



REPUBLICAN CAUCUS STAFF
HOUSE OF REPRESENTATIVES
STATE CAPITOL
DES MOINES, IOWA 50319
515.281.3440
IOWAHOUSEREPUBLICANS.COM

HOUSE REPUBLICAN STAFF ANALYSIS

Bill: House Study Bill 1
Committee: Appropriations
Date: January 2, 2011
Staff: Lon Anderson (1-5184)

Taxpayers First Act

House Study Bill 1 is the Taxpayers First Act of 2011. The bill creates the Tax Relief Fund, which will capture the general fund surplus to be returned to the taxpayer. It also contains deappropriations from the FY 2011 budget and reductions in appropriations for FY 2012 and FY 2013. The bill eliminates programs and reduces expenditures on non-personnel items. It also provides a supplemental for mental health and begins the process of re-writing the mental health delivery system.

Section-by-Section Analysis

Division I. Tax Relief Fund. (Sections 1 – 5) Creates a new Tax Relief Fund (TRF) to capture the general fund surplus. Directs the Ways and Means Committee to develop the policy for the TRF.

Division II. Uniform Provisions. (Sections 6 – 13) This division does the following:

Sections 6 and 10. Requires the Executive, Judicial and Legislative branches to establish an employee premium for health insurance coverage, sets the premium at a minimum of \$50 per month.

Section 7. Reduces expenditures for office supplies, outside services, equipment purchases, information technology, printing and binding and marketing by 50 percent of the unencumbered appropriation. Also provide directive to establish a statewide master marketing contract.

Section 8. Requires the REC to establish a revenue estimate for FY 2013 at its meeting in February or March of 2011. This is necessary in order to approve a two-year budget.

Section 9. Denies any state benefits to illegal aliens unless already covered by federal law.

Section 11. Prohibits taxpayer-funded lobbyist activity.

Sections 12 and 13. Applicability and effective dates for the division.

Division III. Administration and Regulation. (Sections 14 – 20) This division does the following:

Section 14. Directs Admin and Reg budget subcommittee to outsource the general use vehicle fleet

Section 15. Prohibits the purchase of new general use vehicles through the end of FY 2011.

Section 16. Requires the Department of Administrative Services (DAS) to locate state employees in the most cost efficient way possible but not pay penalties for early termination of leases.

Section 17. Requires the Iowa Telecommunications and Technology Commission to develop a Request for Proposal to sell or lease the Iowa Communications Network.

Section 18. Reductions to the Ethics and Campaign Finance Disclosure board due to unfilled positions.

Section 19. Reduces funding for DAS information technology purchases by 50 percent and requires the executive branch to combine information technology systems

Section 20. Effective dates.

Division IV. Agriculture and Natural Resources. (Section 21) Prohibits the Department of Natural Resources from purchasing more land.

Division V. Economic Development. (Sections 22 – 30) This division does the following:

Section 22. Requires Department of Cultural Affairs to find a new location to store state historical records

Sections 23 and 27. Eliminates the Generation Iowa Commission.

Sections 24, 26 and 29. Eliminates the Save of Small Business Program.

Section 25. Cancels Iowa's membership in the North America's super corridor coalition.

Section 28. Freezes spending on Iowa's Great Places Program through the end of FY 2011.

Section 30. Effective dates.

Division VI. Education. (Sections 31 – 49) This division does the following:

Section 31. Reduces funding for Department of Education director due to an unfilled position.

Section 32. Eliminates the funding for core curriculum and directs the Education Committee to develop new standards for K-12 students.

Sections 33 – 35. Reduces the FY 2011 appropriations for University of Iowa, ISU and UNI.

Section 36. Reduces library acquisitions and IT purchases at the Regent universities by 50 percent.

Section 37. Reduces acquisitions for the state library by 50 percent.

Section 38. Freezes all Regent sabbaticals through the end of FY 2012.

Section 39. States it is the intent of the Legislature to create a voucher program for preschool students.

Section 40. Directs the Education Committee to consider changes to the tuition grant program. Also directs the Education Appropriations subcommittee to implement provisions to consolidate administrative functions at the Regents universities.

Sections 41 – 44, 46 - 48 Eliminates the policy and funding for the current preschool funding system.

Section 45. Reduces funding to Area Education Agencies by \$10 million in FY 2011.

Section 49. Effective dates.

Division VII. Health and Human Services. (Sections 50 – 63) This division does the following:

Section 50. Requires DHS to enforce residency restrictions for any public benefits.

Section 51. Requires the Department on Aging to develop a plan to reduce the number of Area Agencies on Aging.

Section 52. Requires the HHS Appropriations Subcommittee to develop a new system for reimbursement of juvenile shelter care providers and ending the funding of unused beds.

Section 53. Reduces funding for the legislative health care coverage commission.

Sections 54 and 55. Eliminates the funding for the youth smoking prevention program (JEL).

Section 56. Reduction to the health care delivery system (local level).

Sections 57 and 58. Reduction to the direct care worker task force funding.

Section 59. Reduction to funding for elderly wellness and unneeded funds for the EMS program.

Section 60. Elimination of the state family planning waiver.

Sections 61 and 62. Eliminates the funding for unused juvenile shelter care beds.

Section 63. Effective dates.

Division VIII. Infrastructure and Transportation. (Sections 64 – 81) Division does the following:

Section 64. Freezes spending from the Living Roadway Trust Fund.

Sections 65 – 74. Eliminates the funding and policy for the sustainable communities (heated sidewalks).

Section 75. Reduces funding for the shuttle service from downtown Des Moines to the Capitol.

Section 76. Reduces funding for the Honey Creek resort manager.

Sections 77 – 80. Eliminates funding for the passenger rail project.

Section 81. Effective dates.

Division IX. Justice System. (Sections 82 – 85) This division does the following:

Section 82. Provides for the consolidation of chief juvenile court officers.

Section 83. States that any amount over the \$1500 limit on legal fees set by statute must be paid for by the Courts' budget.

Section 84. Supplemental appropriation of \$16 million for indigent defense, needed because of under-funding of the program by the previous Legislature.

Section 85. Effective dates.

Division X. Power Fund. (Sections 86 – 89) Eliminates the Power Fund and the Office of Energy Independence and directs the Agriculture and Natural Resources to determine who is responsible for the remaining renewable energy programs.

Division XI. Rebuild Iowa Office. (Sections 90 – 98) Eliminates the Rebuild Iowa Office and shifts disaster-related responsibilities back to the Division of Homeland Security.

Division XII. Values Fund. (Sections 99 – 123) Eliminates all funding and policy for the Grow Iowa Values Fund and replaces necessary language on wage-thresholds and other policy items.

Division XIII. County Mental Health. (Sections 124 – 132) Provides a one-time appropriation of \$25 million to eliminate the mental health waiting lists. Also repeals the current mental health services delivery system and mandates a new system be in place by July 1, 2012.