

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Potential Legislative Issues
Date: December 1, 2004

Recommended Action:

Accept the report on new potential legislative issues that have arisen since the adoption of the legislative report at the November meeting, and the recommended Board direction on each.

Executive Summary:

New Potential Legislative Issues Since the Board adopted the Fiscal Year 2006 legislative program and appropriations requests, several new issues have arisen that may become legislative priorities. These issues include Asian Soybean Rust research, Beer Keg Registration legislation, and potential changes and impacts to the Indigent Patient Care Program at the University of Iowa Hospitals and Clinics.

Background and Analysis:

Since the Board's last meeting in November, several potential legislative issues have arisen. The purpose of this memo is to inform the Board about these potential issues, and to propose Board direction to staff relative to these issues.

1. Asian Soybean Rust Research

Asian soybean rust (ASR) is an aggressive pathogen that has the ability to reduce soybean yields by up to 80 percent. Given the fact that Iowa is the nation's leading soybean producer with more than 338 million bushels produced annually, this plant disease is a grave concern to the soybean industry. This fungus has the potential to devastate the soybean crop in Iowa and in the United States. Several months ago the Animal and Plant Health Inspection Service (APHIS) of the USDA, confirmed the presence of soybean rust on soybean leaf samples taken from two research plots at Louisiana State University's research farm. This is unwelcome news for the soybean producers and for the entire soybean industry because it means that this pathogen has made its way into the United States.

Because of the prominence of world-class scientists who have been leaders in the ASR research for many years and a wealth of scientific data on plant pathology and other unique and exceptionally strong academic research related to plants, Iowa State University is poised to become a national leader in the research of this disease. It is likely that state funding for Fiscal Year 2006 may be requested by commodity group organizations to fund ASR research at Iowa State University. **Proposed Board direction: MONITOR.**

2. **Beer Keg Registration**

Keg registration has been identified through research as an effective means to lessen access to alcohol for underage people. Keg registration would require wholesalers to assign a type of tracking number or identification (a sticker or a numbered band) to each keg of beer being sold. Retail business would then require purchasers of keg beer to sign their name when a purchase took place. Proponents of this proposed legislation have indicated that the retailer would not assume responsibility if the keg were found at an underage drinking event. The purchaser of the keg would be the responsible person and the keg could be tracked to the purchaser directly.

University officials from SUI, ISU, and UNI have expressed support for this legislation based on the scientific research and the outcomes related to keg registration, and the desire to reduce the negative effects of underage drinking on the university campuses.

Proposed Board direction: ENCOURAGE UNIVERSITY OFFICIALS TO CONTINUE THEIR SUPPORT.

3. **Indigent Care Program**

Chapter 255 of the Iowa Code delineates a series of responsibilities for the University of Iowa Hospitals and Clinics as it relates to indigent patient care. These responsibilities include:

- Treatment and care of non-indigent patient care program patients shall not in any way, interfere with the care of indigent patients.
- Care for Iowa residents granted a state paper by their county without charge to the resident or county (unless the county exceeds its allotment of state papers by more than ten percent)
- Care for any inmate within the Iowa Department of Corrections system, any student at the Iowa Braille and Sight Saving School or the Iowa School for the Deaf, or any patient of an institution under the Iowa Department of Human Services without charge.
- Physicians employed by the University of Iowa shall not charge or receive any compensation for their services to people covered under this Chapter except for their salary.

Earlier this year, legislative leaders and the Iowa Department of Human Services approached the Centers for Medicare and Medicaid Services (CMS) with a proposal regarding intergovernmental transfers and related issues. Further, members of Iowa's Congressional delegation were also briefed at this time. The proposal called for eliminating several

intergovernmental transfers from the UIHC and a variety of other significant changes including the possibility of significantly reducing or the elimination of the state appropriation for the indigent patient care program as a result of some of these changes.

The UIHC has raised many questions and issues with the Department of Human Services regarding these changes and the effect these changes may or may not have on the Indigent Patient Care Program. If the consequences of eliminating the Intergovernmental Transfers or any other regulatory or budgetary action lead to a significant reduction or the elimination of the state appropriation for the Indigent Patient Care Program, the UIHC recommends the Board of Regents consider seeking relief of the regulatory responsibilities in Chapter 255 of the Code of Iowa concurrently. A more detailed presentation on the indigent care program will be made by UIHC officials at the Board meeting. A copy of the PowerPoint presentation is included in the Regents' docket books. **Proposed Board direction: MONITOR.**


Gary Steinke

Approved: 
Gregory S. Nichols

H:\GOVERNMENTAL RELATIONS\Docket\2004\December\1204_ITEM09.doc