforward; an increase of \$14,000 for inflation; an increase of \$110,000 for additional patients; an increase of \$100,000 and 5.0 FTE positions for security staff; and a decrease of \$16,000 for a 1.0% reduction from the Governor's original recommendation. The FY 2002 recommendation is based upon an expected increase in the average daily census from 18 in FY 2001 to 30 in FY 2002. As of March 29, 2001 there are 16 clients in the Program, which is estimated at a 13 average daily census for FY 2001, compared to the average daily census of 18 funded for FY 2001. Funds from FY 2001 may be available for carryforward into FY 2002 due to fewer clients in the Program than expected.</p>
Personal Assistance	364,000	364,000	264,000	-100,000	
Sexual Predator Civil Commit.	1,201,212	1,674,370	1,657,626	456,414	

Human Services

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
MH/DD Growth Factor	19,868,987	26,492,712	8,203,150	-11,665,837	<p>Gov. Analysis: The reduction in the mental health growth factor is offset by the new rehabilitation services available under Medicaid. The reduction could also be offset by over \$95.0 million available in county balances as well as the ability to levy \$25.0 million of that below the property tax cap. Additionally, the projected implementation of mental health parity would allow the private sector to share the costs. The funding that is appropriated is targeted to those counties most in need (i.e. at the maximum level and with a low balance in the county mental health fund).</p>
MH/DD Growth Factor (continued)					<p>LFB Analysis: The Governor's revised recommendation replaces the FY 2001 deappropriation of \$1.1 million prior to the specified reductions for a 6.0% reduction as well as an additional reduction. The FY 2001 appropriation for this budget unit has been amended twice. The original appropriation was provided in HF 782 (1999 General Assembly Standing Appropriations Act). The initial reduction occurred in SF 2435 (FY 2001 Human Services Appropriations Act) due to funds remaining from the previous years Risk Pool allocation. The second reduction for FY 2001 took place in SF 267 (FY 2001 Deappropriations Act). Comparing the final FY 2001 appropriation for the Mental Health/Mental Retardation/Developmental Disability to the original FY 2002 appropriation (approved in SF 2452 (2000 General Assembly Standing Appropriation Act) the percentage of growth under the specified formula calculation is 2.830036%. With the Governor's revised recommendation, this would represent a growth decrease of 5.0% for FY 2002. This would require a statutory change.</p> <p>A list of county fund balances referred to in the Governor's Analysis is available from the LFB.</p>
Total MH/MR/DD/BI	104,631,003	112,422,851	92,719,219	-11,911,784	
Managing and Delivering Services					
Field Operations	47,499,574	58,623,333	56,013,969	8,514,395	<p>Gov. Analysis: This includes a reduction of \$1,684,000 and 49.0 FTE's in the previously proposed preventative abuse initiative. Department will pursue leveraging of additional federal funds to offset this reduction and to achieve national caseload standards.</p>

Human Services

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
General Administration	15,409,095	15,570,102	15,365,042	-44,053	<p>LFB Analysis: With the Governor's revised recommendation, this is an increase of 17.9% compared to the estimated net FY 2001 appropriation. See the executive summary for an outline of the increase.</p> <p>Gov. Analysis: This reduction may impact timely provider payments, nursing home employee checks or availability of technical support to field staff. It will require closely managing support items and hiring practices.</p>
Volunteers	118,250	118,250	118,250	0	<p>LFB Analysis: With the Governor's revised recommendation, this is a decrease of 0.3% compared to the estimated net FY 2001 appropriation. See the executive summary for an outline of the decrease.</p>
Regional Offices	5,882,481			-5,882,481	<p>LFB Analysis: The Governor merges this budget unit with the Field Operations budget unit for FY 2002.</p>
Total Managing and Delivering Services	68,909,400	74,311,685	71,497,261	2,587,861	
Total Human Services	\$ 783,015,930	\$ 845,378,245	\$ 796,905,759	\$ 13,889,829	

Human Services

Non General Fund

	<u>Estimated Net FY 2001</u> (1)	<u>Gov. Rec. FY 2002</u> (2)	<u>Revised Gov. FY 2002</u> (3)	<u>Revised Gov. vs. FY 2001</u> (4)	<u>Analysis</u> (5)
Human Services, Department of					
Medical Services					
Phys Et Al Provider Inc-Tbco	\$ 6,000,000	\$ 10,095,718	\$ 11,595,718	\$ 5,595,718	LFB Analysis: With the Governor's revised recommendation, this is an increase of 93.3% compared to the estimated net FY 2001 appropriation. To meet the estimated obligations based upon the FY 2002 services and the number of eligible individuals for those services an increase of \$4.1 million was the Governor's original recommendation. The additional \$1.5 million is not an increase of additional funding to the providers, rather replaces a like decrease of \$1.5 million in the General Fund portion of the Governor's original Medical Assistance appropriation recommendation.
Dental Provider Inc-Tbco	3,600,000	3,814,973	3,814,973	214,973	LFB Analysis: With the Governor's revised recommendation, this is an increase of 6.0% compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation, for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services.
Hospital Provider Inc-Tbco	2,300,000	3,035,278	3,035,278	735,278	LFB Analysis: With the Governor's revised recommendation, this is an increase of 32.0% compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation. This is for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services.
Home Hlth Care Prov Inc-Tbco	2,400,000	3,476,764	3,476,764	1,076,764	LFB Analysis: With the Governor's revised recommendation, this is an increase of 44.9% compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation. This is for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services.

Human Services

Non General Fund

	Estimated Net FY 2001	Gov. Rec. FY 2002	Revised Gov. FY 2002	Revised Gov. vs. FY 2001	Analysis
	(1)	(2)	(3)	(4)	(5)
Critical Access Hospitals-Tbco	250,000	250,000	250,000	0	
Home Hlth & Hab. Day Care Exp.	4,400,000	4,484,385	4,484,385	84,385	LFB Analysis: With the Governor's revised recommendation, this is an increase of 1.9% compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation. This is for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services.
Respite Care Expansion-Tbco	1,200,000	1,259,935	1,259,935	59,935	LFB Analysis: With the Governor's revised recommendation, this is an increase of 5.0% compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation. This is for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services.
CHIP Exp. to 200% of FPL-Tbco	200,000	200,000	200,000	0	
Cont. Eligibility Pilot-Tbco	35,000	0	0	-35,000	LFB Analysis: This eliminates a one-time project relating to possible continuous eligibility criteria for certain Medical Assistance Services.
Medical Assistance	6,600,000	6,600,000	6,600,000	0	LFB Analysis: This is the portion of the Property Tax replacement appropriation of \$95.0 million for Mental Health/Mental Retardation/Developmental Disabilities which is annually transferred to the Department of Human Services as required in Section 426B.1, <u>Code of Iowa</u> , to be used for the nonfederal share of the costs of services provided to minors with mental retardation under the medical assistance program to meet the requirements of section 249A.12, subsection 4, <u>Code of Iowa</u> .

Human Services

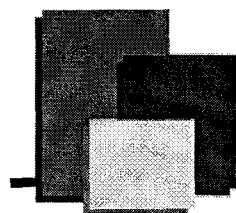
Non General Fund

	<u>Estimated Net FY 2001</u> (1)	<u>Gov. Rec. FY 2002</u> (2)	<u>Revised Gov. FY 2002</u> (3)	<u>Revised Gov. vs. FY 2001</u> (4)	<u>Analysis</u> (5)
LTC Provider Rate Changes-SLTF	17,750,000	20,750,000	22,750,000	5,000,000	LFB Analysis: The Governor's original recommendation was an increase of \$3.0 million for long term care nursing facility Medical Assistance provider rate increases. The increase of an additional \$2.0 million is not an increase of additional funding to the providers, rather replaces a like decrease of \$2.0 million in the General Fund portion of the Governor's original Medical Assistance appropriation recommendation.
Nurse Facility Conv. Grnts-SLTF	20,000,000	20,000,000	20,000,000	0	
LTC Alternative Services-SLTF	2,240,034	1,733,406	1,733,406	-506,628	LFB Analysis: With the Governor's revised recommendation, this is a decrease of 22.6% compared to the estimated net FY 2001 appropriation. This is administrative costs within the Department of Human Services which were used to develop the case mix methodology.
Total Medical Services	<u>66,975,034</u>	<u>75,700,459</u>	<u>79,200,459</u>	<u>12,225,425</u>	
Child and Family Services					
RTSS Provider Increase-Tbco	3,100,000	3,243,026	3,243,026	143,026	LFB Analysis: With the Governor's revised recommendation, this is an increase of 4.6% compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation. This is for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services.
Adoption, II, Sc, Hs Prov-Tbco	500,000	468,967	468,967	-31,033	LFB Analysis: With the Governor's revised recommendation, this is a decrease of 6.2% compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation. This is for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services.

Human Services

Non General Fund

	<u>Estimated Net FY 2001</u>	<u>Gov. Rec. FY 2002</u>	<u>Revised Gov. FY 2002</u>	<u>Revised Gov. vs. FY 2001</u>	<u>Analysis</u>
	(1)	(2)	(3)	(4)	(5)
Provider Rate/Meth Chgs-Tbco	550,000	545,670	545,670	-4,330	<p>LFB Analysis: With the Governor's revised recommendation, this is a decrease of 0.8% compared to the estimated net FY 2001 appropriation which was the Governor's original recommendation. This is for the adjustment based upon estimated FY 2002 services and the number of eligible individuals for those services.</p>
Total Child and Family Services	4,150,000	4,257,663	4,257,663	107,663	
MH/MR/DD/BI					
POS Provider Increase-Tbco	2,000,000	0	0	-2,000,000	<p>LFB Analysis: The Governor's recommendation utilizes these monies for a reduction in the need for the Medical Assistance appropriation for FY 2002. For FY 2001, \$146,750 of the \$2,000,000 appropriation was expended by approval of the Risk Pool Board for local purchase of service provider salary increases. The Governor recommends the remaining FY 2001 appropriation of \$1.9 million to be transferred to reduce the FY 2002 appropriation need for Medical Assistance. This would require a statutory change.</p>
Total Human Services	<u>\$ 73,125,034</u>	<u>\$ 79,958,122</u>	<u>\$ 83,458,122</u>	<u>\$ 10,333,088</u>	



Legislative Fiscal Bureau

Analysis of the Governor's Revised FY 2002 Budget

**Justice System
Appropriations Subcommittee**

April 2, 2001

LFB Staff: Beth Lenstra (1-6301) Jennifer Dean (1-7846)

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**JUSTICE SYSTEM
APPROPRIATIONS SUBCOMMITTEE**

***GOVERNOR'S REVISED
RECOMMENDATION - TOTAL
APPROPRIATIONS***
ATTORNEY GENERAL

DEPARTMENT OF CORRECTIONS

- The Governor is recommending \$493.2 million from the General Fund and 8,205.5 FTE positions for the Justice System Subcommittee for FY 2002. This is an increase of \$2.4 million and 90.4 FTE positions compared to the estimated net FY 2001.
- Decreases the General Fund appropriation to the Office of the Attorney General by \$525,000 compared to the estimated net FY 2001 appropriation. This reduction will require leveraging other funds and may result in furloughs because the budget is 93.0% salary costs.
- ***Institutions:***
 - Decreases the General Fund appropriation by \$1.4 million and 9.0 FTE positions to eliminate a Counselor at each of the nine prisons and reduce the overtime budget. The positions are currently vacant or expected to be vacant due to retirement.
 - Increases the General Fund appropriation by \$1.0 million due to the increased cost of natural gas at eight of the prisons.
 - Decreases the General Fund appropriation by \$436,000 to reduce vehicle depreciation at all of the prisons. The Institutions will continue to reimburse the Vehicle Dispatcher for overhead and maintenance, but any vehicles purchased in the future will be on a cash-basis. A statutory change is required to implement this recommendation.
 - Increases the General Fund appropriation by \$ 135,000 and 3.0 FTE positions for additional Nurses at Newton and Clarinda.
 - Decreases the General Fund appropriation by \$517,000 to reduce the support budget at all of the prisons. The following line items are reduced: other supplies, uniforms, and advertising.
 - Decreases the General Fund appropriation by \$731,000 at the Iowa State Penitentiary at Fort Madison for the Special Needs Unit. This amount deducts \$827,000 for the FY 2001 one-time costs, adds \$113,000 for utility costs of the Unit, and deducts \$17,186 and 0.6 FTE position. This annualizes two of the four original positions authorized for the new Unit. The 200-bed Special Needs Unit is anticipated to open in July or August of 2002.
- ***Administration:***
 - Decreases the General Fund appropriation to the County Confinement Account by \$91,000 to implement a flat fee of \$25.00 per day per violator. This Account reimburses counties for holding inmates who have violated their parole or work release. A statutory change is required to implement this recommendation.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**JUSTICE SYSTEM
APPROPRIATIONS SUBCOMMITTEE**

DEPARTMENT OF CORRECTIONS
(CONTINUED)

- Eliminates the General Fund appropriation for Phase II lease-purchase payments since FY 2001 is the final year of payments. The FY 2001 appropriation is \$797,000.
- Decreases the General Fund appropriation to the Training Center by \$2,600 to eliminate vehicle depreciation. A statutory change is required to implement this recommendation.
- ***Community-Based Corrections (CBC):***
 - Increases the General Fund appropriation by \$332,000 to replace expired federal grants in the First, Second, Third, Fifth, and Eighth CBC District Departments.
 - Increases the General Fund appropriation by \$504,000 and 12.0 FTE positions for sex offender supervision in all eight CBC District Departments.
 - Increases the General Fund appropriation by \$610,000 to replace the Tobacco Fund appropriation for a Day Program in the Second CBC District Department, and Drug Courts in the Third, Fourth, and Fifth CBC District Departments. The Governor is recommending the Tobacco Fund appropriation for substance abuse treatment be increased by \$610,000 for the Department of Public Health, and the current General Fund appropriation for substance abuse treatment be reduced by \$610,000.
 - Decreases the appropriation to the Seventh CBC District Department by \$102,000 to offset the lease-purchase of a currently rented facility.
 - Decreases the appropriation to the Fifth CBC District Department by \$38,000 to eliminate a contract with the Polk County Attorney's Office for Drug Court.
 - Increases the General Fund appropriation by \$878,000 and 17.5 FTE positions for new residential beds as follows:
 - Adds \$95,000 and 2.5 FTE positions to annualize staff for 36 additional beds at the Dubuque Residential Facility, and subtracts \$45,000 to eliminate the FY 2001 one-time costs. The new beds opened February 2001.
 - Adds \$829,000 and 15.0 FTE positions for a new residential facility for women in Council Bluffs. This figure includes \$99,000 in FY 2002 one-time costs and \$730,000 for staff and operating costs. The 25-bed facility is anticipated to open in July 2001.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**JUSTICE SYSTEM
APPROPRIATIONS SUBCOMMITTEE**

INSPECTIONS AND APPEALS

- Increases the General Fund appropriation for Indigent Defense by \$269,000 for the increased number of claims.

JUDICIAL BRANCH

- Increases the General Fund appropriation to the State Public Defender's Office by \$526,000 for the increased costs of expert witnesses, interpreters, and depositions.

**IOWA LAW ENFORCEMENT
ACADEMY
PAROLE BOARD**

- \$2.4 million was the amount of the budget shortfall from FY 2001 and this will be addressed in the Salary Bill.

- Decreases the employer contribution rate for the Judicial Retirement Fund from 23.7% to 17.0%.

- Decreases the General Fund appropriation by \$84,000 and 2.0 FTE positions.

- Decreases the General Fund appropriation to the Board of Parole by \$41,000 and 1.5 FTE positions. This figure eliminates funding of a part time Clerk and an Administrative Law Judge. Both positions are currently vacant. The budget includes an increase of \$25,000 to increase per diem days paid to three part time Board members.

PUBLIC DEFENSE

- There were no reductions to the National Guard or the Emergency Management Division. For each dollar reduction in the National Guard, there would be a \$3 or more reduction in federal funding and for every dollar reduction in the Emergency Management Division, there would be a \$1 for \$1 reduction in federal funding.

- Increase of 3.0 FTE positions to increase the Air Guard staffing level at Des Moines and Sioux City. Federal dollars for these 3.0 positions was received in FY 2001.

- Increase of \$4,580 and 1.0 FTE position for a Senior Communications Technician. (10% State match).

PUBLIC SAFETY

- *Medical Injuries:* Maintains current level of funding.

- *SPOC Sick Leave Payout:* Establishes a non-reversionary fund to be used for sick leave payout.

- *Fire Fighter Training:* Decrease of \$43,000 in the amount of training subsidy provided for volunteer firefighter training.

- *Administration:*

- Increase of 1.0 FTE for the National Crime Information Center and \$59,000 from a federal grant.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**JUSTICE SYSTEM
APPROPRIATIONS SUBCOMMITTEE**

PUBLIC SAFETY (CONTINUED)

- . Maintains current level of funding for depreciation.
- . Eliminates equipment purchases and reduces overtime, call back, and stand by.
- . ***DCI Investigation:***
 - . Maintains current level of funding for the sex offender registry, crime lab, and depreciation.
 - . Reduction in overtime and equipment costs.
 - . Increase of \$94,000 and 2.0 FTE positions for gaming enforcement officers.
 - . Increase of 2.0 FTE positions and \$180,000 in federal grant money for an elderly crime unit.
 - . Increase of 3.0 FTE positions and \$270,000 in federal grant money for a Cyber crime Unit.
- . ***Undercover Funds:*** Reduces funding by \$8,000 from the current level for undercover operations.
- . ***Narcotics Enforcement:***
 - . Maintains current level of narcotics officers and depreciation at the current level of funding.
 - . Decrease of 1.0 vacant special agent FTE position, overtime, and equipment/office supplies.
 - . Decrease of \$225,000 in one-time costs for FY 2001.
- . ***Fire Marshal:***
 - . Maintains vehicle depreciation at the current level of funding and maintains additional 1.0 FTE for Building Code review to ensure building safety and access, offset by receipts.
 - . Reduction in existing vacancy and equipment.
 - . Decrease of \$73,000 for one-time costs for FY 2001.
 - . Recommended \$140,000 and 2.0 FTE positions to be paid for with fee revenue from manufactured homes (SF185).
 - . Recommended \$40,000 and 1.0 FTE for an accounting clerk to be paid for with fee revenue.
- . ***Capitol Security:*** Transferred \$1,391,000 and 27.0 FTE positions to the Iowa State Patrol

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**JUSTICE SYSTEM
APPROPRIATIONS SUBCOMMITTEE**

PUBLIC SAFETY (CONTINUED)

Iowa State Patrol:

- Maintains current level of funding for the drug interdiction team and vehicle depreciation.
- Reduction of 10.0 FTE positions due to vacancies or retirements as well as a reduction in overtime and extra help.
- Transfers in \$1,391,000 and 27.0 FTE positions from Capitol Security.
- *AFIS System Maintenance* Maintains current level of funding.
- *Fire Service:* Maintains current level of funding.

Justice System

General Fund

	<u>Estimated Net FY 2001 (1)</u>	<u>Gov. Rec. FY 2002 (2)</u>	<u>Revised Gov. FY 2002 (3)</u>	<u>Revised Gov. vs. FY 2001 (4)</u>	<u>Analysis (5)</u>
Attorney General					
General Office A.G.	\$ 8,746,966	\$ 8,746,966	\$ 8,222,148	\$ -524,818	Gov. Analysis: Will implement internal reallocations and changes.
FTEs	199.50	201.50	201.50	2.00	LFB Analysis: Will require leveraging other funds such as Consumer Education, Anti-Trust, and Forfeited Property. May incur furloughs because this budget is 93.00% salary costs. Adds 1.00 FTE position for cyber crime from federal funds, and adds 1.00 FTE position reimbursed from Dept. of Commerce.
Legal Services Poverty Grant	700,000	950,000	700,000	0	Gov. Analysis: Maintains current FY 01 funding level LFB Analysis: Maintains current funding level.
Victim Assistance Grants	1,935,806	2,010,806	1,935,806	0	Gov. Analysis: Maintains current FY 01 funding level. LFB Analysis: Maintains current funding level. Does not increase appropriation by \$75,000 to reflect the loss of other funds previously received through the check-off on the lowa tax form.
Prosecuting Attorney Training	327,021	327,021	307,400	-19,621	Gov. Analysis: Will reduce internal expense areas.
FTEs	6.00	6.00	6.00	0	LFB Analysis: Reduces office supplies by \$13,621, communications by \$2,000 and professional & scientific services by \$4,000.
Area GASA Prosecuting Attys.	133,102	133,102	133,102	0	LFB Analysis: No change due to federal match requirements.
FTEs	2.00	2.00	2.00	0	
Consumer Advocate	2,690,067	2,690,067	2,690,067	0	LFB Analysis: No change due to any reduction in General Fund expenses reduces General Fund receipts by the same amount.
FTEs	32.00	32.00	32.00	0.00	
Attorney General (Continued)					
Victim Comp. FTE	20.00	20.00	20.00	0.00	
Total Justice, Department of	14,532,962	14,857,962	13,988,523	-544,439	
Total FTEs	259.50	261.50	261.50	2.00	

Justice System

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Corrections, Department of					
Corrections Central Office					
Central Office Corrections	\$ 2,480,545	\$ 2,480,545	\$ 2,480,545	\$ 0	LFB Analysis: Maintains current FY 2001 funding level.
FTEs	37.18	37.18	37.18		
Iowa Corr. Offender Network	600,000	600,000	600,000	0	LFB Analysis: Maintains current FY 2001 funding level.
County Confinement	524,038	432,600	432,600	-91,438	LFB Analysis: Implements a flat fee of \$25/day per violator. Statutory changes are required.
Federal Prisoners/Contractual	341,334	341,334	341,334	0	LFB Analysis: Maintains current FY 2001 funding level.
Corrections Education	3,294,775	3,294,775	3,294,775	0	LFB Analysis: Maintains current FY 2001 funding level.
Corrections Expansion-Phase II	796,940	0	0	-796,940	LFB Analysis: Eliminates funding because FY 2001 is the final year of payments.
Corrections Training Center	504,934	504,934	502,414	-2,520	Gov. Analysis: Reduce vehicle depreciation support
FTEs	8.07	8.07	8.07	0	LFB Analysis: Eliminates funding for vehicle depreciation. Statutory changes are required.
Total Corrections Central Off.	8,542,566	7,654,188	7,651,668	-890,898	
Total FTEs	45.25	45.25	45.25	0	
Corrections Institutions					
Ft. Madison Inst.	30,825,512	30,446,799	30,130,652	-694,860	Gov. Analysis: Reduce vehicle depreciation support, overtime, uniforms, training, advertising, counselor and additional new ICON.

Justice System

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
FTEs	527.08	528.50	525.50	-1.58	LFB Analysis: Reduction of \$826,980 for FY 2001 one-time costs; adds \$113,000 for utility costs of Special Needs Unit, adds \$239,893 for increased cost of natural gas; reduces personal services by \$97,576 and 1.00 FTE position for a Counselor and overtime, depreciation by \$54,100, other supplies by \$8,301, and uniforms by \$43,610. Funding for staff for the Special Needs Unit is reduced by a net \$17,186 and 2.00 FTE positions. The General Assembly appropriated \$182,041 and 2.58 FTE positions for FY 2001 for four staff for the Unit hired midway through the fiscal year. The Governor's revised recommendation for FY 2002 eliminates 2.00 FTE positions (Plant Operations Manager and Psychology Administrator) and annualizes 2.00 FTE positions (Treatment Services Director and Physician at 0.58 FTE position to reflect partial year funding). There is \$164,855 in the FY 2002 budget for 2.00 FTE positions for the Unit.
Anamosa Inst.	23,999,952	24,415,158	23,983,834	-16,118	Gov. Analysis: Reduce vehicle depreciation support, overtime, uniforms, training, advertising, counselor and additional new ICON.
FTEs	404.50	405.50	403.50	-1.00	LFB Analysis: Adds \$324,976 for increased cost of natural gas, reduces personal services by \$244,157 and 1.00 FTE position for a Counselor and overtime, depreciation by \$38,252, other supplies by \$10,797, uniforms by \$46,404 and advertising by \$1,484.
Corrections Institutions Continued					
Oakdale Inst.	21,961,745	22,299,908	21,823,768	-137,977	Gov. Analysis: Reduce vehicle depreciation support, overtime, uniforms, training, advertising, counselor and additional new ICON.
FTEs	338.80	339.30	337.80	-1.00	LFB Analysis: Adds \$127,748 for increased cost of natural gas, reduces personal services by \$178,785 and 1.00 FTE position for a Counselor and overtime, depreciation by \$46,000, other supplies by \$3,159, uniforms by \$33,781 and advertising by \$4,000.

Justice System

General Fund

	<u>Estimated Net FY 2001 (1)</u>	<u>Gov. Rec. FY 2002 (2)</u>	<u>Revised Gov. FY 2002 (3)</u>	<u>Revised Gov. vs. FY 2001 (4)</u>	<u>Analysis (5)</u>
Newton Inst.	23,453,146	23,767,363	23,310,118	-143,028	Gov. Analysis: Reduce vehicle depreciation support, overtime, uniforms, training, advertising, counselor and additional new ICON.
FTEs	392.25	393.25	392.25	0.00	LFB Analysis: Adds \$157,615 for increased cost of natural gas, adds \$47,293 and 1.00 FTE for a Nurse, reduces personal services by \$227,081 and 1.00 FTE position for a Counselor and overtime, depreciation by \$60,000, other supplies by \$4,380, uniforms by \$51,875 and advertising by \$4,600.
Mt Pleasant Inst.	22,172,976	22,192,522	21,883,802	-289,174	Gov. Analysis: Reduce vehicle depreciation support, overtime, uniforms, training, advertising, counselor and additional new ICON.
FTEs	342.59	342.09	341.09	-1.50	LFB Analysis: Adds \$19,546 for increased cost of natural gas, reduces personal services by \$197,001 and 1.00 FTE position for a Counselor and overtime, reduces 0.50 FTE in base budget for FTE correction, reduces depreciation by \$51,720, other supplies by \$6,636, and uniforms by \$53,363.
Corrections Institutions Continued					
Rockwell City Inst.	7,362,468	7,418,288	7,272,542	-89,926	Gov. Analysis: Reduce vehicle depreciation support, overtime, uniforms, training, advertising, counselor and additional new ICON.
FTEs	121.00	121.00	119.00	-2.00	LFB Analysis: Adds \$59,175 for increased cost of natural gas; transfers \$36,992 and 1.00 FTE position to Clarinda, reduces personal services by \$64,943 and 1.00 FTE position for a Counselor and overtime, depreciation by \$30,000, other supplies by \$4,247, and uniforms by \$12,919.
Clarinda Inst.	18,263,634	18,442,768	18,142,698	-120,936	Gov. Analysis: Reduce vehicle depreciation support, overtime, uniforms, training, advertising, counselor and additional new ICON.

Justice System

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
FTEs	292.75	295.75	294.75	2.00	LFB Analysis: Adds \$54,556 for increased cost of natural gas, adds \$87,586 and 2.00 FTE positions for Nurses, transfers in \$36,992 and 1.00 FTE position for a Correctional Officer from Rockwell City, reduces personal services by \$186,634 and 1.00 FTE position for a Counselor and overtime, reduces depreciation by \$51,000, other supplies by \$33,181, uniforms by \$28,255, and advertising by \$1,000.
Corrections Institutions Continued					
Mitchellville Inst.	12,406,015	12,492,214	12,365,583	-40,432	Gov. Analysis: Reduce vehicle depreciation support, overtime, uniforms, training, advertising, counselor and additional new funding for ICON and sewer/water rates.
FTEs	237.00	237.00	236.00	-1.00	LFB Analysis: Adds \$51,203 for increased cost of natural gas, reduces personal services by \$51,431 and 1.00 FTE position for a Counselor and overtime, depreciation by \$14,569, other supplies by \$2,622, uniforms by \$22,513, and advertising by \$500.
Ft. Dodge Inst.	25,852,710	25,963,004	25,504,865	-347,845	Gov. Analysis: Reduce vehicle depreciation support, overtime, uniforms, training, advertising, counselor and additional new funding for ICON and sewer/water rates.
FTEs	414.00	414.00	413.00	-1.00	LFB Analysis: Reduces personal services by \$118,754 for a Counselor and overtime, reduces depreciation by \$90,066, other supplies by \$26,677, uniforms by \$108,532, and advertising by \$3,816.
Total Corrections Institutions	186,298,158	187,438,024	184,417,862	-1,880,296	
Total FTEs	3,069.97	3,076.39	3,062.89	(7.08)	
CBC Districts					
CBC District I	9,132,984	9,472,109	9,310,263	177,279	Gov. Analysis Reduce new drug court (-161,846). Still provides additional funds compared to last year to continue emphasis on community-based corrections.

Justice System

General Fund

	<u>Estimated Net FY 2001 (1)</u>	<u>Gov. Rec. FY 2002 (2)</u>	<u>Revised Gov. FY 2002 (3)</u>	<u>Revised Gov. vs. FY 2001 (4)</u>	<u>Analysis (5)</u>
FTEs	202.51	209.01	207.01	4.50	LFB Analysis: Adds \$43,767 to replace expired federal funds for Youth Offenders Program, subtracts \$45,000 for FY 2001 one-time costs, adds \$94,574 and 2.50 FTE positions to annualize staff for new beds at the Dubuque Facility, adds \$83,938 and 2.00 FTE positions for sex offender supervision.
CBC District II	7,169,721	7,407,017	7,407,017	237,296	
FTEs	144.87	146.87	146.87	2.00	LFB Analysis: Adds \$127,217 to replace Tobacco Fund appropriation for Day Programming, adds \$26,141 to replace expired federal funds for Victim Advocate, adds \$83,938 and 2.00 FTE positions for sex offender supervision.
CBC District III	4,404,618	4,500,354	4,500,354	95,736	
FTEs	83.99	84.99	84.99	1.00	LFB Analysis: Adds \$18,408 to replace expired federal funds for Drug Court, adds \$35,359 to replace Tobacco Fund approp. for Drug Court, adds \$41,969 and 1.00 FTE position for sex offender supervision.
CBC District IV	3,178,085	4,240,315	4,240,315	1,062,230	
FTEs	65.50	81.50	81.50	16.00	
CBC Districts Continued					
CBC District V	12,280,098	12,863,098	12,858,098	578,000	Gov. Analysis: Reduce contract inc. (-5,000). Still provides additional funds compared to last year to maintain priority of community-based corrections.
FTEs	230.65	233.65	233.65	3.00	LFB Analysis: Adds \$255,693 to replace Tobacco Fund appropriation for Drug Court, adds \$234,113 for expired federal funds for Sex Offender Treatment and Supervision plus Batterer's Program, adds \$125,907 and 3.00 FTE positions for sex offender supervision, reduces Drug Court by \$37,713 for Polk County Attorney contract.

Justice System

General Fund

	<u>Estimated Net FY 2001 (1)</u>	<u>Gov. Rec. FY 2002 (2)</u>	<u>Revised Gov. FY 2002 (3)</u>	<u>Revised Gov. vs. FY 2001 (4)</u>	<u>Analysis (5)</u>
CBC District VI	9,339,025	9,516,514	9,380,994	41,969	Gov. Analysis: Reduce for proposed new drug court (-\$135,520). Still provides additional funds compared to last year to maintain priority of community-based corrections.
FTEs	192.88	195.88	193.88	1.00	LFB Analysis: Adds \$41,969 and 1.00 FTE position for sex offender supervision.
CBC District VII	5,343,165	5,450,835	5,282,938	-60,227	Gov. Analysis: Reduce for proposed new drug court (-\$167,897). Still provides additional funds compared to last year to maintain priority of community-based corrections.
FTEs	105.45	108.45	106.45	1.00	LFB Analysis: Reduces approp. by \$102,196 to offset lease-purchase of currently rented facility, adds \$41,969 and 1.00 FTE position for sex offender supervision.
CBC Districts Continued					
CBC District VIII	5,213,347	5,264,765	5,264,765	51,418	LFB Analysis: Adds \$9,449 to replace expired federal funds for Domestic Violence Program, adds \$41,969 and 1.00 FTE position for sex offender supervision.
FTEs	95.35	96.35	96.35	1.00	
CBC Statewide	<u>83,576</u>	<u>79,948</u>	<u>79,948</u>	<u>-3,628</u>	LFB Analysis: In-state travel reduction.
Total CBC Districts	56,144,619	58,794,955	58,324,692	2,180,073	
Total FTEs	<u>1,121.20</u>	<u>1,156.70</u>	<u>1,150.70</u>	<u>29.50</u>	
Total Corrections Department	\$ 250,985,343	\$ 253,887,167	\$ 250,394,222	\$ -591,121	
Total FTEs	<u>4,236.42</u>	<u>4,278.34</u>	<u>4,258.84</u>	<u>22.42</u>	
Inspections & Appeals, Dept of				0	
Indigent Defense Appropriation	21,204,376	22,144,920	21,473,616	269,240	Gov. Analysis: Maintains an increase over FY01 to continue legal defense services.
					LFB Analysis: Provides funds for increased number of claims.
Public Defender	14,396,099	15,160,277	14,921,965	525,866	Gov. Analysis: Maintains an increase over FY01 to continue legal defense services.

Justice System

General Fund

	<u>Estimated Net FY 2001</u>	<u>Gov. Rec. FY 2002</u>	<u>Revised Gov. FY 2002</u>	<u>Revised Gov. vs. FY 2001</u>	<u>Analysis</u>
	(1)	(2)	(3)	(4)	(5)
FTEs	201.00	202.00	202.00	1.00	LFB Analysis: Adds 1.00 FTE position to convert a currently contracted position. Provides funds for increased costs of expert witnesses, interpreters, and depositions.
Total Inspections & Appeals, Dept of	\$ 35,600,475	\$ 37,305,197	\$ 36,395,581	\$ 795,106	
Total FTEs	201.00	202.00	202.00	1.00	
Judicial Branch					
Judicial Branch	111,913,805	120,228,487	117,805,019	5,891,214	Gov. Analysis: Salary increases will be included in the Salary Bill. LFB Analysis: \$2,423,468 was the amount of the budget shortfall from FY 2001 and will be addressed in the Salary Bill.
Juvenile Vict. Restitution	210,291	217,491	217,491	7,200	LFB Analysis: Increase in District 3 due to program growth.
Judicial Retirement	4,499,350	4,579,859	3,287,121	-1,212,229	Gov. Analysis: Reduces state contribution while keeping funding at a level to maintain actuarial assumptions. LFB Analysis: Reduces the employer contribution for the Judicial Retirement Fund from 23.7% to 17.0%.
Total Judicial Branch	\$ 116,623,446	\$ 125,025,837	\$ 121,309,631	\$ 4,686,185	LFB Analysis The Governor is recommending an increase of \$4,686,185 and 62.44 FTE positions compared to estimated net FY 2001.
FTEs	2,091.84	2,154.28	2,154.28	62.44	
Law Enforcement Academy					
Operations	\$ 1,401,142	\$ 1,401,142	\$ 1,317,074	\$ -84,068	Gov. Analysis: Reduces FTEs and a reduction in some course offerings while continuing to meet core training needs of law enforcement. LFB Analysis: Reduction of 2.00 FTE positions and \$84,068. However, little impact on course offerings is anticipated as this could also result in the loss of other receipts.
FTEs	30.05	30.05	28.05	(2.00)	
Parole Board of					

Justice System

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Parole Board	\$ 1,079,717	\$ 1,104,717	\$ 1,038,434	\$ -41,283	Gov. Analysis: Reduces unfilled Administrative Law Judge and part-time clerk positions. Reduction in office supplies.
FTEs	18.00	18.00	16.50	(1.50)	LFB Analysis: Adds \$25,000 to increase Board members' per diem from 133 to 166 days. Reduces personal services by \$62,290 for a part-time Clerk (0.50 FTE position) and an Administrative Law Judge (1.00 FTE position) and reduces Office Supplies by \$3,993.
Public Defense, Department of					
Public Defense, Dept. of					
Military Division	\$ 5,232,749	\$ 5,237,329	\$ 5,237,329	\$ 4,580	LFB Analysis: There is no reduction to the National Guard budget as the Guard would lose \$3 or more federal matching dollars for every State dollar reduced. Increase of 3.00 FTE positions for Sioux City from federal funding received in FY 2001. Increase of 1.00 FTE position and \$4,580 for a Senior Communications Technician.
FTEs	256.76	260.76	260.76	4.00	
Emergency Management Division					
Emergency Management Div.	1,060,082	1,060,082	1,060,082	0	LFB Analysis: There is no reduction to the Emergency Management Division budget as EMD would lose one federal dollar for every State dollar reduced.
FTEs	25.25	25.25	25.25	0	
Total Public Defense, Department of	\$ 6,292,831	\$ 6,297,411	\$ 6,297,411	\$ 4,580	
Total FTEs	282.01	286.01	286.01	4.00	
Public Safety, Department of					
Medical Injuries - DPS Custody	\$ 2,820	\$ 3,000	\$ 2,820	\$ 0	Gov. Analysis: Maintains funding at current standing level. LFB Analysis: Maintains current level of funding per standing created in <u>Code of Iowa</u> , Chapter 804.28.
DPS/SPOC Sick Leave Payout	0	309,000	290,460	290,460	Gov. Analysis: Reduces amount paid into retirement fund, but still meets all required payments. LFB Analysis: Establishes a non-reversionary fund to be used for sick leave payout.

Justice System

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Fire Fighter Training	714,690	714,690	671,809	-42,881	<p>Gov. Analysis: Reduction in dollars for training of local firefighters. Dollars are still available for this purpose to ensure training can be provided.</p> <p>LFB Analysis: Reduction in the amount of training subsidy provided for volunteer firefighter training.</p>
FTEs	1.00	1.00	1.00	0.00	
Public Safety Administration	2,629,511	2,693,985	2,532,346	-97,165	<p>Gov. Analysis: Reduction in new technology FTE, equipment costs, and vehicle depreciation funding</p> <p>LFB Analysis: The National Crime Information Center has an increase of 1.00 FTE position paid for with a federal grant for \$59,006. Maintains current level of depreciation. Also, eliminates equipment purchases and reduces overtime, call back, and stand-by.</p>
FTEs	38.80	41.80	40.80	2.00	
Investigation, DCI	12,890,193	13,386,778	12,507,130	-383,063	<p>Gov. Analysis: Reduction in equipment costs, vehicle depreciation, and overtime. Provides no new dollars for sex offender registry. Maintains lab staffing at current levels to assure adequate investigation and lab work in criminal cases.</p>
FTEs	235.50	246.50	242.50	7.00	<p>LFB Analysis: Maintains current level of staffing for the sex offender registry, crime lab, and depreciation. Reduction in overtime and equipment costs. Adds \$94,000 and 2.00 FTE positions for gaming enforcement officers. Also, 2.00 FTE positions and \$180,000 for special agents for an elderly crime unit to be paid for with federal grant money and 3.00 FTE positions and \$270,000 to create a Cybercrime Unit also paid for with federal grant money.</p>
Undercover Funds	139,202	139,202	130,850	-8,352	<p>Gov. Analysis: Reduces amount of dollars to utilize in undercover operations. Funding from alternative sources will be used for this purpose.</p> <p>LFB Analysis: Reduces the funding by \$8,352 from current level of funding for undercover operations.</p>

Justice System

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Narcotics Enforcement	4,206,474	4,805,642	4,019,177	-187,297	Gov. Analysis: Reduction in equipment costs, vehicle funds, and overtime. Reduces existing vacancy and additional new agents. Maintains all currently filled staffing positions.
FTEs	65.00	72.00	65.00	0.00	LFB Analysis: Maintains narcotics officers and depreciation at the current level of funding. Reduces 1.00 vacant special agent FTE positions, overtime, and equipment/office supplies. Also, \$114,832 reduction in one-time costs for FY 2001.
Fire Marshal	2,003,539	2,033,849	1,920,293	-83,246	Gov. Analysis: Reduction in existing vacancy, vehicle funds, and equipment. Maintains additional Building Code FTE to ensure building safety and access, offset by receipts.
FTEs	36.80	40.80	39.80	3.00	LFB Analysis: Maintains vehicle depreciation at the current level of funding and maintains additional 1.00 FTE for Building Code review to ensure building safety and access, offset by receipts. Reduction in existing vacancy and equipment. Also, \$72,690 for one-time costs for FY 2001. Recommended \$140,000 and 2.00 FTE positions to be paid for with fee revenue from manufactured homes (SF185). Recommended \$40,000 and 1.00 FTE for an accounting clerk to be paid for with fee revenue.
Capitol Security	1,391,412	0	0	-1,391,412	LFB Analysis: In the Governor's Revised Recommendation, Capitol Security has been merged into the Iowa State Patrol. The transfer involves \$1,391,412 and 27.00 FTE positions.
FTEs	27.00	0.00	0.00	-27.00	
Iowa State Patrol	39,457,393	41,275,533	39,496,793	39,400	Gov. Analysis: Reductions in vacant positions, overtime, additional drug interdiction FTEs, vehicle and equipment costs. Maintains increase over last year's funding level and provides for no reduction in road troopers.

Justice System

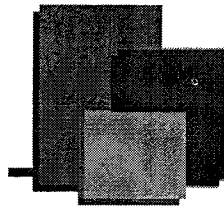
General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
FTEs	580.25	609.25	597.25	17.00	LFB Analysis: Maintains current level of funding for the drug interdiction team and vehicle depreciation. Reduction of 10.00 FTE positions due to vacancies or retirements as well as a reduction in overtime and extra help. Transfers in \$1,391,412 and 27.00 FTE positions from Capitol Security.
AFIS System Maintenance	269,425	300,409	269,425	0	Gov. Analysis: Reduction in amount available for maintenance and upgrades for AFIS system. Alternative funding will be utilized, if necessary. LFB Analysis: Maintains current level of funding.
Fire Service	606,460	710,851	606,460	0	Gov. Analysis: Eliminates proposed regional training coordinators. Firefighting training dollars are still available to local departments for departmental training.
FTEs	12.00	15.00	12.00	0.00	LFB Analysis: Maintains the Fire Service at the current level of funding.
Total Public Safety, Department of	\$ 64,311,119	\$ 66,372,939	\$ 62,447,563	\$ -1,863,556	
Total FTEs	996.35	1,026.35	998.35	2.00	
Total Justice System	\$ 490,827,035	\$ 506,252,372	\$ 493,188,439	\$ 2,361,404	
Total FTEs	8,115.17	8,256.53	8,205.53	90.36	

Justice System

Non General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
<u>Corrections, Department of</u>					
CBC Districts					
CBC District II	\$ 127,217	\$ 0	\$ 0	\$ -127,217	
CBC District III	35,359	0	0	-35,359	
CBC District IV	191,731	0	0	-191,731	
CBC District V	255,693	0	0	-255,693	
Total Corrections, Department of	\$ 610,000	\$ 0	\$ 0	\$ -610,000	
<u>Judicial Branch</u>					
Enhanced Court Collect	\$ 0	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	
Court Tech & Modern Fund	1,000,000	1,000,000	1,000,000	0	
Total Judicial Branch	\$ 1,000,000	\$ 5,000,000	\$ 5,000,000	\$ 4,000,000	
<u>Public Safety, Department of</u>					
Fire Marshal School Infra.	\$ 50,000	\$ 0	\$ 0	\$ -50,000	
Total Justice System	\$ 1,660,000	\$ 5,000,000	\$ 5,000,000	\$ 3,340,000	



Legislative Fiscal Bureau

Analysis of the Governor's Revised FY 2002 Budget

**Oversight & Communications
Appropriations Subcommittee**

April 2, 2001

LFB Staff: Douglas Wulf (1-5270) Glen Dickinson (1-4616)

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**OVERSIGHT & COMMUNICATIONS
APPROPRIATIONS SUBCOMMITTEE**

***GOVERNOR'S REVISED
RECOMMENDATION - TOTAL
APPROPRIATIONS***

TREASURER OF STATE

IOWA TELECOMMUNICATIONS AND
TECHNOLOGY COMMISSION

IOWA PUBLIC TELEVISION (IPTV)

INFORMATION TECHNOLOGY
DEPARTMENT (ITD)

- The Governor is recommending \$22.3 million from the General Fund and 287.3 FTE positions for the Oversight & Communications Subcommittee for FY 2002. This is a decrease of \$605,000 and 59.2 FTE positions compared to estimated net FY 2001.
- Decreases the appropriation for payment of debt service for Parts I and II of the Iowa Communications Network (ICN) build out by \$55,000. The decrease is a result of higher than expected interest paid on deposited funds.
- Decreases the appropriation for subsidization of video services provided over the ICN for educational users by \$158,000. This includes an increase of \$35,000 and 1.0 FTE position that transfers a scheduler to the ICN from IPTV and a decrease of \$193,000 from video subsidization. The decrease may result in the layoff of contract personnel and State employees, however the ICN will try to avoid laying off staff by keeping positions that become vacant open for a longer than normal period.
- Decreases the appropriation for technical support of K-12 educational activities over the ICN by \$113,000. This includes a decrease of \$35,000 and 1.0 FTE position for transfer of a ICN scheduler position to the ICN. Of the remaining \$78,000, IPTV will reduce the level of inventory of spare parts for ICN classrooms by \$27,000, and the Regional Telecommunications Councils will reduce working hours of ICN schedulers and technicians saving \$51,000. The decreases will result in some delays in service provided to K-12 classrooms when repairs are needed.
- Decreases the appropriation for operations of the ITD by \$279,000. The Department will be taking over desktop management services for some agencies that currently contract with outside providers. The Department will bill those agencies for the services provided and estimates that the receipts will be sufficient to insure no employees are laid off.

Oversight and Communications

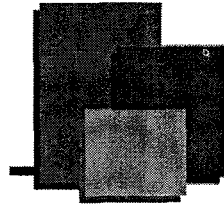
General Fund

	<u>Estimated Net FY 2001</u> (1)	<u>Gov. Rec. FY 2002</u> (2)	<u>Revised Gov. FY 2002</u> (3)	<u>Revised Gov. vs. FY 2001</u> (4)	<u>Analysis</u> (5)
<u>Education, Department of</u>					
IPTV - Regional Councils	\$ 2,179,718	\$ 2,144,501	\$ 2,066,597	\$ -113,121	<p>Gov. Analysis: IPTV will reduce their stock of spare parts for (Iowa Communications Network) ICN classrooms and the Councils will reduce hours for ICN schedulers and technicians. These changes will likely cause temporary delays in service and maintenance. K-12 ICN classrooms will still be repaired; it will simply take longer to do so.</p> <p>LFB Analysis: This includes a decrease of \$35,217 and 1.00 FTE position for transfer of a ICN scheduler position to the ICN. Of the remaining \$77,904, IPTV will reduce the level of inventory of spare parts for ICN classrooms by \$27,000, and the Regional Telecommunications Councils will reduce working hours of ICN schedulers and technicians saving \$50,904.</p>
<u>IA Telecommun & Technology Commission</u>					
ICN Operations/Edu. Subsidy	\$ 3,181,920	\$ 3,217,137	\$ 3,024,109	\$ -157,811	<p>Gov. Analysis: Elimination of several contract positions and several state positions will significantly reduce ICN's ability to process orders for change in service and respond to billing inquiries. The ICN will be able to maintain its commitment to education and telemedicine.</p> <p>LFB Analysis: This includes an increase of \$35,217 and 1.00 FTE position that transfers from IPTV and a decrease of \$193,028 from video subsidization. The ICN will initially manage the reduction by delaying the filling of positions that become vacant. Depending on the rate of turnover however, it may become necessary to eliminate some contract positions and finally State employees. No estimate for the number of contract employees that would be terminated or State employees that would be laid off are can be made at this time.</p>

Oversight and Communications

General Fund

	Estimated Net FY 2001 (1)	Gov. Rec. FY 2002 (2)	Revised Gov. FY 2002 (3)	Revised Gov. vs. FY 2001 (4)	Analysis (5)
Information Technology Dept. of					
ITD Operations	\$ 4,656,371	\$ 4,656,371	\$ 4,376,989	\$ -279,382	<p>Gov. Analysis: The Information Technology Department (ITD) will work to consolidate or eliminate contracts relating to maintenance. May result in delays in service. The State will shift responsibilities for desktop management in select agencies to the technology department so that the State can determine if this is a more economical way to manage its desktop PC network and maintenance costs. The technology department will continue to look for long-term ways to achieve efficiency in state government through technology and electronic government.</p> <p>LFB Analysis: The Department will be taking over desktop management services for some agencies that currently contract with outside providers. The Department will bill those agencies for the services provided and estimates that the receipts will be sufficient to insure no employees are laid off.</p>
Treasurer of State					
ICN Debt Service	\$ 12,860,000	\$ 12,805,000	\$ 12,805,000	\$ -55,000	<p>LFB Analysis: The decrease is a result of higher than expected interest paid on deposited funds.</p>
Total Oversight and Communication	\$ 22,878,009	\$ 22,823,009	\$ 22,272,695	\$ -605,314	



Legislative Fiscal Bureau

Analysis of the Governor's Revised FY 2002 Budget

**Transportation, Infrastructure, & Capitals
Appropriations Subcommittee**

April 2, 2001

LFB Staff: Dave Reynolds (1-6934) Mary Beth Mellick (1-8223)

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS
APPROPRIATIONS SUBCOMMITTEE**

***GOVERNOR'S REVISED
RECOMMENDATION –
TOTAL APPROPRIATIONS FOR THE
DEPARTMENT OF
TRANSPORTATION***

REALLOCATION OF FTE POSITIONS

OPERATIONS DIVISION

- The Governor is recommending a total of \$274.8 million in FY 2002 for the Department of Transportation (DOT). This is a decrease of \$9.6 million compared to the estimated net FY 2001. The Governor's recommendation includes funding for operations, capital projects, and the standing appropriation for public transit assistance. The recommendations include:
 - \$13.3 million from the General Fund appropriation, which is a decrease of \$850,000 compared to estimated net FY 2001.
 - \$36.4 million from the Road Use Tax Fund appropriation, which is a decrease of \$1.2 million compared to estimated net FY 2001.
 - \$225.1 million from the Primary Road Fund appropriation, which is a decrease of \$7.6 million compared to estimated net FY 2001.
- The DOT does not anticipate the layoff of any employees in FY 2002. However, the Department will reallocate employees internally, and will leave vacant positions unfilled.
- A net decrease of \$1.8 million to the Operations Division from the Road Use Tax Fund and the Primary Road Fund appropriations. Significant changes include:
 - An increase of \$140,000 for leases and maintenance and service contracts on new and existing equipment; for facilities design contracts; and for annual maintenance costs of workstation management tools.
 - A decrease of \$532,000 for central training, employee moving costs, out-of-state travel, and costs associated with staff conferences.
 - A decrease of \$480,000 to leave one internal auditor position unfilled, and to hold vacant positions in the Operations Division open a minimum of four months.
 - A decrease of \$362,000 for information technology (IT) services including: equipment and software maintenance leases and upgrades; expansion of the Local Area Network computer system; maintenance and support of the Electronic Records and Management System; and IT overhead costs and support services.
 - A decrease of \$333,000 in telecommunication costs, including automation/communication equipment depreciation funds.
 - A decrease of \$150,000 in remodeling funds for the Ames Park Fair Mall.
 - A decrease of \$50,000 to reduce the quality of print materials.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS
APPROPRIATIONS SUBCOMMITTEE**

**ADMINISTRATIVE SERVICES
DIVISION**

- A net decrease of \$3.2 million to the Administrative Services Division from the Road Use Tax Fund and the Primary Road Fund appropriations. Significant changes include:
 - A decrease of \$3.0 million for transfer of 54.0 FTE positions to the Highway and Planning Divisions. This transfer is recommended for DOT reorganization purposes.
 - A decrease of \$120,000 to eliminate the Employee Wellness Program.
 - A decrease of \$39,000 for expert witness fees and travel.
 - A decrease of \$32,000 to leave one clerical support position unfilled.

PLANNING DIVISION

- A net decrease of \$1.3 million to the Planning Division from the Road Use Tax Fund and the Primary Road Fund appropriations. Significant changes include:
 - An increase of \$1.8 million for transfer of 26.0 FTE positions from the Administrative Services, Maintenance, and Project Development Divisions.
 - A decrease of \$2.9 million for transfer of 46.0 FTE positions to the Highway Division. This transfer is recommended for DOT reorganization purposes.
 - A decrease of \$165,000 to leave three positions vacant in railroad safety education, railroad regulation, and transit system marketing; and to leave one position in winter maintenance technology and training research open for six months.
 - A decrease of \$57,000 for costs associated with public support of local planning organizations.

PROJECT DEVELOPMENT DIVISION

- A net decrease of \$60.4 million from the Primary Road Fund appropriation for transfer of 1,127.0 FTE positions to the Planning and Highway Divisions. This transfer is recommended for DOT reorganization purposes.

MAINTENANCE DIVISION

- A net decrease of \$107.8 million from the Primary Road Fund appropriation for transfer of 1,580.0 FTE positions to the Planning and Highway Divisions. This transfer is recommended for DOT reorganization purposes.

HIGHWAY DIVISION

- A net increase of \$166.2 million to the Highway Division from the Primary Road Fund appropriation. Significant changes include:
 - An increase of \$172.3 million for transfer of 2,782.0 FTE positions from other divisions. This transfer is recommended for DOT reorganization purposes.
 - A decrease of \$4.4 million to re-assign 37 filled positions and leave 50 vacant positions unfilled.
 - An increase of \$1.7 million for salt transportation costs and increased fuel prices.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS
APPROPRIATIONS SUBCOMMITTEE**

HIGHWAY DIVISION (CONT.)

- A decrease of \$1.7 million for travel and training.
- A decrease of \$1.0 million for overtime in field construction.
- A decrease of \$900,000 to consolidate 17 garages and offices, leaving two vacant positions unfilled.

MOTOR VEHICLE DIVISION

- A net decrease of \$1.4 million to the Motor Vehicle Division from the Road Use Tax Fund and the Primary Road Fund appropriations. Significant changes include:
 - An increase of \$188,000 for increased fuel costs.
 - An increase of \$141,000 for increased postage costs.
 - A decrease of \$1.6 million to leave 42 positions unfilled.
 - A decrease of \$75,000 to eliminate the "Renewal By Mail Program."
 - A decrease of \$60,000 for transfer of 1.0 FTE position to the Operations Division.

**SPECIAL PURPOSE
APPROPRIATIONS**

- An increase of \$1.9 million from the Road Use Tax Fund appropriation for increased usage of the Digitized Imaging System used for issuance of driver's licenses.
- An increase of \$420,000 from the Road Use Tax Fund and the Primary Road Fund appropriations for increased workers' compensation costs.
- An increase of \$352,000 from the Primary Road Fund appropriation for field facility deferred maintenance to improve Department facilities throughout the State.
- An increase of \$200,000 from the Primary Road Fund appropriation to conduct a DOT site utilization study. The study will address the loss of parking and three office buildings that will occur when the City of Ames implements improvements to Lincoln Way and Grand Avenues.
- An increase of \$100,000 from the Road Use Tax Fund and the Primary Road Fund appropriations for increased payment to the General Fund for indirect costs.
- An increase of \$48,000 from the Road Use Tax Fund and the Primary Road Fund appropriations for increased reimbursement to the Auditor of State.
- A decrease of \$1.0 million from the Primary Road Fund appropriation to the Materials and Equipment Replacement Revolving Fund.
- A decrease of \$124,000 from the General Fund appropriation to the State Aviation Assistance Program.
- A decrease of \$40,000 from the General Fund appropriation to the Railroad Assistance Program.
- A decrease of \$200,000 from the Primary Road Fund appropriation for the disposal of hazardous materials.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS
APPROPRIATIONS SUBCOMMITTEE**

DOT CAPITAL PROJECTS

- \$1.9 million from the Primary Road Fund for continued renovation of the DOT Administration Building and for the construction of a communications building on the Ames Complex.
- \$350,000 from the Primary Road Fund to replace exhaust systems at DOT field maintenance facilities.
- \$320,000 from the Primary Road Fund for construction of an addition to the regional materials testing laboratory in Cedar Rapids.
- \$200,000 from the Primary Road Fund for continued funding for improvements to DOT facilities to meet Americans with Disability Act requirements.
- \$400,000 from the Primary Road Fund for continued funding for replacement and improvements to maintenance garage roofs.
- \$400,000 from the Primary Road Fund for waste water treatment improvements at maintenance garages.

**PUBLIC TRANSIT ASSISTANCE
STANDING APPROPRIATION**

- The Governor is recommending a 6.0% decrease in the standing appropriation for Public Transit Assistance. The amount of Public Transit Assistance funding is based on 1/20th of 80.0% of the total Motor Vehicle Use Tax receipts collected by the State. The amount designated for transit is deposited into the General Fund and then passed through to the Public Transit Assistance Fund. The funding for FY 2002 is estimated at \$11.0 million. A 6.0% reduction represents a decrease of \$660,000.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS
APPROPRIATIONS SUBCOMMITTEE**

INFRASTRUCTURE AND CAPITALS

**REBUILD IOWA INFRASTRUCTURE
FUND AND ENVIRONMENT FIRST
FUND PROJECTS**

**RECOMMENDED REVENUE
ADJUSTMENTS TO THE REBUILD
IOWA INFRASTRUCTURE FUND**

**REVISED WAGERING TAX
ALLOCATION ESTIMATES**

- The Governor is recommending \$143.0 million in total funding from the Rebuild Iowa Infrastructure Fund (RIIF) and the Environment First Fund for FY 2002. This represents a decrease of \$2.3 million compared to the Governor's original budget.
- The Governor is recommending several revenue adjustments and reallocations affecting the RIIF. The major changes include:
 - Transferring an additional \$70.0 million in the wagering tax allocation to the General Fund. This would increase the total amount allocated to the General Fund from \$60.0 million to \$130.0 million.
 - Transferring Lottery receipts into the RIIF instead of the General Fund. The Lottery proceeds are estimated to generate \$32.5 million in FY 2002.
 - Transferring \$10.0 million in Motor Vehicle Use Tax receipts from the Road Use Tax Fund to the RIIF.
 - An increase in the FY 2001 interest estimate of \$1.2 million due to higher than anticipated growth in the first eight months of the fiscal year. This adjustment was included as part of the Governor's revised budget.
 - The Governor included an additional \$1.8 million in estimated reversions in FY 2001. This adjustment was included as part of the Governor's revised budget. Included within the estimated reversions is \$1.6 million that was appropriated for planning and design services of legislative space. In January 2000, the Legislative Council obligated \$1.4 million of the appropriation. As a result, the obligated funds will not revert in FY 2002.
- On March 14, the Revenue Estimating Conference reduced the estimated wagering tax allocation for FY 2001 and FY 2002 by \$3.8 million and \$2.8 million respectively. This resulted in a total reduction of \$6.6 million in available funds for FY 2002. The estimates were adjusted downward due to lower than expected revenue growth in wagering taxes. This required the Governor to submit a revised RIIF budget which includes additional revenue and spending adjustments. The adjustments made to address the wager tax reductions include:
 - An increase in the FY 2001 interest estimate of \$1.2 million.
 - Adding \$1.8 million in estimated reversions in FY 2001.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS
APPROPRIATIONS SUBCOMMITTEE**

**REVISED WAGERING TAX
ALLOCATION ESTIMATES (CONT.)**

- Spending reductions totaling \$2.3 million in FY 2002. The reductions are identified on the attached spreadsheet.

The Governor's revised ending balance for the RIIF in FY 2002 is \$47,000. The Governor's revised RIIF balance sheet is shown on page 14 of the attachment.

**ENVIRONMENT FIRST FUND
CHANGES**

- The Governor is recommending transferring \$12.9 million from the Groundwater Protection Fund to the Environment First Fund. This is in addition to the \$35.0 million that is currently provided through the standing appropriation from the RIIF. The Governor is recommending that the Groundwater Protection revenues be appropriated for groundwater projects. The Environment First Fund balance sheet is shown on page 15 of the attachment.

**DEPARTMENT OF AGRICULTURE
AND LAND STEWARDSHIP**

- The Governor is recommending a total of \$15.1 million for the Department of Agriculture and Land Stewardship. This includes \$9.6 million from the Environment First Fund for a variety of projects, and \$5.5 million to fully fund the Soil Conservation Cost Share Program from the RIIF. In FY 2001, funding for this program was appropriated from the General Fund.

DEPARTMENT OF CORRECTIONS

- The Governor is recommending a total of \$7.2 million from the RIIF for the Department of Corrections which includes:
 - \$6.4 million for continued funding for construction of a special needs unit at the Iowa State Penitentiary in Fort Madison.
 - \$798,000 for improvement projects at Fort Madison, Oakdale, and Mitchellville.

**DEPARTMENT OF CULTURAL
AFFAIRS**

- The Governor is recommending a total of \$2.3 million from the RIIF for the Department of Cultural Affairs which includes:
 - \$2.0 million for the Historical Preservation Grant Program. Of this, the Governor is recommending \$120,000 be used for preservation of the Iowa Battle Flags.
 - \$250,000 for preservation of Iowa's historical collections.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS
APPROPRIATIONS SUBCOMMITTEE**

**DEPARTMENT OF ECONOMIC
DEVELOPMENT**

- The Governor is recommending a total of \$24.2 million from the RIIF and \$1.5 million from the Environment First Fund for the Department of Economic Development which includes:
 - \$2.0 million for the Physical Infrastructure Assistance Program.
 - \$2.5 million for the Accelerated Career Enhancement (ACE) Program. This is a reduction of \$2.5 million compared to the Governor's original recommendation in order to increase the recommendation for Community College Technology enhancements.
 - \$12.5 million to maintain funding for the Community Attraction and Tourism Program.
 - \$4.0 million for continued funding of the Advanced Research and Commercialization Program.
 - \$2.2 million for the Strategic Housing Trust Fund Program.
 - \$1.5 million from the Environment First Fund for the Brownfield Redevelopment Program.
 - \$1.0 million to fund various technological projects to ensure that advance telecommunication and electronic services are provided to all areas of the State. This is a reduction of \$500,000 compared the Governor's original recommendation. The Governor reduced this recommendation in his revised budget due to decreased revenue estimates of the RIIF.

DEPARTMENT OF EDUCATION

- The Governor is recommending a total of \$7.9 million from the RIIF for the Department of Education which includes:
 - \$5.5 million to extend funding for the Community College Vocational-Technical Technology Improvement Program. This is an increase of \$2.5 million compared to the Governor's original recommendation.
 - \$500,000 for the Enrich Iowa Libraries Program which is designed to improve public library services.
 - \$1.9 million to fund the 21st Century Learning Technology Infrastructure Program. This is a reduction of \$100,000 compared to the Governor's original recommendation. The Governor reduced this recommendation in his revised budget due to decreased revenue estimates of the RIIF.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS
APPROPRIATIONS SUBCOMMITTEE**

**DEPARTMENT OF GENERAL
SERVICES**

- The Governor is recommending a total of \$22.7 million from the RIIF for the Department of General Services which includes:
 - \$14.5 million for major maintenance improvements to State facilities under the purview of the Department. This is a reduction of \$500,000 compared the Governor's original recommendation. The Governor reduced this recommendation in his revised budget due to decreased revenue estimates of the RIIF.
 - \$2.3 million for routine maintenance of State facilities under the purview of the Department. This is a reduction of \$500,000 compared the Governor's original recommendation. The Governor reduced this recommendation in his revised budget due to decreased revenue estimates of the RIIF.
 - \$1.7 million for continued funding of the interior restoration of the Capitol Building.
 - \$1.6 million for moving and relocation expenses associated with the relocation of State employees on the Capitol Complex.
 - \$1.0 million for relocation of records currently located in the Records and Properties Building.
 - \$1.2 million to renovate the Records and Properties Building.
 - \$400,000 for property acquisition and site development costs for property located adjacent to the Capitol Complex.

**STATE MULTIPURPOSE
LABORATORY FACILITY**

- The Governor is recommending issuing bonds for the construction of a multipurpose laboratory facility for use by the State Medical Examiner, Division of Criminal Investigation, Department of Agriculture and Land Stewardship, and the State Hygienic Lab. The estimated cost of the facility is \$62.0 million.

**DEPARTMENT OF INFORMATION
TECHNOLOGY**

- The Governor is recommending a total of \$18.0 million from the RIIF for the Department of Information Technology in order to establish a dedicated funding source for Iowa's information technology. This is a reduction of \$500,000 compared to the Governor's original recommendation. The Governor reduced this recommendation in his revised budget due to decreased revenue estimates of the RIIF.

JUDICIAL BRANCH

- The Governor is recommending a total of \$10.3 million from the RIIF for construction costs of the new Judicial Building.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS
APPROPRIATIONS SUBCOMMITTEE**

**DEPARTMENT OF NATURAL
RESOURCES**

- The Governor is recommending a total of \$25.0 million from the RIIF and \$1.5 million from the Environment First Fund for the Department of Natural Resources which includes:
 - \$1.0 million from the RIIF for Phase I of the development of a destination State park.
 - \$500,000 from the Environment First Fund for continued funding of the Waste Tire Abatement Program.
 - \$2.3 million from the Environment First Fund for funding of Marine Fuel Tax capital projects that meet the criteria under Section 452A.79, Code of Iowa.
 - \$3.0 million from the Environment First Fund for continued funding of the Recreational Grant Program.
 - \$3.0 million from the Environment First Fund for expansion of the Water Quality Monitoring Program.
 - \$12.5 million from the Environment First Fund for funding of the Resource Enhancement and Protection (REAP) Program.
 - \$2.7 million from the Environment First Fund for a variety of environmental programs and projects.

DEPARTMENT OF PUBLIC DEFENSE

- The Governor is recommending a total of \$1.1 million from the RIIF for the Department of Public Defense which includes:
 - \$700,000 for maintenance and renovation of National Guard facilities.
 - \$400,000 per year for three years for construction of a new readiness center in Estherville for support of National Guard training.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS
APPROPRIATIONS SUBCOMMITTEE**

BOARD OF REGENTS

- The Governor is recommending the deappropriation of \$15.6 million in funds appropriated to the Regent's universities for construction projects in FY 2002, and \$11.4 million appropriated in FY 2003. The Governor is recommending replacing these funds with bonding authority. The Governor is also recommending bonding authority for three additional projects for the Regent's universities. The recommended bonding projects include:
 - \$2.5 million for improvements to Gilman Hall at Iowa State University.
 - \$10.3 million for continued renovation of the Biological Sciences Facility at the University of Iowa.
 - \$14.2 million for continued funding of the construction of a 70,000 square foot addition to McCollum Science Hall at the University of Northern Iowa.
 - \$10.9 million for the construction of a building to house the College of Business at Iowa State University.
 - \$16.0 million for Phase I of the expansion of the Art Building at the University of Iowa.
 - \$12.7 million for replacement of the steam distribution system at the University of Northern Iowa.

**IOWA TELECOMMUNICATIONS AND
TECHNOLOGY COMMISSION**

- The Governor is recommending \$2.7 million from the RIIF to pay the costs of maintenance and leases associated with the build-out of Part III of the Iowa Communications Network.

**DEPARTMENT OF
TRANSPORTATION**

- The Governor is recommending a total of \$4.0 million from the RIIF for the DOT which includes:
 - \$2.0 million for continued funding of the Recreational Trails Program.
 - \$1.0 million for the Commercial Service Airport Program.
 - \$500,000 for general aviation airport improvement grants.
 - \$500,000 for a new aviation grant program. The Governor reduced this recommendation in his revised budget due to decreased revenue estimates of the RIIF.

TREASURER OF STATE

- The Governor is recommending \$1.1 million from the RIIF to provide continued funding for improvements to county fairgrounds.

**EXECUTIVE SUMMARY
GOVERNOR'S REVISED FY 2002 BUDGET**

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS
APPROPRIATIONS SUBCOMMITTEE**

**RECOMMENDED STATUTORY
CHANGES**

- The Governor is recommending the following statutory changes relating to infrastructure and capitals:
 - Amend the definition of vertical infrastructure in Section 8.57(5)(c), Code of Iowa, to include routine maintenance as an eligible expense from the RIIF.
 - Change the wagering tax allocation so that the first \$15.0 million is allocated to the Vision Iowa Fund, the next \$5.0 million to the School Infrastructure Fund, an amount sufficient to pay the annual debt service for the proposed multipurpose laboratory facility, the next \$130.0 million to the General Fund, and all remaining revenues to the RIIF.
 - Increases the amount of funds that can be used for administrative costs by the DED of the Vision Iowa Program from \$100,000 to \$150,000.
 - Eliminates the standing RIIF appropriation for the Local Housing Assistance Program. Section 15.354(1), Code of Iowa, appropriated \$1.0 million per year for five years beginning FY 1998 and ending FY 2002 for the Program. The Governor is recommending shifting the last year of this standing appropriation to the proposed Strategic Housing Trust Fund.
 - Redirects the transfer of Lottery proceeds to the RIIF instead of the General Fund. The Lottery proceeds are estimated to generate \$32.5 million in FY 2002.
 - Provides language to allow the Environment First Fund appropriations funded in SF 2453 (FY 2001 Infrastructure Appropriations Act) to remain available for expenditure through FY 2002.

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS APPROPRIATIONS SUBCOMMITTEE
DEPARTMENT OF TRANSPORTATION OPERATIONS AND SPECIAL PURPOSE APPROPRIATIONS**

	Estimated Net FY 2001 (1)	Governor's Original FY 2002 Rec. (2)	Revised Governor's FY 2002 Rec. (3)	Revised Gov.'s Rec. vs. FY 2001 (4)	Governor's Recommendation Explanation of Differences (5)
Operations					
Road Use Tax Fund	\$ 5,367,089	\$ 5,491,225	\$ 5,119,245	\$ -247,844	<p><i>Governor's Original Recommendations</i></p> <ol style="list-style-type: none"> \$318,000 to fund an 8.0% increase in equipment and software maintenance agreements. \$47,000 for a 3.0% inflationary increase on existing leases. \$67,000 for a projected 2.0% increase in telecommunication costs. \$21,000 for a projected increase in maintenance and service contracts. \$105,000 for the expansion of the Local Area Network computer system. \$54,000 for maintenance and service contracts on new equipment. \$10,000 for a projected one cent postage increase. \$136,000 to fully fund the overhead costs of the Department of Information Technology. \$64,000 for maintenance and support of the Electronic Records Management System. \$43,000 for increased lease costs for 2 drivers' license stations and an engineering office. \$25,000 to fund annual maintenance costs of workstation management tools. \$60,000 and a 1.0 FTE increase for the transfer of a position from the Motor Vehicle Division. REORG: A decrease of \$63,320 and 1.0 FTE for transfer to the Highway Division. <p><i>Governor's Revised Recommendations</i></p> <ol style="list-style-type: none"> A decrease of \$400,000 to hold vacant positions in the division open a minimum of 4 months. A decrease of \$171,000 to reduce software licenses and upgrades. A decrease of \$200,000 for overhead costs to the Information Technology Department. A decrease of \$400,000 for information technology support services. A decrease of \$80,000 to leave 1 internal auditor position unfilled. A decrease of \$10,000 for special postage costs. A decrease of \$50,000 to reduce the quality of print materials. A decrease of \$214,000 to reduce implementation time of the Electronic Records Management System. A decrease of \$29,000 for transportation and administrative costs associated with staff conferences. A decrease of \$120,000 for employee moving costs. A decrease of \$268,000 for central training funding. A decrease of \$115,000 for out-of-state travel. A decrease of \$50,000 for external facilities design contracts. A decrease of \$150,000 in remodeling funds for the Ames/Park Fair Mall. A decrease of \$400,000 for automation/communication equipment depreciation funds.
Primary Road Fund	32,969,263	33,731,807	31,446,787	-1,522,476	
Total	\$ 38,336,352	\$ 39,223,032	\$ 36,566,032	\$ -1,770,320	
FTE Positions	310.0	310.0	310.0	0.0	

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS APPROPRIATIONS SUBCOMMITTEE
DEPARTMENT OF TRANSPORTATION OPERATIONS AND SPECIAL PURPOSE APPROPRIATIONS**

	<u>Estimated Net FY 2001</u>	<u>Governor's Original FY 2002 Rec.</u>	<u>Revised Governor's FY 2002 Rec.</u>	<u>Revised Gov.'s Rec. vs. FY 2001</u>	<u>Governor's Recommendation Explanation of Differences</u>
	(1)	(2)	(3)	(4)	(5)
Administrative Services					
Road Use Tax Fund	\$ 959,781	\$ 543,850	\$ 515,430	\$ -444,351	<u>Governor's Original Recommendations</u> 1. REORG: A decrease of \$368,026 and 5.0 FTEs for transfer to the Planning Division. 2. REORG: A decrease of \$2,602,892 and 49.0 FTEs for transfer to the Highway Division.
Primary Road Fund	5,895,791	3,340,803	3,166,223	-2,729,568	
Total	\$ 6,855,572	\$ 3,884,653	\$ 3,681,653	\$ -3,173,919	
FTE Positions	96.0	42.0	42.0	-54.0	<u>Governor's Revised Recommendations</u> 1. A decrease of \$120,000 to eliminate the Employee Wellness Program. 2. A decrease of \$32,400 to leave 1 clerical support position unfilled. 3. A decrease of \$11,430 for law library support contracts. 4. A decrease of \$39,170 for expert witness fees and travel.
Planning					
Road Use Tax Fund	\$ 527,146	\$ 473,113	\$ 462,013	\$ -65,133	<u>Governor's Original Recommendations</u> 1. REORG: A decrease of \$2,884,483 and 46.0 FTEs for transfer to the Highway Division. 2. REORG: An increase of \$368,026 and 5.0 FTEs for transfer from the Administrative Services Division. 3. REORG: An increase of \$1,114,000 and 16.0 FTEs for transfer from the Maintenance Division. 4. REORG: An increase of \$331,000 and 5.0 FTEs for transfer from the Project Development Division.
General Fund	2,443	0	0	\$ -2,443	
Primary Road Fund	10,006,550	8,989,126	8,778,226	-1,228,324	
Total	\$ 10,536,139	\$ 9,462,239	\$ 9,240,239	\$ -1,295,900	<u>Governor's Revised Recommendations</u> 1. A decrease of \$140,000 for 3 vacant positions in railroad safety education, railroad regulation, and transit system marketing. 2. A decrease of \$25,000 to leave 1 position in winter maintenance technology and training research open for 6 months. 3. A decrease of \$57,000 for costs associated with public support of local planning organizations.
FTE Positions	183.0	163.0	163.0	-20.0	
Project Development					
Primary Road Fund	\$ 60,429,817	\$ 0	\$ 0	\$ -60,429,817	1. REORG: A decrease of \$331,000 and 5.0 FTEs for transfer to the Planning Division. 2. REORG: A decrease of \$60,098,817 and 1,122.0 FTEs for transfer to the Highway Division.
FTE Positions	1,127.0	0.0	0.0	-1,127.0	

TRANSPORTATION, INFRASTRUCTURE, & CAPITALS APPROPRIATIONS SUBCOMMITTEE
DEPARTMENT OF TRANSPORTATION OPERATIONS AND SPECIAL PURPOSE APPROPRIATIONS

	<u>Estimated Net FY 2001 (1)</u>	<u>Governor's Original FY 2002 Rec. (2)</u>	<u>Revised Governor's FY 2002 Rec. (3)</u>	<u>Revised Gov.'s Rec. vs. FY 2001 (4)</u>	<u>Governor's Recommendation Explanation of Differences (5)</u>
Maintenance					
Primary Road Fund	\$ 107,811,711	\$ 0	\$ 0	\$ -107,811,711	1. REORG: A decrease of \$1,114,000 and 16.0 FTEs for transfer to the Planning Division.
FTE Positions	1,580.0	0.0	0.0	-1,580.0	2. REORG: A decrease of \$106,697,711 and 1,564 FTEs for transfer to the Highway Division.
<hr/>					
Highway					
Primary Road Fund	\$ 0	\$ 174,150,223	\$ 166,180,223	\$ 166,180,223	<p align="center"><u>Governor's Original Recommendations</u></p> 1. REORG: An increase of \$63,320 and 1.0 FTE for transfer from the Operations and Finance Division. 2. REORG: An increase of \$2,884,483 and 46.0 FTEs for transfer from the Planning Division. 3. REORG: An increase of \$2,602,892 and 49.0 FTEs for transfer from the Administration Division. 4. REORG: An increase of \$60,098,817 and 1,122.0 FTEs for transfer from the Project Development Division. 5. REORG: An increase of \$106,697,711 and 1,564.0 FTEs for transfer from the Maintenance Division. 6. \$1,562,000 to fund an increase in fuel prices. 7. \$175,000 for salt transportation costs. 8. \$30,000 for increase cost for materials testing fees. 9. \$36,000 for an increase in cost of Weather Information.
FTE Positions	0.0	2,782.0	2,782.0	2,782.0	<p align="center"><u>Governor's Revised Recommendations</u></p> 1. A decrease of \$150,000 to consolidate Ames/Jefferson Residence Construction Engineers' Offices, leaving 2 vacant positions unfilled. 2. A decrease of \$1,000,000 for overtime in field construction. 3. A decrease of \$4,390,000 to re-assign 37 filled positions and leave 50 vacant positions unfilled. 4. A decrease of \$1,680,000 for travel and training. 5. A decrease of \$750,000 to consolidate 15 field garages/offices.

TRANSPORTATION, INFRASTRUCTURE, & CAPITALS APPROPRIATIONS SUBCOMMITTEE
DEPARTMENT OF TRANSPORTATION OPERATIONS AND SPECIAL PURPOSE APPROPRIATIONS

	<u>Estimated Net FY 2001</u>	<u>Governor's Original FY 2002 Rec.</u>	<u>Revised Governor's FY 2002 Rec.</u>	<u>Revised Gov.'s Rec. vs. FY 2001</u>	<u>Governor's Recommendation Explanation of Differences</u>
	<u>(1)</u>	<u>(2)</u>	<u>(3)</u>	<u>(4)</u>	<u>(5)</u>
Motor Vehicle					
Road Use Tax Fund	\$ 27,258,493	\$ 27,555,238	\$ 25,853,238	\$ -1,405,255	<u>Governor's Original Recommendations</u> 1. \$26,000 for International Registration Plan (IRP) and International Fuel Tax Agreement (IFTA) dues. 2. \$141,000 for increased postage costs. 3. \$188,000 for increased fuel costs. 4. A decrease of \$60,000 and 1.0 FTE for transferring an employee to the Operations and Finance Division.
Primary Road Fund	1,083,737	1,081,992	1,081,992	-1,745	
Total	\$ 28,342,230	\$ 28,637,230	\$ 26,935,230	\$ -1,407,000	
FTE Positions	563.0	562.0	562.0	-1.0	
<u>Governor's Revised Recommendations</u>					
					1. A decrease of \$1,610,000 to leave 42 positions unfilled. 2. A decrease of \$17,000 for printing of informational materials. 3. A decrease of \$75,000 to eliminate "Renewal By Mail Program."
Personnel Reimbursement					
Road Use Tax Fund	\$ 37,500	\$ 37,500	\$ 37,500	\$ 0	No Change
Primary Road Fund	712,500	712,500	712,500	0	
Total	\$ 750,000	\$ 750,000	\$ 750,000	\$ 0	
Unemployment Compensation					
Road Use Tax Fund	\$ 17,000	\$ 17,000	\$ 17,000	\$ 0	No Change
Primary Road Fund	328,000	328,000	328,000	0	
Total	\$ 345,000	\$ 345,000	\$ 345,000	\$ 0	
Workers Compensation					
Road Use Tax Fund	\$ 77,000	\$ 77,000	\$ 77,000	\$ 0	For increased workers' compensation claims.
Primary Road Fund	1,463,000	1,883,000	1,883,000	420,000	
Total	\$ 1,540,000	\$ 1,960,000	\$ 1,960,000	\$ 420,000	
Auditor Reimbursement					
Road Use Tax Fund	\$ 42,000	\$ 48,000	\$ 48,000	\$ 6,000	For a projected increase in reimbursements to the State Auditor's Office.
Primary Road Fund	255,000	297,000	297,000	42,000	
Total	\$ 297,000	\$ 345,000	\$ 345,000	\$ 48,000	
Indirect Cost Recovery					
Road Use Tax Fund	\$ 92,000	\$ 102,000	\$ 102,000	\$ 10,000	For a projected increase in reimbursements to the General Fund.
Primary Road Fund	658,000	748,000	748,000	90,000	
Total	\$ 750,000	\$ 850,000	\$ 850,000	\$ 100,000	
Driver License Digitized Imaging System					
Road Use Tax Fund	\$ 2,103,000	\$ 3,997,000	\$ 3,997,000	\$ 1,894,000	For increased usage of the Digitized Imaging Systems used for issuance of drivers' licenses.

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS APPROPRIATIONS SUBCOMMITTEE
DEPARTMENT OF TRANSPORTATION OPERATIONS AND SPECIAL PURPOSE APPROPRIATIONS**

	<u>Estimated Net FY 2001 (1)</u>	<u>Governor's Original FY 2002 Rec. (2)</u>	<u>Revised Governor's FY 2002 Rec. (3)</u>	<u>Revised Gov.'s Rec. vs. FY 2001 (4)</u>	<u>Governor's Recommendation Explanation of Differences (5)</u>
County Driver's License Issuance					
Road Use Tax Fund	\$ 20,000	\$ 30,000	\$ 30,000	\$ 10,000	These funds are used to purchase miscellaneous materials, supplies, & equipment at county treasurer offices to assist the county issuance functions to become operational.
Inventory & Replacement					<i>Governor's Original Recommendations</i>
Primary Road Fund	\$ 6,340,000	\$ 6,340,000	\$ 5,340,000	\$ -1,000,000	No Change
					<i>Governor's Revised Recommendations</i> A decrease in replacement equipment funds.
Waste/Fuel Management					<i>Governor's Original Recommendations</i>
Primary Road Fund	\$ 1,000,000	\$ 1,000,000	\$ 800,000	\$ -200,000	No Change
					<i>Governor's Revised Recommendations</i> A decrease in contractual services for hazardous waste disposal.
Railroad Assistance Program					<i>Governor's Original Recommendations</i>
General Fund	\$ 662,000	\$ 662,000	\$ 622,280	\$ -39,720	No Change
					<i>Governor's Revised Recommendations</i> A decrease in available funds for the rail economic development program and rail assistance projects to upgrade branch lines.
State Aviation Program					<i>Governor's Original Recommendations</i>
General Fund	\$ 2,450,000	\$ 2,475,000	\$ 2,326,500	\$ -123,500	To restore funding to the State Aviation Program that was diverted to the Iowa Civil Air Patrol in FY 2001.
					<i>Governor's Revised Recommendations</i> A decrease in various financial assistance programs, including airport improvement funding for Iowa's 113 publicly owned airports.
Iowa Civil Air Patrol					
General Fund	\$ 25,000	\$ 0	\$ 0	\$ -25,000	No Recommendation
Super Highway Coalition					
Road Use Tax Fund	\$ 50,000	\$ 0	\$ 0	\$ -50,000	No Recommendation
Road/Weather Information System					
Road Use Tax Fund	\$ 100,000	\$ 100,000	\$ 100,000	\$ 0	No Change

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS APPROPRIATIONS SUBCOMMITTEE
DEPARTMENT OF TRANSPORTATION OPERATIONS AND SPECIAL PURPOSE APPROPRIATIONS**

	<u>Estimated Net FY 2001</u>	<u>Governor's Original FY 2002 Rec.</u>	<u>Revised Governor's FY 2002 Rec.</u>	<u>Revised Gov.'s Rec. vs. FY 2001</u>	<u>Governor's Recommendation Explanation of Differences</u>
	(1)	(2)	(3)	(4)	(5)
DOT Site Utilization Study					
Primary Road Fund	\$ 0	\$ 300,000	\$ 200,000	\$ 200,000	<p><u><i>Governor's Original Recommendations</i></u> This is a new recommendation to conduct a site utilization study of the DOT Complex in Ames to address the loss of parking and three office buildings that will occur when the City of Ames implements improvements to Lincoln Way and Grand Avenues.</p> <p><u><i>Governor's Revised Recommendations</i></u> A decrease to downsize the study.</p>
Field Facility Deferred Maintenance					
Primary Road Fund	\$ 0	\$ 1,000,000	\$ 351,500	\$ 351,500	<p><u><i>Governor's Original Recommendations</i></u> To fund facility improvements at DOT facilities throughout the State.</p> <p><u><i>Governor's Revised Recommendations</i></u> A decrease in additional funds.</p>
DOT Service Delivery					
Road Use Tax Fund	\$ 0	\$ 200,000	\$ 0	\$ 0	<p><u><i>Governor's Original Recommendations</i></u> This is a new recommendation to fund studies of the DOT's motor vehicle weight enforcement program and field maintenance services. The studies will review service delivery levels, program efficiencies, and identify the physical infrastructure necessary to implement the programs effectively.</p> <p><u><i>Governor's Revised Recommendations</i></u> To eliminate funds for service delivery.</p>
Primary Road Fund	0	500,000	0	0	
Total	\$ 0	\$ 700,000	\$ 0	\$ 0	
Heating System Upgrades					
Primary Road Fund	\$ 200,000	\$ 200,000	\$ 200,000	\$ 0	No Change
Facility Tuckpointing					
Primary Road Fund	\$ 100,000	\$ 100,000	\$ 100,000	\$ 0	No Change
Biodegradable Hydraulic Fluids					
Primary Road Fund	\$ 15,000	\$ 0	\$ 0	\$ -15,000	No Recommendation
Biodiesel Fuel					
Primary Road Fund	\$ 20,000	\$ 0	\$ 0	\$ -20,000	No Recommendation

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS APPROPRIATIONS SUBCOMMITTEE
DEPARTMENT OF TRANSPORTATION CAPITAL PROJECTS**

	<u>Estimated Net FY 2001 (1)</u>	<u>Governor's Original FY 2002 Rec. (2)</u>	<u>Revised Governor's FY 2002 Rec. (3)</u>	<u>Revised Gov.'s Rec. vs. FY 2001 (4)</u>	<u>Explanation (5)</u>
Scale Lot Improvements					
Road Use Tax Fund	\$ 940,000	\$ 0	\$ 0	\$ -940,000	For improvements to the scale facility in Clark and Worth Counties.
Waste Water Projects					
Primary Road Fund	400,000	400,000	400,000	0	For waste water treatment improvements at maintenance garage locations.
Salt Storage Facilities					
Primary Road Fund	0	1,000,000	0	0	<i>Governor's Original Recommendations</i> For construction of salt storage facilities to increase storage capacity. <i>Governor's Revised Recommendations</i> Eliminate additional funds.
ADA Improvements					
Primary Road Fund	200,000	200,000	200,000	0	For ADA improvements to DOT facilities located throughout the State.
Garage Roofing Projects					
Primary Road Fund	400,000	400,000	400,000	0	For replacement of roofs at various maintenance garage locations throughout the State.
Northwest Building Improvements					
Primary Road Fund	900,000	0	0	-900,000	For improvements to the northwest building in the Ames Complex.
Ames Complex Capital Improvements					
Primary Road Fund	0	1,850,000	1,850,000	1,850,000	For various improvement projects at the DOT complex in Ames and for the construction of a communications building on the Ames Complex.
Replacement of Maintenance Garages					
Primary Road Fund	1,500,000	0	0	-1,500,000	For planning, design, and construction of maintenance garages in Allison and Sheldon.

**TRANSPORTATION, INFRASTRUCTURE, & CAPITALS APPROPRIATIONS SUBCOMMITTEE
DEPARTMENT OF TRANSPORTATION CAPITAL PROJECTS**

	<u>Estimated Net FY 2001</u> (1)	<u>Governor's Original FY 2002 Rec.</u> (2)	<u>Revised Governor's FY 2002 Rec.</u> (3)	<u>Revised Gov.'s Rec. vs. FY 2001</u> (4)	<u>Explanation</u> (5)
Cedar Rapids Laboratory Addition					
Primary Road Fund	0	320,000	320,000	320,000	For construction of an addition to the regional materials testing laboratory in Cedar Rapids.
Exhaust System Replacements					
Primary Road Fund	0	350,000	350,000	350,000	For the replacement of exhaust systems at DOT field maintenance facilities.
Public Transit Assistance Standing					
General Fund	10,997,000	10,997,000	10,337,180	-659,820	<i>Governor's Original Recommendations</i> No change.
					<i>Governor's Revised Recommendations</i> A decrease in funding for public transit assistance.
Total Department of Transportation					
General Fund	\$ 14,136,443	\$ 14,134,000	\$ 13,285,960	\$ -850,483	
Road Use Tax Fund	37,591,009	38,671,926	36,358,426	-1,232,583	
Primary Road Fund	232,688,369	239,222,451	225,133,451	-7,554,918	
TOTAL	<u>\$ 284,415,821</u>	<u>\$ 292,028,377</u>	<u>\$ 274,777,837</u>	<u>\$ -9,637,984</u>	
FTE Positions	3,859.0	3,859.0	3,859.0	0.0	

**Rebuild Iowa Infrastructure Fund and Environment First Fund
Appropriations**

	Estimated FY 2001		Current Law Est. FY 2002		Original Governor's Recomm. FY 2002		Revised Governor's Recomm. FY 2002		Explanation of Governor's Budget Revisions
	Approp.	Funding Source	Estimated FY 2002	Funding Source	Approp.	Funding Source	Approp.	Funding Source	
Agriculture and Land Stewardship									
Loess Hills Conservation Authority	\$ 2,000,000	RIIF	\$ 0		\$ 1,000,000	EFF	\$ 1,000,000	EFF	
Agriculture Drainage Wells	0		0		500,000	EFF	500,000	EFF	
Nutrient Management Program	850,000	EFF	0		850,000	EFF	850,000	EFF	
Demonstration Grant Writer	50,000	EFF	0		0		0		
Mine Reclamation Program	50,000	EFF	0		0		0		
Conservation Reserve Program (CRP)	1,500,000	EFF	0		1,500,000	EFF	1,500,000	EFF	
Conservation Reserve Enhancement (CREP)	1,500,000	EFF	0		1,500,000	EFF	1,500,000	EFF	
Soil Conservation Cost Share-EFF	2,000,000	EFF	0		1,500,000	EFF	1,500,000	EFF	
Soil Conservation Cost Share-RIIF	0		0		5,500,000	RIIF	5,500,000	RIIF	
Watershed Protection Program-EFF	1,450,000	EFF	0		0		0		
Watershed Protection Program-RIIF	1,250,000	RIIF	0		2,700,000	EFF	2,700,000	EFF	
Total	\$ 10,650,000		\$ 0		\$ 15,050,000		\$ 15,050,000		
Blind									
Dormitory Renovations	\$ 122,000	RIIF	\$ 0		\$ 0		\$ 0		
Total									
Corrections									
Fort Madison Prison Expansion	\$ 3,000,000	RIIF	\$ 0		\$ 6,400,000	RIIF	\$ 6,400,000	RIIF	
Ft. Madison Electrical System Upgrade	0		0		333,168	RIIF	333,200	RIIF	Increase of \$32 to the Governor's original recommendation due to rounding.
Oakdale Water Access	0		0		100,000	RIIF	100,000	RIIF	
Mitchellville Waste Water Facility	0		0		364,368	RIIF	364,400	RIIF	Increase of \$32 to the Governor's original recommendation due to rounding.
Oakdale Expansion (170 Beds)	2,500,000	RIIF	0		0		0		
Community-Based Correction Facilities	900,000	RIIF	0		0		0		
Total	\$ 6,400,000		\$ 0		\$ 7,197,536		\$ 7,197,600		
Cultural Affairs									
Historical Preservation Grant Program	\$ 2,500,000	RIIF	\$ 0		\$ 2,000,000	RIIF	\$ 2,000,000	RIIF	
Historical Collections	0		0		250,000	RIIF	250,000	RIIF	
Total	\$ 2,500,000		\$ 0		\$ 2,250,000		\$ 2,250,000		
Economic Development									
Physical Infrastructure Assistance Program	\$ 2,500,000	RIIF	\$ 0		\$ 2,000,000	RIIF	\$ 2,000,000	RIIF	
Accelerated Career Ed. (ACE) Program	5,300,000	RIIF	0		5,000,000	RIIF	2,500,000	RIIF	Decrease of \$2,500,000 to the Governor's original recommendation in order to increase funding for Community College Technology.
Community Attraction/Tourism	12,500,000	RIIF	12,500,000	RIIF	12,500,000	RIIF	12,500,000	RIIF	
Advanced Research & Commercialization	4,000,000	RIIF	0		4,000,000	RIIF	4,000,000	RIIF	
Dry Fire Hydrant Program	200,000	RIIF	0		0		0		
Local Housing Assistance Program	1,000,000	RIIF	1,000,000	RIIF	2,200,000	RIIF	2,200,000	RIIF	This recommendation would require a statutory change.
Brownfield Redevelopment Fund	3,000,000	EFF			1,500,000	EFF	1,500,000	EFF	
Digital Divide	0		0		1,500,000	RIIF	1,000,000	RIIF	Decrease of \$500,000 to the Governor's original recommendation due to decreased RIIF revenues.
Total	\$ 28,500,000		\$ 13,500,000		\$ 28,700,000		\$ 25,700,000		

**Rebuild Iowa Infrastructure Fund and Environment First Fund
Appropriations**

	Estimated FY 2001		Current Law Est. FY 2002		Original Governor's Recomm. FY 2002		Revised Governor's Recomm. FY 2002		Explanation of Governor's Budget Revisions
	Approp.	Funding Source	Estimated FY 2002	Funding Source	Approp.	Funding Source	Approp.	Funding Source	
Education									
Community Colleges Technology	3,000,000	RIIF	0		3,000,000	RIIF	5,500,000	RIIF	Increase of \$2,500,000 to the Governor's original recommendation to provide additional funding for technology improvements at community colleges.
Public Libraries - Enrich Iowa Program	0		0		500,000	RIIF	500,000	RIIF	
21st Century Learning Infrastructure	0		0		2,000,000	RIIF	1,900,000	RIIF	
Total	\$ 3,000,000		\$ 0		\$ 5,500,000		\$ 7,900,000		Decrease of \$100,000 to the Governor's original recommendation due to decreased RIIF revenues.
General Services									
Major Maintenance	10,500,000	RIIF	0		15,000,000	RIIF	14,500,000	RIIF	Decrease of \$500,000 to the Governor's original recommendation due to decreased RIIF revenues.
Routine Maintenance	2,000,000	RIIF	0		2,500,000	RIIF	2,300,000	RIIF	
Capitol Interior Renovation	4,324,100	RIIF	0		1,700,000	RIIF	1,700,000	RIIF	
Ola Babcock Bldg. Renovation	5,842,425	RIIF	0		0		0		Decrease of \$200,000 to the Governor's original recommendation due to decreased RIIF revenues.
Lucas Building Renovation	2,650,000	RIIF	0		0		0		
Terrace Hill Maintenance	1,250,000	RIIF	0		0		0		
Employee Relocation Expenses	1,668,000	RIIF	0		1,579,000	RIIF	1,579,000	RIIF	
Toledo Juvenile Home Improvements	250,000	RIIF	0		0		0		
Executive Hills/Capitol Annex Demolition	750,000	RIIF	0		0		0		
Facility Utilization Study	3,200,000	RIIF	0		0		0		
Records Center Relocation	0		0		1,028,000	RIIF	1,028,000	RIIF	
Records & Property Bldg. Renovation	0		0		1,215,000	RIIF	1,215,000	RIIF	
Property Acquisition & Site Development	0		0		400,000	RIIF	400,000	RIIF	
Laboratory Facility	0		0		0	Bonding	0	Bonding	The Governor is recommending the issuance of \$62.0 million in bonds for construction of the laboratory facility.
Total	\$ 32,434,525		\$ 0		\$ 23,422,000		\$ 22,722,000		
Information Technology									
IT - Project Grants and Allocations	\$ 0		\$ 0		\$ 18,500,000	RIIF	\$ 18,000,000	RIIF	Decrease of \$500,000 to the Governor's original recommendation due to decreased RIIF revenues.
Judicial Branch									
Facility Design/Construction	\$ 8,000,000	RIIF	\$ 10,300,000		\$ 10,300,000	RIIF	\$ 10,300,000	RIIF	
Pave 12th Street South of Court Ave	0		0		34,000	RIIF	34,000	RIIF	
Total	\$ 8,000,000		\$ 10,300,000		\$ 10,334,000		\$ 10,334,000		
Management									
Environment First Fund	\$ 0		\$ 35,000,000	EFF	\$ 0		\$ 0		The Environment First Fund receives a \$35.0 million standing appropriation from the RIIF. The funds are appropriated annually for specific projects.

**Rebuild Iowa Infrastructure Fund and Environment First Fund
Appropriations**

	Estimated FY 2001		Current Law Est. FY 2002		Original Governor's Recomm. FY 2002		Revised Governor's Recomm. FY 2002		Explanation of Governor's Budget Revisions
	Approp.	Funding Source	Estimated FY 2002	Funding Source	Approp.	Funding Source	Approp.	Funding Source	
Natural Resources									
Restore the Outdoors Program	\$ 3,000,000	RIIF	\$ 0		\$ 0		\$ 0		
Destination State Park Const.-Phase I	0		0		1,000,000	RIIF	1,000,000	RIIF	
Land Forms and Ecosystems	0		0		125,000	EFF	125,000	EFF	
Volunteers and Keepers of Land	70,000	EFF	0		130,000	EFF	130,000	EFF	
Pollution Discharge/Waste Water Permits	250,000	EFF	0		250,000	EFF	250,000	EFF	
GIS Information for Watersheds	195,000	EFF	0		195,000	EFF	195,000	EFF	
Floodplain Protection	200,000	EFF	0		200,000	EFF	200,000	EFF	
Waste Tire Abatement Program	500,000	EFF	0		500,000	EFF	500,000	EFF	
Septic Tank Assistance	600,000	EFF	0		0		0		
Water Quality Standards	372,000	EFF	0		0		0		
TMDL Program	153,000	EFF	0		0		300,000	EFF	Appropriates \$300,000 to continue funding for the Total Maximum Daily Load (TMDL) Program that was started in FY 2001.
Lewis and Clark Rural Water System	60,000	EFF	0		0		0		
Marine Fuel Tax Capital Projects	2,300,000	EFF	0		2,300,000	EFF	2,300,000	EFF	
Elinor Bedell State Park Construction	50,000	RIIF	0		0		0		
Lake Dredging	2,900,000	EFF	0		500,000	EFF	500,000	EFF	
Recreation Grant Program	3,000,000	EFF	0		3,000,000	EFF	3,000,000	EFF	
Water Quality Monitoring Stations	1,950,000	EFF	0		3,000,000	EFF	3,000,000	EFF	
Lake Belva Deer Dam	200,000	RIIF	0		0		0		
Trees Program	250,000	EFF	0		0		0		
REAP Program	10,500,000	EFF	0		12,500,000	EFF	12,500,000	EFF	
Private Land Access	0		0		1,250,000	EEF	950,000	EEF	Decrease of \$300,000 in order to provide funding for the TMDL Program in FY 2002.
Total	\$ 26,550,000		\$ 0		\$ 24,950,000		\$ 24,950,000		
Public Defense									
Armory Maintenance	\$ 700,000	RIIF	\$ 0		\$ 700,000	RIIF	\$ 700,000	RIIF	
Estherville Readiness Center	0		0		400,000	RIIF	400,000	RIIF	
Total	\$ 700,000		\$ 0		\$ 1,100,000		\$ 1,100,000		

**Rebuild Iowa Infrastructure Fund and Environment First Fund
Appropriations**

	Estimated FY 2001		Current Law Est. FY 2002		Original Governor's Recomm. FY 2002		Revised Governor's Recomm. FY 2002		Explanation of Governor's Budget Revisions
	Approp.	Funding Source	Estimated FY 2002	Funding Source	Approp.	Funding Source	Approp.	Funding Source	
Regents									
1997 Legislative Session Appropriations	\$ 11,915,000	RIIF	\$ 0		\$ 0		\$ 0		
Gilman Hall - ISU	8,500,000	RIIF	2,500,000		0	Bonding	0	Bonding	The Governor is recommending the deappropriation of the FY 2002 funds and authorizing the issuance of \$2.5 million in bonds for this project.
Biology Building Renovation - SUI	4,400,000	RIIF	7,300,000		0	Bonding	0	Bonding	The Governor is recommending the deappropriation of these funds, which include \$7.3 million in FY 2002 and \$3.0 million in FY 2003, and authorizing the issuance of \$10.3 million in bonds for this project.
McCullum - UNI	2,700,000	RIIF	5,800,000		0	Bonding	0	Bonding	The Governor is recommending the deappropriation of these funds, which include \$5.8 million in FY 2002 and \$8.4 million in FY 2003, and authorizing the issuance of \$14.2 million in bonds for this project.
ISU Business Building Planning	300,000	RIIF	0		0		0		
School for the Deaf Water System	250,000	RIIF	0		0		0		
SUI - Art Building	0		0		0	Bonding	0	Bonding	The Governor is recommending the issuance of \$16.0 million in bonds for this project.
UNI - Steam Distribution	0		0		0	Bonding	0	Bonding	The Governor is recommending the issuance of \$12.7 million in bonds for this project.
ISU - Business Building	0		0		0	Bonding	0	Bonding	The Governor is recommending the issuance of \$10.9 million in bonds for this project.
Total	\$ 28,065,000		\$ 15,600,000		\$ 0		\$ 0		
State Fair Authority									
State Fair Capital Projects	\$ 5,000,000	RIIF	\$ 0		\$ 0		\$ 0		
Telecom. & Tech. Comm.									
ICN Part III & Maintenance/Lease Costs	\$ 2,727,004	RIIF	\$ 0		\$ 2,727,004	RIIF	\$ 2,727,000	RIIF	Decrease of \$4 to the Governor's original recommendation due to rounding.
Transportation									
DOT - Recreational Trails	\$ 2,250,000	RIIF	\$ 0		\$ 2,000,000	RIIF	\$ 2,000,000	RIIF	
DOT - Commercial Aviation Infrastructure	1,000,000	RIIF	0		1,000,000	RIIF	1,000,000	RIIF	
DOT - Aviation Grants	0		0		1,000,000	RIIF	500,000	RIIF	Decrease of \$500,000 to the Governor's original recommendation due to decreased RIIF revenues.
DOT - General Aviation Airports	500,000	RIIF	0		500,000	RIIF	500,000	RIIF	
Total	\$ 3,750,000		\$ 0		\$ 4,500,000		\$ 4,000,000		

**Rebuild Iowa Infrastructure Fund and Environment First Fund
Appropriations**

	Estimated FY 2001		Current Law Est. FY 2002		Original Governor's Recomm. FY 2002		Revised Governor's Recomm. FY 2002		Explanation of Governor's Budget Revisions
	Approp.	Funding Source	Estimated FY 2002	Funding Source	Approp.	Funding Source	Approp.	Funding Source	
Treasurer of State									
Treasurer of State - County Fairs	\$ 1,060,000	RIIF	\$ 0		\$ 1,060,000	RIIF	\$ 1,060,000	RIIF	
Veterans Affairs									
Dining Room Expansion	\$ 3,416,244	RIIF	\$ 0		\$ 0		\$ 0		
Facility Renovations	734,605	RIIF	0		0		0		
National WWII Memorial	278,000	RIIF	0		0		0		
Total	\$ 4,428,849		\$ 0		\$ 0		\$ 0		
Grand Total	\$ 163,887,378		\$ 74,400,000		\$ 145,290,540		\$ 142,990,600		
Total By Source									
Rebuild Iowa Infrastructure Fund	\$ 130,187,378		\$ 39,400,000		\$ 110,290,540		\$ 107,990,600		
Environment First Fund	33,700,000		35,000,000		35,000,000		35,000,000		
Total	\$ 163,887,378		\$ 74,400,000		\$ 145,290,540		\$ 142,990,600		

RIIF = Rebuild Iowa Infrastructure Fund
EFF = Environment First Fund

Rebuild Iowa Infrastructure Fund Balance Sheet

	Current Law		Revised Governor's	Original	Governor's	Revised
	Estimated FY 2001	Estimated FY 2002	Estimated FY 2001	Gov's Rec. FY 2002	Adjustments FY 2002	Gov's Rec. FY 2002
Resources						
Balance	\$ 20,253,621	\$ 4,563,057	\$ 20,253,621	\$ 7,016,243	\$ -853,186	\$ 6,163,057
Accrued Interest	35,225,000	36,875,000	35,225,000	36,875,000		36,875,000
Wagering Tax Allocation	110,500,000	120,000,000	110,500,000	52,800,000	-2,800,000	50,000,000
Lottery Receipts				32,500,000		32,500,000
Motor Vehicle Use Tax				10,000,000		10,000,000
Marine Fuel Tax	2,300,000	2,300,000	2,300,000	2,300,000		2,300,000
Total Available Resources	\$ 168,278,621	\$ 163,738,057	\$ 168,278,621	\$ 141,491,243	\$ -3,653,186	\$ 137,838,057
Appropriations	\$ 165,187,378	\$ 74,400,000	\$ 165,187,378	\$ 145,290,540	\$ -2,299,940	\$ 142,990,600
Reversions ^{/1}						
Environment First Fund	\$ -1,300,000	\$ 0	\$ -1,300,000	\$ 0	\$ 0	\$ 0
DOC - Oakdale Expansion Project				-5,200,000		-5,200,000
Legislative Space			-1,600,000			
Major Maintenance	-11,420		-11,420			
Lucas Tunnel	-44,547		-44,547			
Capitol Terrace Planning	-8,368		-8,368			
Parking Lot Improvements	-40,000		-40,000			
IFAS Upgrade	-67,479		-67,479			
Total Reversions	\$ -1,471,814	\$ 0	\$ -3,071,814	\$ -5,200,000	\$ 0	\$ -5,200,000
Ending Balance	\$ 4,563,057	\$ 89,338,057	\$ 6,163,057	\$ 1,400,703	\$ -1,353,246	\$ 47,457

^{/1}

Rebuild Iowa Infrastructure Fund at the end of FY 2001. The remainder of the FY 2001 reversions were included as part of the Governor's revised budget.

Environment First Fund Balance Sheet

	Estimated FY 2001	Original Governor's Rec. FY 2002	Revised Governor's Rec. FY 2002
Revenue:			
RIIF Environment First Appropriation	\$ 33,700,000	\$ 35,000,000	\$ 35,000,000
Groundwater Protection Fund	0	12,915,000	12,915,000
Total Revenue	\$ 33,700,000	\$ 47,915,000	\$ 47,915,000
Expenditures:			
DALS - Wetland Incentive Program (CREP)	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
DALS - Nutrient Management Program	850,000	850,000	850,000
DALS - Demonstration Grant Writer	50,000	0	0
DALS - Soil Conservation Cost Share	2,000,000	1,500,000	1,500,000
DALS - Watershed Protection Program	1,450,000	2,700,000	2,700,000
DALS - Grant Writer Mines	50,000	0	0
DALS - Loess Hills Conservation Authority	0	1,000,000	1,000,000
DALS - Agricultural Drainage Wells	0	500,000	500,000
DALS - Conservation Reserve Program (CRP)	1,500,000	1,500,000	1,500,000
DNR - Waste Tires	500,000	500,000	500,000
DNR - Septic Tank Assistance	600,000	0	0
DNR - Water Quality Standards	372,000	0	0
DNR - Waste Water Permits	250,000	250,000	250,000
DNR - Floodplain Protection Program	200,000	200,000	200,000
DNR - Geographic Information System Development	195,000	195,000	195,000
DNR - TMDL Program	153,000	0	300,000
DNR - Volunteer Water Quality Initiative	70,000	130,000	130,000
DNR - Water Quality Monitoring Stations	1,950,000	3,000,000	3,000,000
DNR - Landfill and Ecosystems	0	125,000	125,000
DNR - Recreation Grants	3,000,000	3,000,000	3,000,000
DNR - Private Land Access	0	1,250,000	950,000
DNR - Lake Dredging	2,900,000	500,000	500,000
DNR - Marine Fuel Tax Capital Projects	2,300,000	2,300,000	2,300,000
DNR - REAP Formula Allocation	10,500,000	12,500,000	12,500,000
DNR - Trees Program	250,000	0	0
DNR - Lewis and Clark	60,000	0	0
DED - Brownfield Redevelopment Program	3,000,000	1,500,000	1,500,000
DNR - Groundwater Programs Pass-Through	0	12,915,000	12,915,000
Total Expenditures	\$ 33,700,000	\$ 47,915,000	\$ 47,915,000
Ending Balance	\$ 0	\$ 0	\$ 0