

## CHAPTER 3

## PUBLICATION OF PUBLIC MEASURES

H. F. 70

AN ACT to amend sections sixty-nine (69) and seventy (70), code, 1931, relating to the publication of proposed amendments to the constitution and of public measures.

*Be it enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. That section sixty-nine (69), code, 1931, be amended by  
2 striking out the word "week" in line five (5), and substituting there-  
3 for the word "month".

1 SEC. 2. That section seventy (70), code, 1931, be amended by strik-  
2 ing out the word "week" in line six (6), and substituting therefor the  
3 word "month".

House File No. 70. Approved March 20, 1933.

## CHAPTER 4

## BUDGET AND FINANCIAL CONTROL ACT

S. F. 470

AN ACT to create, define the powers and duties, and fix salary of state comptroller; to abolish state board of audit and office of budget director and transfer personnel, appropriations, records, equipment and other property to state comptroller and state auditor; to relieve board of control and auditor of state of certain duties and transfer of employees, unexpended appropriations, records, and office equipment to state comptroller; to establish state budget system, provide for hearings on tentative budget and transmission to governor and legislature; to provide method for estimates of appropriations and income of the state, allotment and lapsing appropriations to prevent overdraft and deficit, and penalties and punishment for wrongful expending of appropriations; to control departmental and institutional receipts; establish uniform fiscal year; and to repeal all sections of the code, 1931, and acts or parts of acts in conflict with this act.

*Be it enacted by the General Assembly of the State of Iowa:*

1 SECTION 1. This act shall be known and may be cited as the "budget  
2 and financial control act".

1 SEC. 2. When used in this act:

2 1. The terms, "department and establishment" and "department"  
3 or "establishment", mean any executive department, commission,  
4 board, institution, bureau, office, or other agency of the state govern-  
5 ment except the courts, by whatever name called, other than the  
6 legislature, that uses, expends or receives any state funds.

7 2. "State funds" means any and all moneys appropriated by the  
8 legislature of Iowa, or money collected by or for the state, or an  
9 agency thereof, pursuant to authority granted by any of its laws.

10 3. "Private trust funds" means any and all endowment funds and  
11 any and all moneys received by a department or establishment from  
12 private persons to be held in trust and expended as directed by the  
13 donor.

14 4. "Special fund" means any and all government fees and other  
15 revenue receipts earmarked to finance a governmental agency to which  
16 no general fund appropriation is made by the state.

17 5. "Repayment receipts" means those moneys collected by a de-  
18 partment or establishment that supplement an appropriation made by  
19 the legislature.

20 6. "Budget" means the budget document required by this act to  
21 be transmitted to the legislature.

22 7. "Government" means the government of the state of Iowa.

23 8. "Unencumbered balance" means the unobligated balance of an  
24 appropriation after charging thereto all unpaid liabilities for goods  
25 and services and all contracts or agreements payable from an appro-  
26 priation or a special fund.

27 9. "Code" or "the code" means the code of Iowa, 1931.

1 SEC. 3. The governor of the state shall have:

2 1. Direct and effective financial supervision over all departments  
3 and establishments, and every state agency by whatever name now  
4 or hereafter called, including the same power and supervision over  
5 such private corporations, persons and organizations that may receive,  
6 pursuant to statute, any funds, either appropriated by, or collected  
7 for, the state of Iowa, or any of its departments, boards, commissions,  
8 institutions, divisions and agencies.

9 2. The efficient and economical administration of all departments  
10 and establishments of the government.

11 3. The initiation and preparation of a balanced budget of any and  
12 all revenues and expenditures for each regular session of the legis-  
13 lature.

1 SEC. 4. There is hereby created an office to be known as "office  
2 of state comptroller", which shall be directly attached to the office  
3 of the governor and shall be under the general direction, supervision  
4 and control of the governor. Such office shall be in immediate charge  
5 of an officer to be known as "state comptroller", who shall be ap-  
6 pointed by the governor, with the approval, in executive session, of  
7 two-thirds of the senate, and shall hold office at his pleasure and shall  
8 receive a salary not to exceed forty-five hundred dollars (\$4500.00) a  
9 year. Before entering upon the discharge of his duties, he shall take  
10 the constitutional oath of office and he shall give a surety bond in such  
11 penalty as may be fixed by the governor, payable to the state of Iowa,  
12 but such penalty shall not be less than twenty-five thousand dollars  
13 (\$25,000.00) conditioned upon the faithful discharge of his duties.  
14 The premium on his bond shall be paid out of the state treasury.

1 SEC. 5. The state comptroller shall have the power and authority to:

2 1. Employ, with the approval of the governor, two assistant comp-  
3 trollers and such clerical assistants as he may find necessary.

4 2. Reassign the duties of all of the personnel transferred to his  
5 department by this act.

6 3. Fix the compensation, with the approval of the governor, of  
7 any person employed by him and of any person transferred under  
8 the provisions of the act, provided that the total amount paid in sal-  
9 aries shall not exceed the appropriation made for that purpose.

10 4. Discharge any employee of his department whether transferred  
11 by this act or employed by him.

12 5. Perform and exercise all duties and powers heretofore imposed  
13 or conferred by law upon the state board of audit.

14 6. Perform and exercise all those duties and powers now delegated  
15 by law and performed by the state auditor which relate to bookkeep-  
16 ing and accounting and to the preaudit and settlement of state ac-  
17 counts and claims.

18 7. Perform all those duties of the board of control pertaining to  
19 the maintenance of a central system of accounts, of preauditing,  
20 abstracting and certifying claims of institutions for payment, and of  
21 prescribing uniform accounts for institutions under its control.

22 8. Perform all those duties now delegated by law, and not repealed  
23 in concurrent acts, performed by the director of the budget, except  
24 those duties imposed by chapter twenty-one (21) of the code as it  
25 now exists or may hereafter be amended, which are herein transferred  
26 to the state auditor's office.

27 9. Exercise and perform such other powers and duties as may be  
28 prescribed by law.

1 SEC. 6. The specific duties of the state comptroller shall be:

2 1. To audit (a) all demands by the state, and (b) to preaudit all  
3 accounts submitted for the issuance of warrants;

4 2. To control (a) the payment of all moneys into the treasury, and  
5 (b) all payments from the treasury by the preparation of appro-  
6 priate warrants, or warrant checks, directing such collections and  
7 payment;

8 3. To certify, record and encumber all formal contracts to prevent  
9 overcommitment of appropriations and allotments;

10 4. To prescribe all accounting and business forms and the system  
11 of accounts and reports of financial transactions by all departments  
12 and agencies of the state government other than those of the legisla-  
13 tive branch;

14 5. To keep the central budget and proprietary control accounts of  
15 the state government. Budget accounts are those accounts main-  
16 tained to control the receipt and disposition of all funds, appropri-  
17 ations and allotments. Proprietary accounts are those accounts relat-  
18 ing to assets, liabilities, income and expense.

19 6. To establish and fix a reasonable imprest cash fund for each  
20 state department and/or institution for disbursement purposes where  
21 needed; provided, that these revolving funds shall be reimbursed only  
22 upon vouchers approved by the state comptroller. It is the purpose  
23 of this subdivision to establish a preaudit system of settling all claims  
24 against the state and to centralize all disbursements of the state gov-  
25 ernment other than the disbursements of the state fair board, the  
26 institutions under the state board of education and state fish and  
27 game commission.

28 7. To control the financial operations of the state fair board and  
29 the institutions under the state board of education: (a) By charging  
30 all warrants issued to the respective educational institutions and the  
31 state fair board to an advance account to be further accounted for  
32 and not as an expense which requires no further accounting; (b) by  
33 charging all collections made by the educational institutions and state  
34 fair board to the respective advance accounts of the institutions and  
35 state fair board, and by crediting all such repayment collections to  
36 the respective appropriations and special funds; (c) by charging all  
37 disbursements made to the respective allotment accounts of each

38 educational institution or state fair board and by crediting all such  
39 disbursements to the respective advance and inventory accounts; and  
40 (d) by requiring a monthly abstract of all receipts and of all disburse-  
41 ments, both money and stores, and a complete account-current each  
42 month from each educational institution and the state fair board.

43 8. To have the custody of all books, papers, records, documents,  
44 vouchers, conveyances, leases, mortgages, bonds and other securities  
45 appertaining to the fiscal affairs and property of the state, which are  
46 not required to be kept in some other office.

47 9. To apportion the interest of the permanent school fund on the  
48 first Monday of March and September of each year, among the several  
49 counties in proportion to the number of persons between five and  
50 twenty-one years of age in each, as shown by the last report filed  
51 with him by the superintendent of public instruction.

52 10. To biennially prepare a separate report containing a complete  
53 list of all standing appropriations showing the amount of each appro-  
54 priation and the purpose for which such appropriation is made and  
55 furnish a copy of such report to each member of the general assembly  
56 on or before the first day of each regular session.

57 11. To prepare the budget document and draft the legislation to  
58 make it effective;

59 12. To perform the necessary work involved in reviewing requests  
60 for allotments as are submitted to the governor for approval;

61 13. To determine the need for all transfers of appropriations sub-  
62 mitted to the governor for approval under the authority of section  
63 twenty-seven (27) hereof;

64 14. To make such investigations of the organization, activities  
65 and methods of procedure of the several departments and establish-  
66 ments as he may be called upon to make by the governor and/or the  
67 governor and executive council, or the legislature;

68 15. To furnish to any committee of either house of the legislature  
69 having jurisdiction over revenues or appropriations such aid and  
70 information regarding the financial affairs of the government as it  
71 may request;

72 16. To make such rules and regulations, subject to the approval  
73 of the governor, as may be necessary for effectively carrying on the  
74 work of the state comptroller's office;

75 17. To prepare and submit to the governor and the legislature on  
76 or before December 15th of each year, an annual report setting forth  
77 in detail and in summary form the financial condition and operations  
78 of the government; his recommendations concerning legislation  
79 needed to facilitate the work of his office; and such other reports as  
80 the governor or the general assembly may from time to time require  
81 of him; and

82 18. To perform such other duties as may be required to effectively  
83 control the financial operations of the government as limited by  
84 this act.

1 SEC. 7. In addition to the above duties the state comptroller shall  
2 have the following general powers:

3 1. The comptroller may at any time require any person receiving  
4 money, securities, or property belonging to the state, or having the  
5 management, disbursement, or other disposition of the same, an ac-

6 count of which is kept in his office, to render statements thereof and  
7 information in reference thereto.

8 2. If any officer who is accountable to the treasury for any money  
9 or property neglects to render an account to the comptroller within  
10 the time prescribed by law, or, if no time is so prescribed, then, within  
11 twenty days after being required so to do by the comptroller, the  
12 comptroller shall state an account against him from the books of his  
13 office, charging ten per cent damages on the whole sum appearing due,  
14 and interest at the rate of six per cent per annum on the aggregate  
15 from the time when the account should have been rendered; all of  
16 which may be recovered by action brought on such account, or on the  
17 official bond of such officer.

18 3. If any such officer fails to pay into the treasury the amount  
19 received by him within the time prescribed by law, or, having settled  
20 with the comptroller, fails to pay the amount found due, the comp-  
21 troller shall charge such officer with twenty per cent damages on the  
22 amount due, with interest on the aggregate from the time the same  
23 became due at the rate of six per cent per annum, and the whole may  
24 be recovered by an action brought on such account, or on the official  
25 bond of such officer, and he shall forfeit his commission.

26 4. The penal provisions in the two preceding paragraphs are sub-  
27 ject to any legal defense which the officer may have against the ac-  
28 count as stated by the comptroller, but judgment for costs shall  
29 be rendered against the officer in the action, whatever be its result,  
30 unless he rendered an account within the time named in the two  
31 preceding sections.

32 5. When a county treasurer or other receiver of public money  
33 seeks to obtain credit on the books of the comptroller's office for pay-  
34 ment made to the treasurer, before giving such credit, the comptroller  
35 shall require him to take and subscribe an oath that he has not used,  
36 loaned, nor appropriated any of the public money for his private  
37 benefit, nor the benefit of any other person.

38 6. In those cases where the comptroller is authorized to call upon  
39 persons or officers for information, or statements, or accounts, he may  
40 issue his requisition therefor in writing to the person or officer called  
41 upon, allowing reasonable time, which, having been served and return  
42 made thereon to the comptroller, as a notice in a civil action, shall  
43 be evidence of the making of the requisition therein expressed.

1 SEC. 8. The state comptroller shall be limited in authorizing the  
2 payment of claims, as follows:

3 1. No claim shall be allowed by the state comptroller's office when  
4 such claim is presented after the lapse of six months from its accrual.

5 2. No claims for expenses in attending conventions, meetings, con-  
6 ferences or gatherings of members of any association or society or-  
7 ganized and existing as quasi-public association or society outside the  
8 state of Iowa shall be allowed at public expense, unless authorized by  
9 the executive council; and claims for such expenses outside of the  
10 state shall not be allowed unless the voucher is accompanied by so  
11 much of the minutes of the executive council, certified to by its  
12 secretary, showing that such expense was authorized by said council.  
13 This section shall not apply to claims in favor of the governor, attor-

14 ney general, railroad commissioners, or to trips referred to in section  
15 thirty-two hundred and eighty-four (3284), code, 1931.

16 4. No claims for per diem and expenses payable from fees shall  
17 be approved for payment in excess of such fees where the law pro-  
18 vides that such expenditures are limited to the special funds collected  
19 and deposited in the state treasury.

1 SEC. 9. The state board of audit is abolished to take effect June  
2 30, 1933. All duties now performed by this board are hereby trans-  
3 ferred to the office of the state comptroller. All sections of chapter  
4 twenty-five (25) of the code, 1931, are hereby repealed. And, until  
5 otherwise provided, all employees, and the unexpended balances of  
6 appropriations made for salaries and expenses of such employees now  
7 engaged in the preaudit and settlement of claims, in the keeping of  
8 bookkeeping and accounting records, and in the rendering of reports  
9 required by law are hereby transferred to the office of state comp-  
10 troller, together with all books, records, documents and papers per-  
11 taining to such accounts and all office furniture, office equipment and  
12 other property of the board shall become the property of the state  
13 comptroller's office.

1 SEC. 10. The office of the director of the budget is abolished to  
2 take effect July 4, 1933, and the term of the office of the present  
3 director appointed under the provisions of chapter nineteen (19) of  
4 the code, 1931, repealed by this act, shall terminate on July 4, 1933.  
5 All sections of chapter nineteen (19) and twenty (20) of the code,  
6 1931, are hereby repealed; and all provisions of the sections of chap-  
7 ter twenty-one (21) of the code, 1931, as it now exists or may here-  
8 after be amended, are made part of the duties of the auditor of state;  
9 while all provisions of chapters twenty-two (22), twenty-three (23),  
10 and twenty-four (24) of the code, 1931, as they now exist or may here-  
11 after be amended, are made part of the duties of the state comptroller.  
12 And, until otherwise provided, all employees, and the unexpended  
13 balances of appropriations made for salaries and expenses of those  
14 employees now engaged in the examination of and settlements with  
15 departments as required by chapter twenty-one (21) of the code,  
16 1931, are hereby transferred to the office of the state auditor. And,  
17 until otherwise provided, all employees, and the unexpended balances  
18 of appropriations made for salaries and expenses of all other em-  
19 ployees of the budget bureau, together with all books, records, docu-  
20 ments and papers pertaining to the budget work of the state and  
21 local governments and all office furniture, office equipment and other  
22 property of the budget bureau are hereby transferred to the state  
23 comptroller's office.

1 SEC. 11. The board of control is hereby relieved of all duties, with  
2 regard to institutions under its control, in respect to auditing, ab-  
3 stracting and certifying claims for payment, prescribing uniform  
4 accounts and the maintenance of a central system of accounts as  
5 required by chapter one hundred sixty-seven (167) of the code, 1931,  
6 or any other law. And, until otherwise provided, all employees, and  
7 the unexpended balances of appropriations made for salaries of such  
8 employees now engaged in the audit and settlement of claims, both  
9 receipts and disbursements, and the keeping of central bookkeeping

10 and accounting records and the rendering of financial reports relating  
 11 to such institutions, of which the board of control is herein relieved,  
 12 are hereby transferred to the office of state comptroller, together with  
 13 all books, records, documents and papers pertaining to such accounts  
 14 and reports, and all office furniture, office equipment and other prop-  
 15 erty no longer required by the state board of control as the result  
 16 of the curtailment of its duties by this section provided for.

1 SEC. 12. The state auditor is hereby relieved of all duties in re-  
 2 spect to the preaudit and settlement of state accounts, both receipts  
 3 and disbursements, and the keeping of accounting records and the  
 4 making of financial reports now required of him by law as they relate  
 5 to state finances. And, until otherwise provided, all employees, and  
 6 the unexpended balances of appropriations made for salaries of such  
 7 employees now engaged in the preaudit and settlement of state claims,  
 8 both receipts and disbursements, and the keeping of state bookkeep-  
 9 ing and accounting records and the rendering of reports relating to  
 10 state finances now required by law, of which the state auditor is  
 11 hereby relieved, are hereby transferred to the office of state comp-  
 12 troller, together with all books, records, documents and papers per-  
 13 taining to such accounts and reports, and all office furniture, office  
 14 equipment and other property no longer required by the state auditor  
 15 as the result of the curtailment of his duties by this section pro-  
 16 vided for.

17 It is the purpose of this section to repeal sections one hundred two  
 18 (102) to one hundred nine (109), inclusive, and section one hundred  
 19 thirty (130) of chapter ten (10) of the code, 1931, and to relieve  
 20 the state auditor of all duties pertaining to the preaudit and settle-  
 21 ment of state accounts and claims and the keeping of accounting  
 22 records hereinabove transferred to the state comptroller's office in  
 23 section five (5) hereof and as enumerated in sections one hundred  
 24 two (102) to one hundred nine (109), inclusive, section one hundred  
 25 thirty (130), section one hundred sixty-four (164), sections fifty-one  
 26 hundred sixty-nine-a three (5169-a3), fifty-one hundred sixty-nine-  
 27 a four (5169-a4), fifty-one hundred sixty-nine-a seven (5169-a7), and  
 28 fifty-one hundred sixty-nine-a nine (5169-a9) of the code, 1931. And  
 29 it is also the purpose of this section to confine the functions of the  
 30 auditor of state to those duties enumerated in:

31 (a) Sections one hundred ten (110) to one hundred twenty-six  
 32 (126), inclusive, code, 1931;

33 (b) Section two hundred fifty (250), code, 1931;

34 (c) Sections three hundred thirty-nine (339) to three hundred  
 35 forty-five (345), inclusive, code, 1931;

36 (d) Section twenty-eight hundred ninety-one (2891), code, 1931;

37 (e) Section fifty-one hundred fifty-four (5154), code, 1931;

38 (f) Section fifty-one hundred sixty-nine-a two (5169-a2), code,  
 39 1931;

40 (g) Sections fifty-six hundred eighty (5680), fifty-six hundred  
 41 eighty-two (5682), and fifty-six hundred eighty-four (5684), code,  
 42 1931;

43 (h) Sections sixty-nine hundred ninety-four (6994) to sixty-nine  
 44 hundred ninety-six (6996), inclusive, code, 1931;

45 (i) Section seventy hundred eighteen (7018), code, 1931;

46 (j) Sections eighty-five hundred eighteen (8518) to eighty-five  
47 hundred twenty-one (8521), inclusive, code, 1931;

48 (k) Sections eighty-five hundred twenty-three (8523) and eighty-  
49 five hundred twenty-four (8524), code, 1931; and

50 (l) Sections ninety-three hundred fifteen (9315), ninety-three hun-  
51 dred nineteen (9319), ninety-three hundred twenty (9320), ninety-  
52 three hundred thirty-three (9333), ninety-three hundred fifty-four  
53 (9354) to ninety-three hundred sixty-two (9362), inclusive, ninety-  
54 three hundred sixty-eight (9368), ninety-three hundred seventy-two  
55 (9372) to ninety-three hundred seventy-six (9376), inclusive, ninety-  
56 three hundred seventy-eight (9378) to ninety-three hundred eighty-  
57 two (9382), inclusive, ninety-three hundred eighty-four (9384),  
58 ninety-three hundred eighty-six (9386), ninety-three hundred eighty-  
59 seven (9387), and ninety-three hundred ninety-two (9392) to ninety-  
60 four hundred and two (9402), inclusive, code, 1931, as they now exist  
61 or may hereafter be amended; and

62 (m) To that of establishing a uniform system of accounting and  
63 reporting for all local governments; to that of auditing all political  
64 subdivisions of the state; and to that of postauditing all accounts and  
65 records of all departments and establishments of the state govern-  
66 ment, including all institutions, the treasurer's office and the office  
67 of state comptroller.

1 SEC. 13. The personnel required by the state comptroller's office,  
2 herein established, shall be transferred from the state auditor's office,  
3 the budget bureau, the board of control, and the state board of audit;  
4 and, the personnel required for the "examination of and settlements  
5 with departments", as provided by chapter twenty-one (21) of the  
6 code, 1931, are hereby transferred from the budget bureau to the  
7 auditor of state's office, as hereinabove provided. The appropriations  
8 necessary for the payment of salaries of such employees as are trans-  
9 ferred to the comptroller's office are hereby transferred from the four  
10 offices named above; and the appropriation necessary for the payment  
11 of salaries and expenses of the examiners and accountants transferred  
12 to the state auditor's office are hereby transferred from the appropri-  
13 ations made to the budget bureau for the examination (postaudit)  
14 of departments. These transfers are to be effective as of the time the  
15 work of such accountants, examiners, bookkeepers and clerks are  
16 taken over by the state comptroller and/or the auditor of state. The  
17 salary of the state comptroller is hereby transferred from the current  
18 annual appropriation of the budget bureau. This provision shall apply  
19 until such time as specific appropriations are made for the state  
20 comptroller's office.

#### THE BUDGET

1 SEC. 14. Not later than February fifteenth of the year of each  
2 biennial legislative session, the governor shall transmit to the legis-  
3 lature a document to be known as a budget, setting forth his financial  
4 program for each of the fiscal years of the ensuing biennium and  
5 having the character and scope hereinafter set forth.

1 SEC. 15. The budget shall consist of three parts, the nature and  
2 contents of which shall be as follows:



## PART I

3 Part I shall consist of the governor's budget message, in which he  
4 shall set forth:

5 1. His program for meeting all the expenditure needs of the gov-  
6 ernment for each of the years of the biennium to which the budget  
7 relates, indicating the classes of funds, general or special, from which  
8 such appropriations are to be made and the means through which  
9 such expenditures shall be financed;

10 2. Financial statements giving in summary form:

11 (a) The condition of the treasury at the end of the last completed  
12 fiscal year, the estimated condition of the treasury at the end of the  
13 year in progress, and the estimated condition of the treasury at the  
14 end of each of the two years to which the budget relates if his budget  
15 proposals are put into effect;

16 (b) Statements showing the bonded indebtedness of the govern-  
17 ment, debt authorized and unissued, debt redemption and interest re-  
18 quirements and condition of the sinking funds, if any;

19 (c) A summary of appropriations recommended for each of the  
20 two years of the biennium to which the budget relates for each depart-  
21 ment and establishment and for the government as a whole, in com-  
22 parison with the actual expenditures for the last completed fiscal  
23 year and the estimated expenditures for the year in progress;

24 (d) A summary of the revenue, estimated to be received by the  
25 government during each of the two years of the biennium to which  
26 the budget relates, classified according to sources, in comparison with  
27 the actual revenue received by the government during the last com-  
28 pleted fiscal year and estimated income during the year in progress;  
29 and

30 (e) Such other financial statements, data and comments as in his  
31 opinion are necessary or desirable in order to make known in all prac-  
32 ticable detail the financial condition and operation of the government  
33 and the effect that the budget as proposed by him will have on such  
34 condition and operations.

35 If the estimated revenues of the government for the ensuing bien-  
36 nium as set forth in the budget on the basis of existing laws, plus  
37 the estimated amounts in the treasury at the close of the year in  
38 progress, available for expenditure in the ensuing biennial period is  
39 less than the aggregate recommended for the ensuing biennial period  
40 as contained in the budget, the governor shall make recommendations  
41 to the legislature in respect to the manner in which such deficit shall  
42 be met, whether by an increase in the state tax or the imposition  
43 of new taxes, increased rates on existing taxes, or otherwise, and if  
44 the aggregate of such estimated revenues, plus estimated balances  
45 in the treasury is greater than such recommended appropriations for  
46 the ensuing biennial period, he shall make such recommendations in  
47 reference to the application of such surplus to the reduction of debt  
48 or otherwise, to the reduction in taxation, or to such other action  
49 as in his opinion is in the interest of the public welfare.

## PART II

50 Part II shall present in detail for each of the two years of  
51 the ensuing biennium his recommendations for appropriations to meet

52 the expenditure needs of the government from each general class of  
 53 funds, in comparison with actual expenditures for each of said pur-  
 54 poses during the last completed fiscal year and estimated expenditures  
 55 for the year in progress, classified by departments and establishments  
 56 and indicating for each the appropriations recommended for:

57 (a) Meeting the cost of administration, operation and maintenance  
 58 of such departments and establishments, and

59 (b) Appropriations for meeting the cost of land, public improve-  
 60 ments and other capital outlays in connection with such departments  
 61 and establishments.

62 Each item of expenditure, actual, or estimated, and appropriations  
 63 recommended for administration, operation and maintenance of each  
 64 department or establishment shall be supported by detailed state-  
 65 ments showing the actual and estimated expenditures and appropri-  
 66 ations classified by objects according to a standard scheme of classifi-  
 67 cation to be prescribed by the state comptroller, hereinabove provided  
 68 for.

#### PART III

69 Part III shall embrace a draft or drafts of appropriation bills hav-  
 70 ing for their purpose to give legal sanction to the appropriations  
 71 recommended to be made in Parts I and II. Such appropriation bills  
 72 shall indicate the funds, general or special, from which such appro-  
 73 priations shall be paid, but such appropriations need not be in greater  
 74 detail than to indicate the total appropriation to be made for:

75 (a) Administration, operation and maintenance of each department  
 76 and establishment for each fiscal year of the biennium, and

77 (b) The cost of land, public improvements and other capital outlays  
 78 for each department and establishment, itemized by specific projects  
 79 or classes of projects of the same general character.

1 SEC. 16. On, or before, October first, next prior to each biennial  
 2 legislative session, all departments and establishments of the govern-  
 3 ment shall transmit to the state comptroller, hereinabove provided  
 4 for, on blanks to be furnished by him, estimates of their expenditure  
 5 requirements, including every proposed expenditure, for each fiscal  
 6 year of the ensuing biennium, classified so as to distinguish between  
 7 expenditures estimated for (a) administration, operation and main-  
 8 tenance, and (b) the cost of each project involving the purchase of  
 9 land or the making of a public improvement or capital outlay of a  
 10 permanent character, together with such supporting data and explana-  
 11 tions as may be called for by the state comptroller, hereinabove pro-  
 12 vided for. In case of the failure of any department or establishment  
 13 to submit such estimates within the time above specified, the gov-  
 14 ernor shall cause to be prepared such estimates for such department  
 15 or establishment as in his opinion are reasonable and proper.

1 SEC. 17. On, or before, October first, next prior to each biennial  
 2 legislative session, the state comptroller, hereinabove provided for,  
 3 shall prepare an estimate of the total income of the government for  
 4 each fiscal year of the ensuing biennium, in which the several items  
 5 of income shall be listed and classified according to sources or char-  
 6 acter, departments or establishments producing said funds and  
 7 brought into comparison with the income actually received during the

8 last completed fiscal year and the estimated income to be received  
9 during the year in progress.

1 SEC. 18. Upon the receipt of the estimates of expenditure require-  
2 ments called for by section sixteen (16) and the preparation of the  
3 estimates of income called for by section seventeen (17), and not  
4 later than November first, next succeeding, the state comptroller,  
5 hereinabove provided for, shall cause to be prepared a tentative budget  
6 conforming as to scope, contents and character to the requirements  
7 of section fifteen (15) and containing the estimates of expenditures  
8 and revenue as called for by sections sixteen (16) and seventeen (17),  
9 which tentative budget shall be transmitted to the governor.

1 SEC. 19. Upon the receipt by him of the tentative budget pro-  
2 vided for by the preceding section, the governor shall make provision  
3 for public hearings thereon not later than the ensuing month of  
4 December, at which he may require the attendance of the heads and  
5 other officers of all departments, establishments and other persons  
6 receiving or requesting the grant of state funds and the giving by  
7 them of such explanations and suggestions as they may be called  
8 upon to give or as they may desire to offer in respect to items of  
9 requested appropriations in which they are interested. The governor  
10 shall also extend invitations to the governor-elect and the state comp-  
11 troller, referred to in section four (4) hereof, to be present at such  
12 hearings and to participate in the hearings through the asking of  
13 questions or the expression of opinion in regard to the items of the  
14 tentative budget.

1 SEC. 20. Following his inauguration, the governor shall proceed  
2 to the formulation of the budget provided for by sections fourteen  
3 (14) and fifteen (15).

1 SEC. 21. The governor shall transmit to the legislature supple-  
2 mental estimates for such appropriations as in his judgment may be  
3 necessary on account of laws enacted after transmission of the budget,  
4 or as he deems otherwise in the public interest. He shall accompany  
5 such estimates with a statement of the reasons therefor, including  
6 the reasons for their omission from the budget. Whenever such  
7 supplemental estimates amount to an aggregate which, if they had  
8 been contained in the budget, would have required the governor to  
9 make a recommendation for the raising of additional revenue, he  
10 shall make such recommendation.

1 SEC. 22. No estimate or request for an appropriation and no re-  
2 quest for an increase in an item of any such estimate or request, and  
3 no recommendation as to how the revenue needs of the government  
4 should be met, shall be submitted to the legislature or any committee  
5 thereof by any officer or employee of any department or establish-  
6 ment, unless at the request of either house of the general assembly.

#### EXECUTION OF THE BUDGET

1 SEC. 23. The appropriations made shall not be available for ex-  
2 penditure until allotted as provided for in section twenty-four (24).  
3 All appropriations now or hereafter made are hereby declared to be

4 maximum and proportionate appropriations, the purpose being to  
5 make the appropriations payable in full in the amounts named in  
6 the event that the estimated budget resources during each fiscal year  
7 of the biennium for which such appropriations are made, are sufficient  
8 to pay all of the appropriations in full. The governor shall restrict  
9 allotments only to prevent an overdraft or deficit in any fiscal year  
10 for which appropriations are made.

1 SEC. 24. Before an appropriation for administration, operation  
2 and maintenance of any department or establishment shall become  
3 available, there shall be submitted to the governor, not less than  
4 twenty days before the beginning of each quarter of each fiscal year,  
5 a requisition for an allotment of the amount estimated to be necessary  
6 to carry on its work during the ensuing quarter. Such requisition  
7 shall contain such details of proposed expenditures as may be required  
8 by the governor.

9 The governor shall approve such allotments, unless he finds that  
10 the estimated budget resources during the fiscal year are insufficient  
11 to pay all appropriations in full, in which event he may modify such  
12 allotments to the extent he may deem necessary in order that there  
13 shall be no overdraft or deficit in the several funds of the state at  
14 the end of such fiscal year, and shall submit copies of the allotments  
15 thus approved or modified to the head of the department or establish-  
16 ment concerned, and to the state comptroller, hereinabove provided  
17 for, who shall set up such allotments on his books and be governed  
18 accordingly in his control of expenditures. Allotments of appropri-  
19 ations made for equipment, land, permanent improvements, and other  
20 capital projects may, however, be allotted in one amount by major  
21 classes or projects for which they are expendable without regard to  
22 quarterly periods. Allotments thus made may be subsequently modi-  
23 fied by the governor either upon the written request of the head of  
24 the department or establishment concerned, or in the event the gov-  
25 ernor finds that the estimated budget resources during the fiscal year  
26 are insufficient to pay all appropriations in full, upon his own initiative  
27 to the extent he may deem necessary in order that there shall be no  
28 overdraft or deficit in the several funds of the state at the end of such  
29 fiscal year; and the head of the department or establishment and the  
30 state comptroller, hereinabove provided for, shall be given notice of  
31 such modification in the same way as in the case of original allotments.

32 Provided, however, that the allotment requests of all departments  
33 and establishments collecting governmental fees and other revenue  
34 which supplement a state appropriation shall attach to the summary  
35 of requests a statement showing how much of the proposed allotments  
36 are to be financed from (a) state appropriations, (b) stores, and  
37 (c) repayment receipts. The procedure to be employed in controlling  
38 the expenditures and receipts of the state fair board and the insti-  
39 tutions under the state board of education, whose collections are not  
40 deposited in the state treasury, will be that outlined in section six  
41 (6), subdivision seven (7) hereof.

42 The finding by the governor that the estimated budget resources  
43 during the fiscal year are insufficient to pay all appropriations in full,  
44 as provided herein, shall be subject to the concurrence in such finding  
45 by the executive council before reductions in allotment shall be made,

46 and in the event any reductions in allotment be made, such reductions  
 47 shall be uniform and prorated between all departments, agencies and  
 48 establishments upon the basis of their respective appropriations.

1 SEC. 25. All appropriations made to any department or establish-  
 2 ment of the government as receive or collect moneys available for  
 3 expenditure by them under present laws, are declared to be in addi-  
 4 tion to such repayment receipts, and such appropriations are to be  
 5 available as and to the extent that such receipts are insufficient to  
 6 meet the costs of administration, operation and maintenance, or public  
 7 improvements of such departments: Provided, that such receipts or  
 8 collections shall be deposited in the state treasury as part of the gen-  
 9 eral fund or special funds in all cases, except those collections made  
 10 by the state fair board, the institutions under the state board of  
 11 education and the state fish and game commission.

12 Provided further, that no repayment receipts shall be available for  
 13 expenditures until allotted as provided in section twenty-four (24)  
 14 hereof; and provided further, that the collection of repayment receipts  
 15 by the state fair board and the institutions under the state board of  
 16 education shall be deposited in a bank or banks duly designated and  
 17 qualified as state depositories, in the name of the state of Iowa, for  
 18 the use of such boards and institutions, and such funds shall be avail-  
 19 able only on the check of such boards or institutions depositing them,  
 20 which are hereby authorized to withdraw such funds, but only after  
 21 allotment by the governor as provided in the preceding section; and  
 22 provided further, that this act shall not apply to endowment and/or  
 23 private trust funds or to gifts to institutions owned or controlled by  
 24 the state or to the income from such endowment and/or private trust  
 25 funds, or to private funds belonging to students or inmates of state  
 26 institutions.

27 The provisions of this act shall not be construed to prohibit the  
 28 state fair board from creating an emergency or sinking fund out of  
 29 the receipts of the state fair and state appropriation for the purpose  
 30 of taking care of any emergency that might arise beyond the control  
 31 of the board of not to exceed fifty thousand dollars (\$50,000).

1 SEC. 26. All unencumbered balances of annual administration,  
 2 operation and maintenance appropriations except those of the state  
 3 fish and game commission and except those for the state fair board  
 4 shall revert to the state treasury at the end of each fiscal year of a  
 5 given biennium and to the credit of the general fund or special funds  
 6 from which the appropriation and/or appropriations were made; ex-  
 7 cept that capital expenditures for the purchase of land or the erection  
 8 of buildings or new construction shall continue in force until the  
 9 attainment of the object or the completion of the work for which  
 10 such appropriations are made: provided, that this section shall not  
 11 be construed to repeal the provisions of sections two hundred ninety  
 12 (290) to two hundred ninety-three (293), inclusive, code, 1931, except  
 13 to

14 1. Delete the words "auditor and treasurer of state" in the last  
 15 line of section two hundred ninety-two (292) and to substitute the  
 16 words "state comptroller", and

17 2. To substitute the word "comptroller" for the word "auditor"  
18 in line one (1) of section two hundred ninety-three (293) and to  
19 delete the words "and treasurer" following the word "auditor" in said  
20 section.

1 SEC. 27. The governor and the state comptroller and any officer  
2 of the office of state comptroller, hereinabove provided for, when  
3 authorized by the governor, are hereby authorized to make such  
4 inquiries regarding the receipts, custody and application of state  
5 funds, existing organization, activities and methods of business of  
6 the departments and establishments, assignments of particular activi-  
7 ties to particular services and regrouping of such services, as in the  
8 opinion of the governor, will enable him to make recommendations  
9 to the legislature, and, within the scope of the powers possessed by  
10 him, to order action to be taken, having for their purpose to bring  
11 about increased economy and efficiency in the conduct of the affairs  
12 of government.

1 SEC. 28. The fiscal year of the government shall commence on the  
2 first day of July and end on the thirtieth day of June. This fiscal  
3 year shall be used for purposes of making appropriations and of  
4 financial reporting and shall be uniformly adopted by all departments  
5 and establishments of the government.

1 SEC. 29. Any board member, commissioner, director, manager,  
2 building committee, or other officer, or person connected with any  
3 institution, or other state department or establishment as herein  
4 defined, to which an appropriation is made, who shall expend any  
5 appropriation for any purpose other than that for which the money  
6 was appropriated, budgeted and allotted or who shall consent thereto,  
7 shall be liable to the state of Iowa for such sum so spent, and the  
8 sum so spent, together with interest and costs, shall be recoverable  
9 in an action to be instituted by the attorney general for the use of  
10 the state of Iowa, which action shall be instituted in the district court  
11 of Polk county.

1 SEC. 30. A refusal to perform any of the requirements of this act,  
2 and the refusal to perform any rule or requirement or request of the  
3 governor and/or the state comptroller made pursuant to or under  
4 authority of this act, by any board member, commissioner, director,  
5 manager, building committee or other officer or person connected with  
6 any institution, or other state department or establishment as herein  
7 defined, shall subject the offender to a penalty of two hundred and  
8 fifty dollars (\$250.00), to be recovered in an action instituted in the  
9 district court of Polk county by the attorney general for the use of  
10 the state of Iowa, and shall also constitute a misdemeanor, punish-  
11 able by fine or imprisonment, or both, in the discretion of the court.  
12 If such offender be not an officer elected by vote of the people, such  
13 offense shall be sufficient cause for removal from office or dismissal  
14 from employment by the governor upon thirty days' notice in writing  
15 to such offender; and, if such offender be an officer elected by vote  
16 of the people, such offense shall be sufficient cause to subject the  
17 offender to impeachment.

1 SEC. 31. If any section, subsection, clause, sentence or phrase of  
2 this act is for any reason held to be unconstitutional and invalid, such

3 decision shall not affect the validity of the remaining portions of this  
 4 act. The legislature hereby declares that it would have passed this  
 5 act and each section, subsection, clause, sentence or phrase hereof,  
 6 irrespective of whether any one or more of the sections, subsections,  
 7 clauses, sentences or phrases be declared unconstitutional.

1 SEC. 32. Wherever the word "director" or "budget director", where  
 2 referring to the director of the budget, or words "director of the  
 3 budget" or "state budget director" shall appear in any of the chapters  
 4 of the code, 1931, or in laws enacted by the forty-fifth general assem-  
 5 bly, it shall mean the "state comptroller", except in section twenty-  
 6 eight hundred ninety-one (2891) of chapter one hundred thirty-five  
 7 (135) of the code, 1931. Wherever the words "state board of audit"  
 8 or "board of audit" shall appear in any of the chapters of the code,  
 9 1931, or in laws enacted by the forty-fifth general assembly, it shall  
 10 mean the "office of state comptroller"; and, wherever the words "audi-  
 11 tor of state" or "state auditor" shall appear in any chapter of the  
 12 code, 1931, or in laws enacted by the forty-fifth general assembly, with  
 13 reference to the security of state revenue, settlement of state claims,  
 14 both receipts and disbursements, issuance of warrants, apportionment  
 15 of school funds, and the keeping of bookkeeping and accounting  
 16 records and the rendering of bookkeeping and accounting reports, of  
 17 which the auditor of state is relieved in section twelve (12) hereof,  
 18 it shall mean the "state comptroller" or "office of state comptroller".

1 SEC. 33. All laws and parts of laws in conflict with this act are  
 2 hereby repealed, subject, however, to the following express provision:  
 3 Inasmuch as this law and the concurrently enacted state audit act  
 4 provide a new system in respect of the matters covered thereby to  
 5 take the place of the system now in use, any of the matters covered  
 6 by this law may in whole or in part, but only with the approval of  
 7 the state comptroller, be dealt with in accordance with the system  
 8 now in use until provision shall have been made to deal with such  
 9 matters in accordance with such new system; it being intended by  
 10 this section to enable the new system to be established in a gradual  
 11 and orderly manner and without undue disturbance of the administra-  
 12 tive functions of the government; provided, however, that the system  
 13 of budgeting and of making allotments of all appropriations shall  
 14 become effective July 1, 1933; and, provided further, that the new  
 15 system of central budget and proprietary accounting and reporting  
 16 provided by this law, and the act defining the new duties of the state  
 17 auditor, shall in all respects be placed in full operation on or before  
 18 December 1, 1933.

Senate File No. 470. Approved April 24, 1933.

Note: The word "sections" in section seven (7), line thirty-one (31), probably means *subsections* or *paragraphs* to make proper reference.