

**MEMORANDUM**

**To:** Board of Regents  
**From:** Board Office  
**Subject:** Legislative Program, 2000 Session  
**Date:** January 10, 2000

**Recommended Action:**

Approve the Board's updated legislative program for the 2000 Session.

**Executive Summary:**

The 2000 Session of the Iowa General Assembly convened January 10, 2000. Legislative leadership has agreed to review, during the first week of the session, the Governor's recommendation to reduce FY 2000 appropriations by \$30 million. After legislative and gubernatorial approval of appropriation reductions, the Regent institutions will present revised budgets to the Board. The Board Office allocation of the \$3.4 million reduction to the Regent institutions is as follows:

University of Iowa	\$1,563,634
Iowa State University	1,320,567
University of Northern Iowa	446,351
Iowa School for the Deaf	40,631
Iowa Braille & Sight Saving School	22,358
Board Office	<u>6,459</u>
Total	\$3,400,000

The Department of Management is also proposing to hire a consultant who will review the University of Iowa Hospitals and Clinics Medicaid billings in an effort to recoup more Medicaid dollars. The state would receive the first \$4 million of any increased receipts from Medicaid as a result of this effort. Representatives from UIHC and the Board Office will be meeting with the Department of Management to obtain more information about the proposal.

The Governor held a public briefing on January 5, 2000, where he shared his recommendations on education for FY 2001. The Governor will provide details of all of his FY 2001 recommendations in connection with his Condition of the State address on Tuesday, January 11, 2000. The recommendations for the Regent institutions include the following:

<b>University of Iowa</b>	
Public Health Initiative	\$1,700,000
Opening New Buildings	<u>237,000</u>
Subtotal	1,937,000
<b>Iowa State University</b>	
Plant Sciences	2,470,000
Opening New Buildings	<u>415,000</u>
Subtotal	2,885,000
<b>University of Northern Iowa</b>	
Master's in Social Work	300,000
Opening New Buildings	<u>48,000</u>
Subtotal	<u>348,000</u>
<b>Total</b>	<b>\$5,170,000</b>

The Governor's recommendations regarding capital funding for the Regent institutions includes bonding authority for the following:

	<u>Project Costs</u>
<b>University of Iowa</b>	
Biological Sciences Buildings Renovations	\$14,700,000
<b>Iowa State University</b>	
Plant Sciences Equipment & Technology	2,530,000
Gillman Hall Systems Upgrade	<u>11,000,000</u>
Subtotal	13,530,000
<b>University of Northern Iowa</b>	
McCollum Science Hall Addition	<u>16,900,000</u>
<b>Total</b>	<b>\$45,130,000</b>

At its December 1999 Board meeting, the Board approved its 2000 legislative program which includes specific legislative requests by the University of Northern Iowa, monitoring of the transition process for the scope and structure of a newly established information technology department, support for increasing the public bid limit, and monitoring of education legislation such as student loan/grant programs and the Iowa teacher shortage forgivable loan program.

The Board Office recommends the addition to the Board's program of support for legislation that requires accreditation of all postsecondary schools before they can register in the state of Iowa.

## **Background and Analysis:**

### **Registration of Postsecondary Schools**

At a recent meeting of the State Advisory Committee for Postsecondary School Registration, the Committee was advised by the Attorney General's Office that the Secretary of State was obligated to accept postsecondary school registrations from unaccredited schools offering courses or programs of study leading to a degree in the State of Iowa.

The Committee had been under the impression that only accredited institutions could register and offer courses/programs and is proposing to amend the current legislation to correct this problem. The accreditation requirement will provide protection for persons choosing institutions and programs in accordance with the policy of Iowa Code §261B.1. The Secretary of State intends to introduce a bill to clarify this statutory procedure.

### **Information Technology Department**

In accordance with HF 762 approved last year, a transition team was charged with the responsibility to make recommendations for the scope and structure of a newly established information technology department, effective July 1, 2000. The transition team retained a consultant to assist in developing and implementing the transition plan.

The Governor and the 2000 General Assembly are expected to address the establishment of a new department of technology.

### **Public Bid Requirement**

During the last two legislative sessions, the Department of General Services proposed an increase to the public bid requirement for construction, repairs, or public improvements from \$25,000 to \$100,000, which the Board supported. Although the Department is not pursuing this increase for the 2000 session, the institutions have requested that the Board again support an increase in the public bid threshold.

An increase in the threshold for required bids would provide greater efficiencies by reducing significant administrative costs for Regent institutions as well as bidders.

The Board and Regent institutions have competitive purchasing procedures in place; modification of contracting procedures may be necessary if the limit is increased.

The Board Office recommends support for a legislative initiative to increase the threshold for requiring a public bid for constructing contracts from \$25,000 up to \$100,000.

## **Federal Spending for Higher Education**

Congress and President Clinton recently agreed to an education spending package for the 2000-2001 school year. The package includes increased funding for Pell Grants, Supplemental Educational Opportunity Grants (SEOG), Work-Study, Perkins Loans, LEAP and GEAR-UP as well as an overall cut in education spending of 0.38 percent.

The Board Office will monitor pertinent legislation.

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Pamela M. Elliott

Approved: \_\_\_\_\_  
Frank J. Stork