

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Legislative Issues
Date: February 15, 2002

Recommended Action:

1. Receive report on the 2002 Legislative Session.
2. Encourage Board members to actively disseminate information and impacts regarding additional state FY 2002 budget reductions.
3. Approve the recommended Board positions on:
 - a. SF 2118/HF 2119 – Human Cloning Bill
 - b. SF 2027/HF 2328 – Free 4-H Extension Services

Executive Summary:

State Budget Issues	<p>The state is experiencing a sharp downturn in its projected revenue growth, the lowest revenue growth in 50 years. The financial impact of such slow state revenue growth affects state funding for FY 2002, including the Regent institutions.</p> <p>Governor Vilsack presented a plan to the legislature to avoid an additional across-the-board cut late in the fiscal year, which ends June 30. If legislative action is not taken, law would require the Governor to implement an across-the-board cut in state appropriations of approximately 2.6%. The amount of the cut will be determined after the Revenue Estimating Conference meets on February 22.</p>
FY 2002 Budgets Already Cut	<p>To date in FY 2002, the Regent institutions operating budgets have suffered reductions in state appropriations of \$69 million. During this year alone, the universities have already eliminated 682 faculty and staff positions and cut numerous other expenditures, while educating 1,731 more students than the previous year.</p>
Additional Cuts Unfair to Students and Families	<p>Parents and students have at the same time done their part by paying higher tuition. Current year tuition and fees are almost 10% more than the previous year with an additional 19.4% increase for next year already approved.</p> <p>Additional cuts in state university budgets would result in severe reductions of services to citizens and denial of access to education for students.</p> <p>The Regent institutions should not receive additional budget reductions. Legislators should be encouraged to utilize the State's economic emergency fund to make-up the budget shortfall in FY 2002.</p>

Legislative
Timetable

The legislature has established two dates for completion of most committee work, known as funnel dates:

- February 22 is the final date for House bills to be reported out of House committees and Senate bills out of Senate committees;
- March 15 is the final date for Senate bills to be reported out of House committees and House bills out of Senate committees.

The Board Office and the institutions track all bills that may have an impact on the Regent institutions.

SF 2118/HF 2119 – Human Cloning

Bill Details

This bill, Attachment A, would affect the University of Iowa, and the State of Iowa, in two ways.

- The bill makes the destruction of an embryo for research purposes illegal and imposes criminal penalties.

Prohibits Stem
Cell Research

- It would be illegal for residents of the State of Iowa to derive human embryonic stem cells from embryos, impacting the university's ability in the future to participate in developing new resources for promising biomedical research.
- This bill also makes it illegal for a person to "Transfer or receive, in whole or in part, any oocyte, human embryo, fetus, or human somatic cell, for the purpose of human cloning."

Prohibits
Therapeutic
Cloning

- This would exclude SUI researchers from some of the most promising biomedical research of our time. Recent scientific studies indicate that the most promising avenue for developing medical therapies using stem cells involves "therapeutic cloning" through which stem cells compatible with a patient's own body are produced.
- The bill would not only outlaw the creation of these stem cells, but even the transfer or receipt of these therapeutic agents if they were created in other states. The end result would be the exclusion of Iowa patients from receiving new therapies that may arise through these technologies.

Stem Cell
Information

Attachment B to this docket memorandum, from the National Institutes of Health website, provides background information on stem cells and their use.

Inconsistent with
Federal Policy

The proposed legislative language would be more prohibitive than federal policy. These prohibitions would have a devastating effect on the University of Iowa's ability to compete for federal grants and contracts as well as to retain and recruit top-level biomedical professionals.

Recommended Regent position: **Oppose.**

SF 2027/HF 2328 – Free 4-H Extension Services

Bill Details

This bill mandates that all services for 4-H programs through Iowa State University must be provided free of charge.

The bill allows ISU to seek voluntary contributions from individuals to cover the costs of providing extension services to the 4-H organization and its clubs.

Concerns

The proposed legislation would significantly reduce the number of youth served by the Iowa 4-H program because funding would not be available to support the number of field specialists.

Without such fees, the program could not recover the direct expenses of food, lodging and program materials.

Recommended Regent position: **Oppose**.


Pamela M. Elliott

Approved: 
Gregory S. Nichols