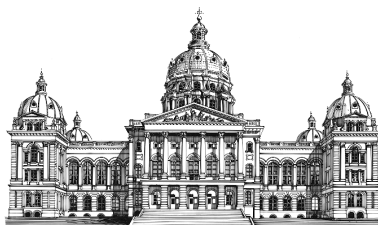

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Annual Versus Biennial Budgeting in the 50 States

ISSUE

During the past 50 years about half the states have shifted from biennial budgeting to annual budgeting. Forty-four states practiced biennial budgeting in 1940. Only 20 do now, and at least half of them carry out a thorough review of their budgets before the second year of the biennium. In the 1990's a few states have shifted back to biennial budgeting or are considering the shift.

AFFECTED AGENCIES

All State Agencies

CODE AUTHORITY

Chapter 8, Code of Iowa

BACKGROUND

Nationally, budget cycles tend to parallel legislative session cycles. The budget cycle used by a state tends to correspond to the frequency of the state's legislative session. Based on information from the National Conference for State Legislatures (NCSL), 30 states meet annually and enact annual budgets. Seven states have biennial legislative sessions and biennial budget cycles. In 13 states, annual legislative sessions are accompanied by biennial budget cycles. Although a total of 20 states technically use a biennial budget cycle, many either enact annual appropriations for each year of the biennium or update the biennial budget annually. (See **Attachment A**)

Among the 13 states with annual sessions, but biennial budgets, only five have different length sessions for each year of the biennium. They are:

- Indiana - 61 days and 30 days
- Nebraska - 90 days and 60 days
- Virginia - 30 days and 60 days
- Wisconsin - 105 days and 60 days
- Wyoming - 40 days and 20 days

Of the 30 states with annual sessions and appropriations, six states have similarly different lengths of session for the first and second years of the biennium.

Both budgeting systems appear to work satisfactorily, and no empirical evidence is available to support the selection of one method of budgeting over the other. However, there are generally accepted arguments supporting each. **Attachment B** is an article published by NCSL on state experiences with biennial and annual budgeting.

Arguments for Annual Budgets

- Increases the time that legislators and other state officials devote to budget analysis and deliberations.
- Enhances the Legislature's budget oversight capabilities by providing frequent supervision and review of Executive Branch activities.
- Increases the accuracy of revenue and expenditure estimates and allows quicker adjustment to changing conditions.
- Gives the Legislature greater opportunity to exercise control over federal funds.
- Reduces the need for supplemental appropriations and special sessions.

Arguments for Biennial Budgeting

- Gives the Legislature more time for deliberation and debate of non-budget issues.
- Allows legislators to concentrate on major policy issues rather than focusing on routine budget detail.
- Gives the Legislature more time, especially during non-budget years, to conduct program evaluations and reviews.
- Enhances stability in state agencies and provides greater opportunity for long-range planning, due to less time being spent in budget preparation.
- Results in lower budget preparation costs.

CURRENT SITUATION IN IOWA

Section 8.22, Code of Iowa requires the Governor to recommend annual budgets for Executive Branch agencies. The Governor's budget has frequently contained recommendations for two fiscal years. The Legislative Fiscal Bureau (LFB) reviewed the Governor's past budget submissions, and since 1989 the Governor has submitted a two-year budget for fiscal years 1991, 1993, 1994, 1995, and 1997. As described below, even though a two-year budget is proposed, the following year the Governor's budget recommendation can significantly change.

The LFB reviewed both recommendations for each of the five fiscal years when the Governor submitted two different budgets for the same fiscal year. The first budget for each fiscal year was submitted 18 months prior to the start of the fiscal year, and the second budget was submitted 6 months prior to the start of the fiscal year. An example of this is for Fiscal Year 1997 the Governor submitted a budget in January 1995, and submitted another budget for FY 1997 in January 1996.

The **Attachments C - G** show each of the individual years and the changes which occurred. The summary table below shows the least, greatest, and average change for those five fiscal years the Governor submitted two budgets for the same year.

**Changes in the Governor's General Fund Budgets
For Fiscal Years 1991, 1993, 1994, 1995, & 1997**

<u>Budget Area</u>	<u>Least % Change</u>	<u>Greatest % Change</u>	<u>Average % Change</u>
Resources	(0.7)%	8.2%	2.1%
Expenditures	(1.4)%	11.5%	2.0%
Appropriation Areas:			
• K-12 School Aid	(1.1)%	6.3%	0.8%
• Dept. of Human Services	(1.1)%	9.1%	0.6%
• Regents	4.2%	7.5%	3.4%
• Dept. of Corrections	1.6%	13.1%	5.7%
• Dept. of Econ. Development	1.5%	272.4%	27.2%
• Other	(4.9)%	18.0%	2.8%

Attachment H shows the line item detail for the Governor's Recommendation for Fiscal Year 1997. This illustrates the magnitude of changes the Governor makes in a 12-month period in changing budget recommendations. The Governor changed 82.3% of the individual line item appropriations from the January 1995 recommendation to the January 1996 recommendation. Of the 339 line item appropriation recommendations, 12.7% had a change of 10.0% or greater from the January 1995 recommendation to the January 1996 recommendation.

The changes could be attributed to:

- Changes in the amount of anticipated revenue.
- Changes in budget priorities to meet changing constituent preferences.
- The Legislature not enacting the first year priorities and reacting to the changed Legislative priorities.

A change in anticipated revenues is due to legislative action, administrative action, or a change in variables outside governmental control, such as the economy or a flood. Presumably, administrative and legislative changes could be incorporated into revenue estimates in either a biennial or annual budgeting approach.

Examples of legislative changes include an increase in revenues due to an increase in the sales tax or a reduction in the income tax rates. Since these items would be passed during a legislative session, their effect on anticipated revenues would create no special problems with respect to biennial budgeting.

Administrative changes and economic changes, however, may pose additional complications within a biennial budgeting framework. For example, in July 1995, the Department of Revenue and Finance used administrative authority to change the withholding tables used for income tax collections. The action had the effect of shifting approximately \$30.0 million of income tax collections into the future, and was treated by the Revenue Estimating Conference (REC) as a one-time charge. Since the REC estimate was exceeded for FY 1996, the administrative adjustment had no policy impact. Under biennial budgeting, however, similar administrative adjustments could result in actual revenues falling significantly short of anticipated revenues.

Even without administrative or legislative changes, the difficulty associated with estimating revenues would be substantially magnified under biennial budgeting. Under current law, the binding revenue estimate for a fiscal year is established in December of the prior fiscal year. For example the FY 1997 appropriations were limited to 99.0% of the December 1995 REC estimate for FY 1997. Thus, even under current law, estimates must look forward 18 months. A biennial budget may require a revenue estimate that would look forward by as much as 30 months, resulting in the following challenges:

- The REC estimates would be substantially less accurate. Under the current system (since 1990), the binding December estimate has missed the mark by as much as 4.9% (FY 1992). In contrast, the largest six month forecasting error over that period was 2.1% (FY 1996).
- The impact of revenue shortfalls would be exacerbated. In FY 1993, the December estimate was exceeded by \$179.9 million, but that was only after a sales and use tax increase of more than \$250.0 million. Under a biennial budgeting system, back-to-back years of shortfalls of this magnitude would result in substantial expenditure adjustments in agency budgets, or special sessions convened for the purpose of cutting agency budgets or raising revenue sources.
- The estimate could become more conservative. Any projected revenue decrease would be compounded over the two years of the forecast. This would reduce the likelihood of revenue shortfalls, but may also result in less resources being projected as available for expenditures or tax reductions than may actually be available.

Iowa currently adopts a multi-year authorization for school aid to allow more effective planning and budgeting for local governments. In addition, capital appropriations are traditionally made for a multi-year period. However, some areas of the budget might need more frequent review. The rapidly changing needs of information technology (the Executive Branch is in the process of creating an agency to coordinate this rapidly changing area) and the potential volatility of Medicaid expenditures are just two examples where frequent monitoring is required.

ALTERNATIVES

1. Maintain the current practice of annual appropriations.
2. Change to biennial budgeting and appropriations approach. This would require changes to the Code of Iowa to implement. The power of the Governor to transfer funds between departments may need to be reviewed, if the General Assembly wishes to maintain significant control of policy and program direction of the State.
3. Arizona and Kansas are trying a modified biennial budgeting approach, which Iowa may wish to review and consider.
 - Arizona is making appropriations to 88 agencies on a biennial basis (specifying the appropriated amount for each year) and making appropriations to the 14 largest state agencies (95% of the total appropriations) annually. This approach is designed to allow for increased evaluation and performance review while not relinquishing the advantages of annual legislative review of the budgets of major state agencies.
 - Kansas is using this same approach, but on a more limited basis.

BUDGET IMPACT

While some savings may result from having to develop a full budget only once every two years, NCSL has found from the experiences of biennial budgeting states that the financial savings are likely to be small. The additional costs of increased oversight and the requisite work required of Executive Branch personnel will likely offset much of the savings from reduced budget request preparation. Additionally, the economic and fiscal conditions of the state are likely to have a larger impact than the nominal budget cycle on the time and effort consumed in the regular budgeting process.

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Annual and Biennial Budgeting States in 1993

Annual Session Annual Budget (30 states)	Annual Session Biennial Budget (13 states)	Biennial Session Biennial Budget (7 states)
Alabama	Connecticut	Arkansas
Alaska	Hawaii	Kentucky
Arizona	Indiana	Montana
California	Maine	Nevada
Colorado	Minnesota	North Dakota
Delaware	Nebraska	Oregon
Florida	New Hampshire	Texas
Georgia	North Carolina	
Idaho	Ohio	
Illinois	Virginia	
Iowa	Washington	
Kansas	Wisconsin	
Louisiana	Wyoming	
Maryland		
Massachusetts		
Michigan		
Mississippi		
Missouri		
New Jersey		
New Mexico		
New York		
Oklahoma		
Pennsylvania		
Rhode Island		
South Carolina		
South Dakota		
Tennessee		
Utah		
Vermont		
West Virginia		

Source: National Conference of State Legislatures

ANNUAL AND BIENNIAL BUDGETING: THE EXPERIENCE OF STATE GOVERNMENTS¹

by Ronald K. Snell, Fiscal Program Director
National Conference of State Legislatures

The trend among state governments for the past 50 years has been to abandon biennial budgeting for annual budgeting. Forty-four states practiced biennial budgeting in 1940. Only 20 do so now, and at least half of them carry out a thorough review of their budgets before the second year of the biennium begins.

There have been several reasons for the shift to annual budgeting, but in general the shift has been part of the resurgence of state legislative power since the middle of the century. In 1940 only four state legislatures held annual sessions; now 43 do so. Some states shifted to annual budgets in the 1970s to provide a quicker response to the rapidly expanding federal domestic spending of the period. Another reason has been to allow budget revisions in the face of fluctuating revenues as states have become more dependent on revenue from income taxes.

State changes have not moved in only one direction. Connecticut, for example, in 1991 returned to biennial budgeting, reversing the decision it made to go to annual budgeting when the state shifted to annual legislative sessions in 1971. A few states have moved from annual to biennial budgeting over the past 20 years or have changed back and forth, because of partisan politics, uncertainty as to which worked better, or both. As this report will show, state experience does not make a clear case for the superiority of either biennial or annual budgeting over the other.

This report examines the following issues:

1. The budgeting practices of the various states, including trends toward and away from biennial budgeting.
2. Significant differences of budget administration between states with annual and biennial budgets.
3. Advantages and disadvantages of a biennial budget cycle.
4. The consequences of a biennial budget cycle for predictability and planning certainty for executive branch agencies and legislative committees.
5. The ability of governors and legislatures to respond to changing events and changing budget priorities.

1. The author is indebted to Steven D. Gold and Harold Hovey for their suggestions for revising an earlier version of this report. This paper benefits from the research presented in Barbara Yondorf, "Annual versus Biennial Budgeting: The Arguments, the Evidence: A Presentation to the Wisconsin Assembly Ways and Means Committee, January 26, 1987," (Denver, Colo.: National Conference of State Legislatures, 1987).

6. The likelihood and consequences of increasing reliance upon supplemental appropriations in a biennial budget cycle.
7. The contention that biennial-budget states spend more money than annual-budget states.

1. The budgeting practices of the various states, including trends toward and away from biennial budgeting.

Annual budgeting is more common among the states than biennial budgeting; 30 states have annual budgets and 20 enact biennial budgets, most of them in the form of two annual budgets enacted at once (see table 1). Budgets are written for a specific fiscal year in almost every case. Because 13 of the states with biennial budgets have annual sessions in which they can and do revisit the budget, table 1 may overstate the extent of true biennial budgeting. The extent to which budgets are actually revised for the second year of a biennium varies from state to state and from time to time, largely depending on economic and fiscal conditions.

As already noted, the long term trend has been for states to move to annual budgeting. Biennial budgets are more likely to be found in the less populous states, as are biennial legislatures. In 1993, only three of the 10 largest states--North Carolina, Ohio, and Texas--have biennial budgets. Among them, Texas alone has regular biennial sessions of the legislature.

TABLE 1. ANNUAL AND BIENNIAL BUDGETING STATES IN 1993
 (Boldface indicates the 10 most populous states)

ANNUAL SESSION ANNUAL BUDGET (30 states)	ANNUAL SESSION BIENNIAL BUDGET (13 states)	BIENNIAL SESSION BIENNIAL BUDGET (7 states)
Alabama	Connecticut	Arkansas
Alaska	Hawaii	Kentucky
Arizona	Indiana	Montana
California	Maine	Nevada
Colorado	Minnesota	North Dakota
Delaware	Nebraska	Oregon
Florida	New Hampshire	Texas
Georgia	North Carolina	
Idaho	Ohio	
Illinois	Virginia	
Iowa	Washington	
Kansas	Wisconsin	
Louisiana	Wyoming	
Maryland		
Massachusetts		
Michigan		
Mississippi		
Missouri		
New Jersey		
New Mexico		
New York		
Oklahoma		
Pennsylvania		
Rhode Island		
South Carolina		
South Dakota		
Tennessee		
Utah		
Vermont		
West Virginia		

2. *Significant differences or variations among the states utilizing a biennial budget process.*

Biennial and annual budgets do not seem to cause significant differences in budgeting practices among the states, although state practices vary so widely for reasons of politics and history that it is difficult to single out any one reason for differences in practice.

There does not appear to be any relationship between state budget and legislative cycles and the formal powers governors have to administer budgets (budget cuts and transfers between agencies or programs). A governor's power to reduce budgets or make transfers varies greatly from state to state, but it does not appear to be consistently greater in states with biennial budgets or legislative sessions than in other states. In this connection, it is important to note that state governments do not all distinguish executive and legislative authority and the separation of powers as rigorously as the federal government. Some state constitutions provide for the delegation of legislative authority. Many states have "emergency boards" or "budget boards" made up of both legislators and executive branch personnel with the power to authorize budget transfers and in some cases to appropriate money when the legislature is not in session.

Arkansas, for example, which has a biennial legislature and budget, imposes strict limits on the governor's power to transfer funds among programs in an agency appropriation, denies the power to transfer funds among agencies, and limits the governor's power to cut the budget with provisions that are enacted in the budget itself. Despite the biennial legislative sessions, the legislature preserves a significant amount of control over changes in the budget when it is not in session. This is no different in its effect from the practice in the annual-budget state of Tennessee, where the constitution encourages the governor to call a special session of the legislature if budget cuts are needed, and where transfers are similarly limited.

Some states with annual legislatures and budgets provide governors with remarkably broad administrative authority over the budget. Iowa, Indiana, South Carolina, and South Dakota allow their governors unlimited power to transfer funds among state agencies. Ten of the states with annual legislative sessions allow their governors to reduce budgets by unlimited amounts to cope with revenue shortfalls. Thus the budget cycle in itself does not appear either to create a need for strong executive budget review powers or to prevent the need for them.

3. *Advantages and disadvantages of a biennial budget cycle.*

There is little evidence of clear advantages of either annual or biennial state budgeting practices. These are the findings of two major studies:

"In reality, a State can develop a good system of executive and legislative fiscal and program planning and controls under either an annual or biennial budget. The system would work differently with

² The preceding four paragraphs are based on Corina L. Eckl, *Legislative Authority over the Enacted Budget*, (Denver, Colo.: National Conference of State Legislatures, 1992), Tables 5, 6, and 7.

the alternative timespans, but could be effective under either approach."³

"The arguments used to justify and refute both annual and biennial budgets remain essentially unchanged [since 1972]--and unproven. The success of a budget cycle seems to depend on the commitment of state officials to good implementation rather than on the method itself."⁴

Major advantages of biennial budgeting are said to be that it is conducive to long-term planning; that it allows more time for program review and evaluation; and that the process itself is less expensive and time-consuming than that of annual budgeting.

Long-term planning. Many states, like the federal government, carry out long-term planning efforts that are independent of their budget cycle, but there is no evidence that biennial budgeting particularly favors those efforts. Evidence from states which have changed from annual to biennial budgeting over the past 30 years fails to provide strong support for the contention that biennial budgeting is conducive to long-term planning. The Council of State Governments' 1972 study of eight states produced such conflicting evidence that it could neither confirm nor reject the idea. An in-depth study of five states carried out by faculty of Texas A&M University in 1984 was also inconclusive on the point, as is the study done by the General Accounting Office in 1987.⁵

Program Review and Evaluation. An attractive argument for biennial budgeting is that it allows more time for performance evaluation, and thus can encourage administrators and legislators to move in the direction of outcome-focused budgeting rather than continue to focus on budget controls. This was one of the principal arguments that led Connecticut to return to biennial budgeting. Proponents contended that, "The present system (of annual budgeting) does not allow enough time to review expenditures in depth. Those preparing the budget finish one year and then immediately plunge into the next year's budget."⁶

Since Connecticut is now beginning the second year of its first biennial budget since the change was made, not enough time has elapsed to show how this will work out. Too few states have changed from annual to biennial budgeting to provide sufficient evidence from experience. What evidence there is suggests that the opportunity for performance review is somewhat greater in states with biennial budgeting.

Budgeting costs. Biennial budgeting may reduce executive branch costs of preparing budgets, since the process is consolidated in comparison with annual

3. Council of State Governments, *Annual or Biennial Budgets?* (Lexington, Ken., 1972), 23.

4. Public Affairs Research Council of Louisiana, "Results of PAR Survey on Annual vs. Biennial State Budgeting" (Baton Rouge, La., 1982).

5. Charles W. Wiggins and Keith E. Hamm, "Annual Versus Biennial Budgeting?" *Public Policy Paper No. 7* (Austin, Texas: Public Policy Resources Laboratory, Texas A&M University, 1984), III-15; United States General Accounting Office, *Budget Issues: Current Status and Recent Trends of State Biennial and Annual Budgeting* (Washington, D.C., 1987).

6. [Connecticut] Commission to Study the Management of State Government, *Final Implementation Report* (Hartford, Conn., 1991).

budgeting. State experience appears to bear this out, according to the studies cited in the notes on the previous page. The savings are likely to be small and in any case economic and fiscal conditions are likely to have a larger impact than the nominal budget cycle on the time and effort consumed in (and hence the cost of) the regular budgeting process.

Economic and fiscal circumstances probably have more to do with a state's rigorous review of its fiscal priorities than its budget cycle does. For example, in the early 1990s many states discovered serious shortfalls in the middle of a fiscal year. They reviewed earlier budget commitments, considered cuts and revenue increases, revised spending priorities, and in effect wrote new budgets. This was primarily an executive activity in some states, and in others there was the usual budget process of executive recommendations and legislative enactments.

In years when political leadership and economic circumstances are unchanged, budget processes can be largely pro forma, regardless of whether an annual or a biennial budget is being written. Conversely, appropriations for the second year of a biennium are not always secure if economic conditions have altered for the worse.

4. The consequences of a biennial budget cycle for predictability and planning certainty for executive branch agencies and legislative committees.

It is obviously more difficult to project revenues and expenditures accurately for a biennium (requiring forecasts of events 30 months away) than for an annual budget (requiring forecasts for 18 months). Accurate forecasting is important for state governments, partly because of the focus on balancing resources and spending and partly because inaccurate forecasts attract political attacks.⁷ As one would expect, the consensus is that forecasting is more accurate in states with annual budgets. Accuracy in forecasting, in turn, reduces the need for special sessions of the legislature, supplemental appropriations, and reserves.

Biennial budgeting represents a commitment of policy direction and funding amounts for a longer period than annual budgeting; it also means that agency personnel have to spend less time in budget planning and presentations than under a system of annual budgeting. Does this mean more predictability and certainty of planning for them and for legislative committees, in matters other than total revenue and expenditure forecasts? The answer to that question is generally yes, but the increase in the certainty of policy and funding commitment may in fact be small.

State governments tend to budget incrementally, which means in effect that budgeting for the coming period, whether annual or biennial, begins with the current level of expenditures and tends to divide up any additional resources largely in proportion to the size of program budgets in the past. In the absence of dramatic economic change, state budgets rarely impose dramatic changes in agency budgets.

Predictability tends to continue under both kinds of budgeting cycle because state budgeting is incremental in nature. Between 60 percent and 70 percent of most states' general fund appropriations are for elementary, secondary and higher

7. Forty-nine states have statutory or constitutional requirements for a balanced budget; Vermont is the exception. In most states the requirement includes all state spending, but it invariably applies to appropriations from the state general fund.

education, health care programs, other entitlement programs, and corrections. Such programs are not susceptible to sweeping changes in funding levels or program redesign. Predictability and stability characterize them regardless of the budget cycle.

Economic cycles can make state budgets uncertain and unstable. Seventy percent of state tax revenue comes from sales and income taxes, which are very sensitive to the health of the economy. The boom of the 1980s affected annual and biennial states alike: they prospered and expanded their budgets. The recession of 1990 and the slow recovery have had unsettling effects on states regardless of the length of their budget cycles. State experience suggests that nothing they can do about the length of their budget cycles can isolate them from external factors such as the condition of the economy and federal mandates.

5. The ability of governors and legislatures to respond to changing events and changing budget priorities.

State governments have developed mechanisms to deal with unexpected fiscal and policy events--constitutional and statutory provisions to allow for transfers of revenue among programs with departments, rainy day funds, the reduction of expenditures when legislatures are not in session, and the use of unanticipated grants from the federal government. The National Conference of State Legislatures recently published a study of the solutions states have found to such problems.⁸ I have discussed some of them already in making the point that there does not appear to be greater executive authority over state budget administration in states with biennial budgets than in states with annual budgets.

State balanced-budget requirements require prompt action when revenues fall short of projections. Fifteen states give their governors full authority to cut the budget when there is a revenue shortfall. Very few prohibit the governor from making any spending cuts. California, which has a full-time legislature, prohibits them but that is exceptional.

Most states take a middle way. They give the governor limited authority to make cuts and require the legislature to act when circumstances require more extensive action than the governor has authority to take. Maryland, for example, allows the governor to cut any line-item appropriation by as much as 25 percent. Connecticut and Kentucky limit such cuts to 5 percent. In Oklahoma, the governor's cuts must affect all appropriations equally, meaning that elementary education funding must be cut along with programs where cuts would produce less of a public outcry. This provision tends to bring the legislature into the picture when cuts have to be made.

When constitutional and statutory provisions do not cover a problem, a special legislative session is necessary. Budget problems, reapportionment issues, and in some states education reform have made special sessions frequent in the early 1990s. More than 50 special sessions were held in 31 states in 1991. The school funding reform issue in Texas required three special sessions in 1989 and four in 1990. With the exception of Texas, however, states with biennial legislatures

8. Eckl, *Legislative Authority over the Enacted Budget*, Tables 5, 6, and 7.

appear to have had no more special sessions than states with annual, part-time legislatures in the four years beginning with 1988 and ending in 1991.⁹

6. The likelihood and consequences of increasing reliance upon supplemental appropriations in a biennial budget cycle.

According to older studies of state decisions to shift to annual budgeting from biennial budgeting, supplemental appropriations became less common after the shift. But in recent years supplemental appropriations have been common in all states--not just those with biennial budgets--because of the unpredictable changes in the national economy and because of cost overruns in Medicaid programs.

Since 1989, many state budgets have been hit by revenue shortfalls and expenditure overruns. The former have tended to occur in the three largest state tax sources--the general sales tax, personal income taxes, and corporate income taxes. Since these three tax sources produce 70 percent of state tax revenue, even a small error of estimate can create a significant dollar shortfall. Overruns have occurred largely in Medicaid programs, to a less extent in other entitlement programs, and to a small extent in elementary education and corrections. The entitlement program errors of estimate were in part due to the economy.

Annual legislative sessions and annual budgets provide for reasonably timely responses to such issues and insure that requests for supplemental appropriations will be reviewed in the context of the entire state budget. States where annual legislative sessions review biennial budgets for the off year also can put supplemental requests into perspective. In either case, consideration of supplemental budgets is often as difficult and time-consuming as consideration of an original departmental budget, and, by focusing attention on a few agencies, is likely to bring entire departmental budgets back into the political arena.

7. The contention that biennial-budget states spend more money than annual-budget states.

The possibility that biennial budgeting results in lower state budgets than annual budgeting was raised and rejected in NCSL's earlier study of annual and biennial budgeting.¹⁰ One careful student of the issues has recently reopened the question, and failed to find strong evidence on either side of the issue. She has thereupon argued on the basis of elaborate multiple regression analysis that states with annual budgets are likely to spend less per capita than states with biennial budgets. Since her research does not appear to correct for the fact that some states are responsible for a much greater share of total state and local government expenditures than other states, the question has to remain open.¹¹

Conclusion.

9. Council of State Governments, *Book of the States, 1990-91*, Table 3.22; *Book of the States, 1992-93*, Table 3.25 (Lexington, Ken., 1990, 1992).

10. Yondorf, "Annual versus Biennial Budgeting."

11. Paula Kearns, "State Budget Periodicity: An Analysis of the Determinants of the Effect on State Spending" (forthcoming, ---).

There is little evidence that either annual or biennial state budgets hold clear advantages over the other. Evidence from the past is inconclusive on the question whether biennial budgeting is more conducive to long-term planning than annual budgeting is. Some evidence indicates that biennial budgeting is more conducive to program review and evaluation. Biennial budgeting is likely somewhat to reduce budgeting costs for executive agencies, but it also is likely to reduce legislators' familiarity with budgets. States with biennial budgets and biennial legislative sessions do not appear to have given greater authority over budget revision to governors than other states have. Forecasting is likely to prove more accurate in annual-budget states than in biennial-budget states, reducing the need for supplemental appropriations and special legislative sessions.

In the short run, economic conditions largely determine how efficiently a state budget is enacted and whether it requires extensive change in the course of administration. In the long run, the political expectation that state operations budgets will be balanced annually or biennially is one of the basic controlling elements of state budgeting, far more important than the length of the budget period or the frequency of legislative sessions.

Governor's FY 1991 General Fund Recommendations
(Dollars in millions)

	<u>Jan-89</u> <u>FY 1991</u>	<u>Jan-90</u> <u>FY 1991</u>	<u>Difference</u> <u>1/89 v 1/90</u>	<u>% Change</u> <u>1/89 v 1/90</u>
Resources				
Estimated Receipts	\$ 3,147.9	\$ 3,347.5	\$ 199.6	6.3%
Transfers	3.4	4.4	1.0	29.4%
Refunds	191.1	200.6	9.5	5.0%
Other	(372.9)	(339.7)	33.2	-8.9%
Total Resources	<u>2,969.5</u>	<u>3,212.8</u>	<u>243.3</u>	8.2%
Expenditures				
Appropriations	\$ 2,842.2	\$ 3,167.7	\$ 325.5	11.5%
Reversions	(15.0)	(15.0)	0.0	0.0%
Net Appropriations	<u>2,827.2</u>	<u>3,152.7</u>	<u>325.5</u>	11.5%
Ending Balance	<u>\$ 142.3</u>	<u>\$ 60.1</u>	<u>\$ (82.2)</u>	-57.8%
Appropriations				
K-12 School Aid	\$ 986.9	\$ 1,049.2	\$ 62.3	6.3%
Dept. of Human Services	529.3	577.7	48.4	9.1%
Regents	445.0	478.4	33.4	7.5%
Dept. of Corrections	91.4	103.3	12.0	13.1%
Dept. Econ. Development	10.8	40.1	29.3	272.4%
Other	778.9	919.0	140.1	18.0%

Governor's FY 1993 General Fund Recommendations
(Dollars in millions)

	<u>Jan-91</u> <u>FY 1993</u>	<u>Jan-92</u> <u>FY 1993</u>	<u>Difference</u> <u>1/91 v 1/92</u>	<u>% Change</u> <u>1/91 v 1/92</u>
Resources				
Estimated Receipts	\$ 3,547.1	\$ 3,498.5	\$ (48.6)	-1.4%
Transfers	41.4	38.7	(2.7)	-6.5%
Refunds	(220.3)	(262.0)	(41.7)	18.9%
Other	162.2	67.4	(94.8)	-58.4%
Total Resources	<u>3,530.4</u>	<u>3,342.6</u>	<u>(187.8)</u>	<u>-5.3%</u>
Expenditures				
Appropriations	\$ 3,513.8	\$ 3,351.5	(\$162)	-4.6%
Reversions	(17.0)	(10.0)	7.0	-41.2%
Net Appropriations	<u>3,496.8</u>	<u>3,341.5</u>	<u>(155.3)</u>	<u>-4.4%</u>
Ending Balance	<u>\$ 33.6</u>	<u>\$ 1.1</u>	<u>\$ (32.5)</u>	<u>-96.7%</u>
Appropriations				
K-12 School Aid	\$ 1,199.4	\$ 1,184.4	\$ (15.0)	-1.3%
Dept. of Human Services	635.1	669.9	34.8	5.5%
Regents	518.3	491.0	(27.3)	-5.3%
Dept. of Corrections	127.7	123.4	(4.3)	-3.3%
Dept. Econ. Development	27.8	19.7	(8.1)	-29.2%
Other	1,005.5	863.1	(142.4)	-14.2%

Governor's FY 1994 General Fund Recommendations
(Dollars in millions)

	<u>Jan-92</u> <u>FY 1994</u>	<u>Jan-93</u> <u>FY 1994</u>	<u>Difference</u> <u>1/92 v 1/93</u>	<u>% Change</u> <u>1/92 v 1/93</u>
Resources				
Estimated Receipts	\$ 3,631.4	\$ 3,797.5	\$ 166.1	4.6%
Transfers	38.1	38.9	0.8	2.1%
Refunds	(274.1)	(347.0)	(72.9)	26.6%
Other	76.3	107.4	31.1	40.8%
Total Resources	<u>3,471.7</u>	<u>3,596.8</u>	<u>125.1</u>	3.6%
Expenditures				
Appropriations	\$ 3,460.6	\$ 3,583.3	\$ 122.7	3.5%
Reversions	(10.0)	(11.5)	(1.5)	15.0%
Net Appropriations	<u>3,450.6</u>	<u>3,571.8</u>	<u>121.2</u>	3.5%
Ending Balance	<u>\$ 21.1</u>	<u>\$ 25.0</u>	<u>\$ 3.9</u>	18.5%
Appropriations				
K-12 School Aid	\$ 1,250.3	\$ 1,236.5	\$ (13.8)	-1.1%
Dept. of Human Services	712.6	704.7	(7.9)	-1.1%
Regents	492.6	523.7	31.1	6.3%
Dept. of Corrections	123.4	136.2	12.8	10.4%
Dept. Econ. Development	19.7	20.1	0.3	1.5%
Other	862.0	962.2	100.2	11.6%

Governor's FY 1995 General Fund Recommendations
(Dollars in millions)

	<u>Jan-93</u> <u>FY 1995</u>	<u>Jan-94</u> <u>FY 1995</u>	<u>Difference</u> <u>1/93 v 1/94</u>	<u>% Change</u> <u>1/93 v 1/94</u>
Resources				
Estimated Receipts	\$ 3,949.4	\$ 3,987.0	\$ 37.6	1.0%
Transfers	39.9	39.7	(0.2)	-0.5%
Refunds	(376.0)	(376.0)	0.0	0.0%
Other	107.8	44.8	(63.0)	-58.4%
Total Resources	<u>3,721.1</u>	<u>3,695.5</u>	<u>(25.6)</u>	-0.7%
Expenditures				
Appropriations	\$ 3,692.5	\$ 3,639.1	(\$53.4)	-1.4%
Reversions	(11.5)	(10.0)	1.5	-13.0%
Net Appropriations	<u>3,681.0</u>	<u>3,629.1</u>	<u>(51.9)</u>	-1.4%
Ending Balance	<u>\$ 40.1</u>	<u>\$ 66.4</u>	<u>\$ 26.3</u>	65.6%
Appropriations				
K-12 School Aid	\$ 1,285.7	\$ 1,270.8	\$ (14.9)	-1.2%
Dept. of Human Services	741.5	720.2	(21.3)	-2.9%
Regents	532.4	557.9	25.5	4.8%
Dept. of Corrections	140.2	142.4	2.2	1.6%
Dept. Econ. Development	19.9	22.3	2.4	11.8%
Other	972.8	925.4	(47.3)	-4.9%

Governor's FY 1997 General Fund Recommendations
(Dollars in millions)

	<u>Jan-95</u> <u>FY 1997</u>	<u>Jan-96</u> <u>FY 1997</u>	<u>Difference</u> <u>1/95 v 1/96</u>	<u>% Change</u> <u>1/95 v 1/96</u>
Resources				
Estimated Receipts	\$ 4,420.0	\$ 4,490.0	\$ 70.0	1.6%
Transfers	69.8	45.4	(24.4)	-35.0%
Refunds	(365.4)	(362.3)	3.1	-0.8%
Other	(85.3)	86.1	171.4	-200.9%
Total Resources	<u>4,039.1</u>	<u>4,259.2</u>	<u>220.1</u>	5.4%
Expenditures				
Appropriations	\$ 3,936.3	\$ 4,050.9	\$ 114.6	2.9%
Reversions	(7.5)	(7.5)	0.0	0.0%
Net Appropriations	<u>3,928.8</u>	<u>4,043.4</u>	<u>114.6</u>	2.9%
Ending Balance	<u><u>\$ 110.3</u></u>	<u><u>\$ 215.8</u></u>	<u><u>\$ 105.5</u></u>	95.6%
Appropriations				
K-12 School Aid	\$ 1,382.7	\$ 1,412.3	\$ 29.6	2.1%
Dept. of Human Services	775.4	740.7	(34.7)	-4.5%
Regents	564.7	588.3	23.6	4.2%
Dept. of Corrections	154.3	167.6	13.3	8.6%
Dept. Econ. Development	19.9	22.8	2.9	14.6%
Other	1,039.3	1,119.2	79.9	7.7%

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General Fund Appropriations
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	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Admin. & Regulation	82,447,855	112,006,076	29,558,221
Ag. & Natural Resources	43,052,006	46,368,806	3,316,800
Economic Development	34,200,400	37,632,788	3,432,388
Education	781,793,535	805,401,354	23,607,819
Health & Human Rights	80,678,846	83,990,026	3,311,180
Human Services	749,252,627	740,515,596	-8,737,031
Justice System	335,109,601	336,936,425	1,826,824
Trans. & Capitals	5,617,000	5,687,000	70,000
Unassigned Standings	1,824,183,224	1,882,336,637	58,351,213
Total Appropriations	<u>3,936,335,094</u>	<u>4,050,874,708</u>	<u>114,737,414</u>
Operations	1,272,668,450	1,327,139,051	54,470,601
Grant and Aid	817,375,250	787,039,690	-30,335,560
All Capitals	1,600,000	1,800,000	200,000
All Standings	1,844,691,394	1,934,895,967	90,402,373
Total Appropriations	<u>3,936,335,094</u>	<u>4,050,874,708</u>	<u>114,737,414</u>

	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Admin. & Regulation			
Auditor Of State			
Auditor - General Office	1,310,549	1,344,845	34,296
Ethics and Campaign Disc.			
Campaign Finance	416,229	435,554	19,325
Commerce, Department Of			
Commerce-Administration			
Commerce Administration	948,668	976,758	28,090
Alcoholic Beverages			
Alcoholic Beverages Div	1,529,428	1,481,412	-48,016
Banking Division			
Banking Division	5,403,549	5,501,878	98,329
Credit Union Division			
Credit Union Division	1,002,518	1,032,456	29,938
Insurance Division			
Insurance Division	2,880,208	2,918,469	38,261
Professional Licensing			
Professional Lic Div	820,788	837,510	16,722
Utilities Division			
Utilities Division	4,747,323	5,177,916	430,593
Commerce, Department Of	17,332,482	17,926,399	593,917
Legislative Branch			
Uniform State Laws	20,803	22,741	1,938
NCSL	87,719	91,427	3,708
Legislative Branch	108,522	114,168	5,646
General Services, Dept Of			
Gen Services Admin.	1,190,167	1,188,790	-1,377
Information Services Div.	5,853,492	5,623,195	-230,297
Property Management	3,935,716	4,044,346	108,630
Utilities	2,034,178	2,058,683	24,505
Capitol Planning Comm.	1,256	2,000	744
Rental Space	639,483	656,104	16,621
Terrace Hill Operations	167,974	188,701	20,727
General Services, Dept Of	13,822,266	13,761,819	-60,447
Governor			
General Office	1,106,128	1,154,181	48,053
Expense of Office	2,416	2,416	
Terrace Hill Quarters	64,648	67,254	2,606
Ad Hoc Committee Expense	1,610	1,610	

	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Admin. & Regulation			
Governor			
Admin. Rules Coordinator	108,336	111,781	3,445
National Governor's Assoc	74,435	74,435	
Governor	1,357,573	1,411,677	54,104
Inspections & Appeals			
Inspections And Appeals			
Appeals and Fair Hearings	223,694	170,823	-52,871
Finance and Services Div.	467,699	495,682	27,983
Audits Division	352,238	372,432	20,194
Investigations Division	729,211	756,040	26,829
Health Facilities Div.	1,548,487	1,677,191	128,704
Inspections Division	578,137	600,210	22,073
Employment Appeal Board	46,483	33,181	-13,302
Foster Care Review Board	527,239	547,579	20,340
	4,473,188	4,653,138	179,950
Racing Commission			
Racetracks	1,760,452	1,977,140	216,688
Riverboats	860,724	1,225,768	365,044
	2,621,176	3,202,908	581,732
Inspections & Appeals	7,094,364	7,856,046	761,682
Management, Department Of			
Management-General Office	2,151,860	2,333,779	181,919
Law Enforcement Training	47,500	47,500	
Council of State Govts.	75,500	75,500	
Salary Adjustment	0	27,078,348	27,078,348
Management, Department Of	2,274,860	29,535,127	27,260,267
Personnel, Department Of			
Operations	1,063,204	1,080,321	17,117
Program Delivery	1,216,199	1,292,434	76,235
Program Admin. & Develop.	1,388,115	1,511,191	123,076
Workers' Compensation	5,884,740	5,884,740	
Personnel, Department Of	9,552,258	9,768,686	216,428
Revenue & Finance, Dept.			
Compliance	10,568,358	10,789,038	220,680
State Financial Mgmt	9,378,753	9,717,637	338,884
Internal Resources Mgmt	5,990,227	6,025,904	35,677
Collection Costs & Fees	45,000	45,000	
Revenue & Finance, Dept.	25,982,338	26,577,579	595,241

	Jan 95 Gov Rec FY 1997	Jan 96 Gov Rec FY 1997	Difference Jan 96/Jan 95
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Admin. & Regulation			
Secretary Of State			
Admin. & Elections	509,159	368,508	-140,651
Business Services	1,579,542	1,760,502	180,960
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Secretary Of State	2,088,701	2,129,010	40,309
State-Federal Relations			
General Office	235,521	242,572	7,051
Treasurer Of State			
Treasurer-General Office	872,192	902,594	30,402
Operations	76,518,115	106,076,336	29,558,221
Grant and Aid	5,884,740	5,884,740	0
Standings	45,000	45,000	0
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Admin. & Regulation	82,447,855	112,006,076	29,558,221
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	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Ag. & Natural Resources			
Ag. & Land Stewardship			
Administration Division			
Dairy Trade Prac - Admin		66,846	66,846
Commercial Feed - Admin		64,698	64,698
Fertilizer - Admin		64,697	64,697
Administrative Division	2,078,049	1,659,111	-418,938
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	2,078,049	1,855,352	-222,697
Regulatory Division			
Regulatory Division	4,420,067	3,848,960	-571,107
Milk Fund - Regulatory		651,220	651,220
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	4,420,067	4,500,180	80,113
Laboratory Division			
Commercial Feed - Lab		742,499	742,499
Pesticide - Laboratory		1,291,781	1,291,781
Fertilizer - Laboratory		633,832	633,832
Laboratory Division	3,398,424	802,625	-2,595,799
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	3,398,424	3,470,737	72,313
Soil Conservation Div.			
Soil Conservation Div.	5,458,786	5,805,591	346,805
Agricultural Programs			
Soil Consv Cost Share	5,918,606	5,918,606	
Farmer's Market Coupon	215,378	215,807	429
Pseudorabies Eradication	900,100	900,200	100
Interstate Grain Compact	80,000	80,000	
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	7,114,084	7,114,613	529
Ag. & Land Stewardship	22,469,410	22,746,473	277,063
Natural Resources, Dept.			
Natural Resources Dept.	12,978,596	13,482,022	503,426
Non-SF546 Marine Fuel Tax	200,000	0	-200,000
Water Quality Project	404,000	729,000	325,000
Marine Fuel CF to Parks		411,311	411,311
REAP Appropriation	7,000,000	9,000,000	2,000,000
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Natural Resources, Dept.	20,582,596	23,622,333	3,039,737
Operations	29,033,300	30,550,000	1,516,700
Grant and Aid	7,018,706	6,818,806	-199,900
Standings	7,000,000	9,000,000	2,000,000
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Ag. & Natural Resources	43,052,006	46,368,806	3,316,800
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	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Economic Development			
Economic Development, Dept			
Administrative Services			
General Administration	918,570	1,070,502	151,932
Primary Research	334,022	335,185	1,163
Film Office	188,358	199,341	10,983
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	1,440,950	1,605,028	164,078
Business Development			
Business Development	3,023,806	3,879,775	855,969
Small Business Program	390,701	448,756	58,055
Procurement Office	99,390	96,492	-2,898
Strategic Investment Fund	5,656,793	7,731,151	2,074,358
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	9,170,690	12,156,174	2,985,484
Community & Rural Develop			
Community Assistance	581,612	578,943	-2,669
Mainstreet/Rural Main St.	379,295	413,530	34,235
Rural Development Prog.	544,209	611,181	66,972
Community Dev Block Grant	392,420	403,974	11,554
Housing Development Assis	150,000	1,300,000	1,150,000
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	2,047,536	3,307,628	1,260,092
International Division			
International Trade	748,956	927,950	178,994
Foreign Trade Offices	585,000	595,250	10,250
Export Trade Asst. Prog.	317,000	275,000	-42,000
Ag Products Adv Council	1,330	1,300	-30
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	1,652,286	1,799,500	147,214
Tourism Division			
Tourism Operations	726,968	725,212	-1,756
Tourism Advertising	2,537,000	2,687,000	150,000
Welcome Center Program	250,000	240,000	-10,000
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	3,513,968	3,652,212	138,244
Workforce Development Div			
Youth Work Force Conserv.	952,695	0	-952,695
Job Retraining Program	1,855	0	-1,855
Workforce Investment Prog	928,197	0	-928,197
Labor Management Councils	64,716	0	-64,716
Work Force Dev. Fund	0	150,000	150,000
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	1,947,463	150,000	-1,797,463
Wallace Foundation			
Wallace Foundation	2,003,765	0	-2,003,765

	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Economic Development			
Economic Development, Dept			
Iowa Seed Capital Corp.			
Iowa Seed Capital Corp.	659,032	505,275	-153,757
Iowa Finance Authority			
Housing Improvement Fund	250,000	500,000	250,000
Partner State Program			
Partner State Program	100,000	100,000	
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Economic Development, Dept	22,785,690	23,775,817	990,127
Employment Services, Dept			
Industrial Serv.	2,108,708	2,131,389	22,681
Labor Serv.	2,513,558	2,554,542	40,984
Workforce Dev. Coord.	114,548	141,606	27,058
Workforce Dev. Initiative	464,000	400,000	-64,000
Mentoring	0	72,000	72,000
Youth Conservation Corps	0	943,661	943,661
Workforce Investment Prog	0	903,000	903,000
Occupational Wage System	0	173,250	173,250
Labor Management Councils	0	100,338	100,338
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Employment Services, Dept	5,200,814	7,419,786	2,218,972
Public Emp. Relations			
General Office	756,787	777,164	20,377
Regents, Board Of			
Board Office Operations			
ISU Small Bus. Center	1,152,301	1,216,245	63,944
Institute for Phys. Res.	3,971,532	4,124,607	153,075
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	5,123,833	5,340,852	217,019
University of Iowa			
SUI Advanced Drug Devel.	333,276	319,169	-14,107
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Regents, Board Of	5,457,109	5,660,021	202,912
Operations	33,807,980	37,228,814	3,420,834
Grant and Aid	392,420	403,974	11,554
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Economic Development	34,200,400	37,632,788	3,432,388
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	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Education			
College Aid Commission			
Operations and Loan Prog.			
Scholarship & Grant Admin	336,316	332,797	-3,519
Osteopathic Univ - Loans	379,260	379,260	
Osteopathic - Prim. Care	425,000	395,000	-30,000
Enhanced Forgivable Loans	0	115,000	115,000
Student Aid Programs	1,469,790	1,397,790	-72,000
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	2,610,366	2,619,847	9,481
Standing Loan & Grant Prg			
Tuition Grant Standing	38,664,750	38,664,750	
Scholarship Prog Standing	474,800	474,800	
Voc. Tech. Grant Standing	1,424,780	1,424,780	
Work-Study Prog. Standing	2,898,840	2,950,000	51,160
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	43,463,170	43,514,330	51,160
College Aid Commission			
	46,073,536	46,134,177	60,641
Cultural Affairs, Dept.			
Iowa Arts Council	1,050,292	1,061,568	11,276
State Historical Society	2,420,177	2,580,932	160,755
Historical Sites	228,799	386,039	157,240
Cultural Affairs - Admin	213,920	220,227	6,307
Cultural Grants	703,234	707,721	4,487
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Cultural Affairs, Dept.	4,616,422	4,956,487	340,065
Education, Department Of Administration			
DE Administration	5,134,445	5,268,382	133,937
Vocational Ed. Admin.	644,510	656,057	11,547
Board of Ed. Examiners	187,739	194,582	6,843
Vocational Rehab.	3,532,836	4,018,243	485,407
Independent Living	41,097	37,669	-3,428
State Library	2,392,820	2,637,190	244,370
Regional Library System	1,457,000	1,507,000	50,000
Iowa Public Television	6,742,309	6,925,335	183,026
Center For Assessment	300,000	300,000	
National Assess. Ed. Prog	50,000	50,000	
Career Pathways Program	0	650,000	650,000
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	20,482,756	22,244,458	1,761,702
Grants & State Aid			
Vocational Ed. Secondary	3,308,850	3,308,850	
School Food Service	2,716,859	2,716,859	
Textbook Nonpublic Sch	906,000	616,000	-290,000
Voc Ag. Youth Org.	59,400	69,400	10,000
Family Resource Centers	120,000	120,000	
Career Opportunity Prog	60,000	135,000	75,000

	Jan 95 Gov Rec FY 1997	Jan 96 Gov Rec FY 1997	Difference Jan 96/Jan 95
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Education			
Education, Department Of			
Grants & State Aid			
K-12 Early Retirement	0	500,000	500,000
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	7,171,109	7,466,109	295,000
Community College			
General Aid	121,470,717	124,871,270	3,400,553
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Education, Department Of	149,124,582	154,581,837	5,457,255
IA Telecommun & Techn.			
ICN - Part III	10,000,000	1,950,000	-8,050,000
Network Operations	0	2,400,000	2,400,000
Network Debt Service	12,786,434	12,754,000	-32,434
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IA Telecommun & Techn.	22,786,434	17,104,000	-5,682,434
Regents, Board Of			
Board Office Operations			
Regents Board Office	1,127,601	1,152,417	24,816
Tuition Replacement	28,147,220	27,321,357	-825,863
Southwest Iowa Grad. Cntr	71,662	104,156	32,494
Tri State Graduate Center	72,535	74,511	1,976
Quad Cities Graduate Cntr	150,374	154,278	3,904
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	29,569,392	28,806,719	-762,673
University of Iowa			
Univ. of Iowa - General	192,715,559	202,702,328	9,986,769
SUI Primary Health Care	960,000	771,000	-189,000
SUI Indigent Patient	28,821,254	29,452,383	631,129
SUI Psychiatric Hospital	7,018,877	7,225,868	206,991
SUI Hospital School	5,705,918	5,938,345	232,427
SUI Oakdale Campus	2,845,783	2,896,269	50,486
SUI Hygienic Lab	3,155,100	3,309,148	154,048
SUI Family Practice Prog	1,841,327	2,060,917	219,590
SUI Hemophilia, Cancer	440,054	464,274	24,220
SUI Ag Health And Safety	247,117	253,213	6,096
SUI Cancer Registry	188,734	195,167	6,433
SUI Sub. Abuse Consortium	62,004	64,396	2,392
SUI Cntr for Biocatalysis	1,284,395	1,017,000	-267,395
SUI Driving Simulator	1,133,726	608,448	-525,278
SUI Research Park	0	321,000	321,000
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	246,419,848	257,279,756	10,859,908
Iowa State University			
Iowa State Univ- General	154,017,441	161,084,066	7,066,625
ISU Ag Experiment	30,717,738	31,754,200	1,036,462
ISU Coop Extension	18,268,621	19,280,398	1,011,777
ISU Leopold Center	560,593	560,593	

	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Education			
Regents, Board Of			
Iowa State University			
ISU Livestock Disease Res	276,022	276,022	
ISU Research Park	0	370,000	370,000
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	203,840,415	213,325,279	9,484,864
Univ. of Northern Iowa			
UNI - General	69,130,816	72,411,314	3,280,498
UNI Recycl/Reuse Center	239,745	239,745	
UNI Metal Casting	0	160,000	160,000
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	69,370,561	72,811,059	3,440,498
Special Schools			
Iowa School for the Deaf	6,426,924	6,678,655	251,731
Iowa Braille & Sight Sch	3,554,189	3,711,503	157,314
Tuition & Transportation	11,232	11,882	650
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	9,992,345	10,402,040	409,695
Regents, Board Of	559,192,561	582,624,853	23,432,292
Operations	607,533,889	628,081,995	20,548,106
Grant and Aid	130,796,476	133,805,029	3,008,553
Standings	43,463,170	43,514,330	51,160
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Education	781,793,535	805,401,354	23,607,819
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	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Health & Human Rights			
Blind, Iowa Comm. For			
Department for the Blind	1,393,903	1,475,737	81,834
Civil Rights Commission			
General Office	1,121,058	1,141,692	20,634
Elder Affairs, Department			
State Administration	445,153	450,918	5,765
Aging Programs & Services	2,586,391	3,076,528	490,137
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Elder Affairs, Department	3,031,544	3,527,446	495,902
Gov. Subst. Abuse Council			
Drug Enf. Ab. Prev. Coord	302,550	304,333	1,783
Cedar Rapids Subs Ab Cntr	32,894	29,552	-3,342
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Gov. Subst. Abuse Council	335,444	333,885	-1,559
Health, Dept. Of Public			
Health Protection	2,237,968	2,167,154	-70,814
Planning & Administration	2,107,038	2,249,272	142,234
Professional Licensure	765,272	771,548	6,276
Emergency Medical Service	1,324,389	1,022,360	-302,029
Health Data Commission	240,250	0	-240,250
Sub Abuse & Hlth Promo	619,228	633,306	14,078
Sub Abuse Prog Grants	8,390,159	8,390,159	
Family & Community Health	3,067,180	3,415,041	347,861
SIDS Autopsies	9,675	9,675	
Public Health Nursing	2,511,871	2,511,871	
Home Health Aide	8,586,716	8,586,716	
Well Elderly Clinics	585,337	585,337	
Physician Care for Kids	411,187	411,187	
Primary & Prevent Health	75,000	75,000	
Healthy Family Program	525,000	950,000	425,000
PRIMEGARRE	235,000	235,000	
Dental Examiners	281,434	309,768	28,334
Medical Examiners	1,006,008	1,036,156	30,148
Nursing Examiners	918,455	981,403	62,948
Pharmacy Examiners	659,681	680,138	20,457
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Health, Dept. Of Public	34,556,848	35,021,091	464,243
Human Rights, Department			
Central Administration	183,145	186,522	3,377
Community Action Agencies	3,401	3,366	-35
Deaf Services	291,686	256,167	-35,519
Persons With Disabilities	103,260	97,765	-5,495
Latino Affairs	98,189	142,442	44,253
Status of Women	394,430	323,879	-70,551
Status of African Am.	100,304	105,390	5,086
Criminal & Juvenile Just.	478,645	478,235	-410

	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Health & Human Rights			
Human Rights, Department			
Community Grant Fund	0	1,800,000	1,800,000
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Human Rights, Department	1,653,060	3,393,766	1,740,706
Veterans Affairs, Comm.			
Vet Affairs Admin	213,069	234,696	21,627
War Orphans Ed Fund	4,800	4,800	
Iowa Veterans Home	38,369,120	38,856,913	487,793
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Veterans Affairs, Comm.	38,586,989	39,096,409	509,420
Operations	55,193,071	58,131,393	2,938,322
Grant and Aid	25,485,775	25,858,633	372,858
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Health & Human Rights	80,678,846	83,990,026	3,311,180
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	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Human Services			
Human Services, Dept.			
Economic Assistance			
Family Investment Program	31,285,279	34,787,255	3,501,976
Emergency Assistance	1,000,000	1,767,500	767,500
Promise Jobs	12,623,700	12,601,592	-22,108
Child Support Recoveries	7,003,036	6,504,255	-498,781
X-PERT	920,284	792,197	-128,087
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	52,832,299	56,452,799	3,620,500
Medical Services			
Medical Assistance	378,096,521	366,687,988	-11,408,533
Medical Contracts	6,533,000	6,811,400	278,400
State Supplementary Asst.	19,115,000	19,190,000	75,000
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	403,744,521	392,689,388	-11,055,133
Serv. Adult, Child, Famil			
Child Care Services	8,247,259	8,947,100	699,841
Toledo Juvenile Home	4,984,454	5,090,863	106,409
Eldora Training School	8,506,828	8,638,946	132,118
Child and Family Serv	84,563,082	84,238,607	-324,475
Community Based Services	2,259,723	2,552,046	292,323
Ct Ordered Serv Juvenile	3,090,000	3,090,000	
Personal Assistance	0	428,000	428,000
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	111,651,346	112,985,562	1,334,216
Serving MH/MR/DD/BI			
Cherokee MHI	14,895,432	13,581,308	-1,314,124
Clarinda MHI	5,904,451	6,172,607	268,156
Independence MHI	17,586,818	16,946,094	-640,724
Mt Pleasant MHI	4,793,768	4,837,324	43,556
Glenwood SHS	35,515,912	35,070,700	-445,212
Woodward SHS	30,111,196	26,959,124	-3,152,072
MH/MR/DD Special Services	121,220	121,220	
Family Support Subsidy	1,116,236	1,144,000	27,764
DD Special Needs Grants	53,212	53,212	
State Cases	5,973,492	5,954,000	-19,492
Community MH/MR Fund	16,239,182	16,230,000	-9,182
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	132,310,919	127,069,589	-5,241,330
DHS Administration			
Field Operations	37,782,083	38,483,998	701,915
General Administration	10,845,666	11,917,316	1,071,650
Volunteers	85,793	98,900	13,107

	Jan 95 Gov Rec FY 1997	Jan 96 Gov Rec FY 1997	Difference Jan 96/Jan 95
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Human Services			
Human Services, Dept.			
DHS Administration			
Training And Technology	0	818,044	818,044
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	48,713,542	51,318,258	2,604,716
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Human Services, Dept.	749,252,627	740,515,596	-8,737,031
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Operations	178,849,928	175,812,776	-3,037,152
Grant and Aid	570,402,699	564,702,820	-5,699,879
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Human Services	749,252,627	740,515,596	-8,737,031
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	Jan 95 Gov Rec FY 1997	Jan 96 Gov Rec FY 1997	Difference Jan 96/Jan 95
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Justice System			
Attorney General			
General Office A.G.	5,058,426	5,643,460	585,034
Pros. Attor. Training	250,000	257,043	7,043
Victim Assistance Grants	1,359,812	1,359,806	-6
Area GASA Pros. Attorney	108,072	108,999	927
Consumer Advocate	2,167,151	2,337,189	170,038
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Attorney General	8,943,461	9,706,497	763,036
Corrections, Dept. Of			
Corr. - Institutions			
Ft. Madison Inst.	25,579,045	26,819,188	1,240,143
Anamosa Inst.	19,388,796	19,955,506	566,710
Oakdale Inst.	15,977,179	16,360,631	383,452
Newton Inst.	5,691,759	10,233,775	4,542,016
Mt. Pleasant Inst.	13,861,202	14,684,042	822,840
Rockwell City Inst.	5,513,730	5,656,219	142,489
Clarinda Inst.	11,491,120	14,467,836	2,976,716
Mitchellville Inst.	6,294,098	6,477,098	183,000
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	103,796,929	114,654,295	10,857,366
Corr. - Central Office			
Central Office	2,305,320	2,372,985	67,665
County Confinement	237,038	237,038	
Fed. Prisoners/Contract	341,334	341,334	
Training Center	385,953	458,074	72,121
Corr. Expansion-Phase I	625,860	625,860	
Corr. Expansion-Phase II	3,179,500	3,179,500	
Corrections Education	1,850,600	2,250,600	400,000
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	8,925,605	9,465,391	539,786
CBC Districts			
CBC District I	6,558,970	6,962,223	403,253
CBC District II	5,485,698	5,632,043	146,345
CBC District III	3,291,841	3,384,385	92,544
CBC District IV	2,404,265	2,551,754	147,489
CBC District V	8,791,943	9,169,253	377,310
CBC District VI	6,732,323	7,118,005	385,682
CBC District VII	4,381,938	4,486,275	104,337
CBC District VIII	3,815,001	4,061,536	246,535
CBC Statewide	85,817	83,576	-2,241
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	41,547,796	43,449,050	1,901,254
Corrections, Dept. Of			
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	154,270,330	167,568,736	13,298,406
Inspections & Appeals			
Public Defender			
Public Defender	8,989,618	10,681,867	1,692,249

	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Justice System			
Inspections & Appeals			
Inspections and Appeals			
Indigent Defense Approp.	13,350,358	17,475,074	4,124,716
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Inspections & Appeals	22,339,976	28,156,941	5,816,965
Judicial Branch			
Judicial Branch	89,599,168	94,134,983	4,535,815
Juv. Vict. Restitution	155,662	169,662	14,000
ICIS Computer	857,500	857,500	
Judicial Retirement	3,279,583	3,726,422	446,839
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Judicial Branch	93,891,913	98,888,567	4,996,654
Law Enforcement Academy			
ILEA Operations	1,004,654	1,063,418	58,764
ILEA D.A.R.E. Coord.	15,000	30,000	15,000
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Law Enforcement Academy	1,019,654	1,093,418	73,764
Parole, Board Of			
Parole Board	808,109	827,749	19,640
Public Defense, Dept.			
Military Division	4,127,363	3,910,339	-217,024
Emergency Mgmt Div.	545,186	574,137	28,951
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Public Defense, Dept.	4,672,549	4,484,476	-188,073
Public Safety, Department			
Public Safety, Dept.			
Administration	2,189,514	2,201,438	11,924
Investigation, DCI	8,637,064	9,462,619	825,555
Narcotics Enforce.	2,407,558	2,519,162	111,604
Undercover Funds	139,202	139,202	
Fire Marshal	1,430,415	1,458,161	27,746
Capitol Security	1,164,896	1,207,304	42,408
AFIS System Maintenance	222,154	222,155	1
Iowa State Patrol	32,569,331	9,000,000	-23,569,331
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Public Safety, Dept.	48,760,134	26,210,041	-22,550,093

	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Justice System			
Public Safety, Department			
Road Use Tax Fund			
IHP Workers Comp.	403,475	0	-403,475
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Public Safety, Department	49,163,609	26,210,041	-22,953,568
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Operations	291,474,167	290,999,737	-474,430
Grant and Aid	43,635,434	45,936,688	2,301,254
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Justice System	335,109,601	336,936,425	1,826,824
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	Jan 95 Gov Rec FY 1997	Jan 96 Gov Rec FY 1997	Difference Jan 96/Jan 95
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Trans. & Capitals			
Transportation, Dept.			
Rail Projects	1,497,000	1,229,000	-268,000
State Aviation Approp.	2,262,000	2,400,000	138,000
Planning Division	258,000	258,000	
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Transportation, Dept.	4,017,000	3,887,000	-130,000
Natural Resources Capital			
GF-Marine Fuel Tax Caps	1,600,000	1,800,000	200,000
Operations	258,000	258,000	0
Grant and Aid	3,759,000	3,629,000	-130,000
Capitals	1,600,000	1,800,000	200,000
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Trans. & Capitals	5,617,000	5,687,000	70,000
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	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Unassigned Standings			
Corrections, Dept. Of			
State Cases - Stdg.	66,370	66,370	
Education, Department Of			
Trans of Nonpublic Pupils	6,794,293	6,950,000	155,707
Child Development	12,191,258	14,119,216	1,927,958
Educational Excellence	80,440,581	81,476,336	1,035,755
Instructional Support	14,798,227	14,798,227	
School Foundation Aid	1,382,748,819	1,398,280,777	15,531,958
Allow Growth/Property Tax	0	14,059,219	14,059,219
Teacher Salaries	535,755	5,000	-530,755
School Improv./Technology	0	15,000,000	15,000,000
School Improvement	30,000,000	0	-30,000,000
Education, Department Of	1,527,508,933	1,544,688,775	17,179,842
Executive Council			
Court Costs	60,000	50,000	-10,000
Public Improvements	50,000	50,000	
Habeas Corpus Fees	20,000	0	-20,000
Performance Of Duty	1,000,000	500,000	-500,000
Drainage Assessment	25,000	25,000	
Executive Council	1,155,000	625,000	-530,000
Legislative Branch			
Legislative Expenses	20,246,213	23,884,460	3,736,047
Governor			
Interstate Extradition	3,676	4,000	324
Human Services, Dept.			
Commission of Inquiry	1,800	1,800	
Non Resident Transfer	87	87	
Non Resident Commitment	184,398	184,398	
Human Services, Dept.	186,285	186,285	0
Management, Department Of			
Indian Settlement Officer	0	25,000	25,000
Appeal Board Standing	6,310,000	5,900,000	-410,000
Special Olympics Fund	20,000	20,000	
Management, Department Of	6,330,000	5,945,000	-385,000
Public Defense, Dept.			
Compensation & Expense	100,000	100,000	
Revenue & Finance, Dept.			
Ag Land Tax Credit	39,100,000	39,100,000	
Property Tax Replacement	56,287,557	56,287,557	
Printing Cigarette Stamps	115,000	115,000	
Homestead Tax Credit Aid	93,573,219	93,573,219	

	Jan 95 Gov Rec FY 1997 =====	Jan 96 Gov Rec FY 1997 =====	Difference Jan 96/Jan 95 =====
Unassigned Standings			
Revenue & Finance, Dept.			
Extraordinary Prop. Tax	10,794,998	10,794,998	
Peace Officer Retirement	2,942,726	2,942,726	
Unemployment Compensation	550,000	400,000	-150,000
Franchise Tax Reimburse	8,800,000	8,800,000	
Military Service Tax	2,820,682	2,820,682	
Property Tax Relief	26,000,000	78,000,000	52,000,000
Federal Cash Management	0	800,000	800,000
Livestock Prod. Prop. Tax	10,000,000	0	-10,000,000
Machinery/Equip Prop Tax	10,000,000	5,700,000	-4,300,000
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Revenue & Finance, Dept.	260,984,182	299,334,182	38,350,000
Secretary Of State			
Constitutional Amendments	2,565	2,565	
Transportation, Dept.			
Public Transit Assistance	7,600,000	7,500,000	
Grant and Aid	30,000,000	0	-30,000,000
Standings	1,794,183,224	1,882,336,637	88,351,213
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Unassigned Standings	1,824,183,224	1,882,336,637	58,351,213
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