

Iowa Valley Community College District 2020 Legislative Updates

By Cindy S. Schulte, IVCCD Director of Governmental Affairs



Week of June 1, 2020

REC RELEASES REVISED REVENUE PROJECTIONS

On Thursday, May 29th, the Iowa Revenue Estimating Conference (REC) met for a 2nd time this year to release its estimate of state collections for the current fiscal year based on conditions as a result of the impact of the COVID-19 pandemic.

At the March 2020 meeting, the REC predicted that state revenues would project an increase in funding of \$76 million. Other projections that were provided at the March meeting included:

- FY20 estimate – Net General Fund Revenues reflect an increase in state revenues by 3.0% or at \$8,090.7 billion
- FY21 estimate – Net General Fund Revenues reflect an increase in state revenues by 1.8% or at \$8,236.7 billion
- FY22 – The REC’s estimate totals \$8,574.4 billion reflecting an increase of 4.1%
- The REC predicted an increase of \$231.9 million, or an increase in state revenues of 3%.

At the May meeting, the REC determined that as a result of the COVID-19 pandemic, it was

anticipated that the state will take in \$7.877 billion in fiscal year 2021, which begins July 1, 2020, which is \$65 million less than the state is expected to take in during the current fiscal year or a decrease in revenue of 0.8%.

The current FY21 revenue estimate is predicted to be \$360 million lower than the REC’s last prediction in mid-March, which they determined that the state would take in \$8.237 billion. As lawmakers develop a FY21 budget during the 2020 session, the Legislature will be required by law to use the lower number when drafting the state's budget or be required to make adjustments.

As of today, Iowa has an ending balance of nearly \$400 million and has close to \$800 million in its reserve accounts.

The Revenue Estimating Conference also revised downward its estimate of Iowa's revenues in fiscal year 2020, which ends June 30, 2020. State revenues are expected to grow by \$82.4 million over fiscal year 2019 which represents a 1% increase.

On April 9, 2020, the Iowa Department of Revenue issued an order that temporarily reduced the amount of quarterly estimate payments that some individual and certain business tax payers are required to make. The order applied to the quarterly estimate

payments due from April 20, 2020, through July 31, 2020.

IOWA LEGISLATURE RESUMES

On Wednesday, June 3rd, the General Assembly re-convened to complete their work to finalize the FY21 and FY22 state budget process. As a result of the pandemic, the Iowa Legislative Council made the decision to temporarily adjourn work done during the 2020 legislative session on Thursday, March 12, 2020.

COVID-19 PANDEMIC FEDERAL AWARDS

Through May 21, 2020, the Federal grant awards to Iowa’s state agencies totaled \$2.182-billion to address a wide variety of expenses related to the COVID-19 pandemic.

LEGISLATION ACTIVE FOR THE WEEK

Senate File 2284 – Relates to matters involving the Iowa Regents and the institutions the State Board of Regents governs. The bill passed out of the House Education Committee with H-amendment 8205 on 6/3.

Senate File 2310 – Iowa Learning Online Initiative – Passed out of the House Education Committee on 6/3.

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Senate File 2313- Future Ready Iowa Initiative – (Companion bill HF 2384). Passed out of the Senate Appropriations Committee on 6/4.

House File 2384 – *Future Ready Iowa Initiative* – (Companion bill SF 2313) – Passed out of the House Appropriations Committee on 6/4.

House File 2443 – Eligibility Requirements under the *Iowa Senior Year Plus Program* – Passed out of the Senate Education Committee on 6/3.

House File 2502 – Relating to fire arms and weapons, including storage, carrying, possession, or transportation of weapons and the establishment, use, and maintenance of shooting ranges. Passed out of the Iowa Senate on 6/3.

House File 2600 – Establishing a child care workforce state matching grants program and fund administered by the early childhood Iowa state board to award matching state grants to eligible communities. Passed out of the Senate Human Resources Committee on 6/4.

House File 2627 – Professional Licensure in Iowa – Passed out of the House Commerce Committee and referred to the House Ways & Means Committee on 6/3.

House File 2623 – Sports Wagering Debt Setoff – Passed out of the House on 6/4 and the Senate on 6/5.

LEGISLATION SIGNED BY THE GOVERNOR

HF 2454 – *Qualifications for Community College Career and Technical Education Instructors* – Signed by the Governor’s Office on 6/1.

SF 2082 – *Relating to matters involving the State Board of Education and the Iowa Department of Education to reflect current practices, technology, and titles, to delete redundancies, and to resolve inconsistencies* – Signed by the Governor on 6/1.

For more information about the activity during the 2020 legislative session please contact:
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