

JAN 29 2003  
APPROPRIATIONS

HOUSE FILE 70  
BY EICHHORN

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act establishing a biennial appropriations process and  
2 providing effective and applicability dates.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 70

1 Section 1. Section 2.12, unnumbered paragraph 4, Code  
2 2003, is amended to read as follows:

3 There is appropriated out of any funds in the state  
4 treasury not otherwise appropriated such sums as may be  
5 necessary for the fiscal ~~year~~ biennium budgets of the  
6 legislative service bureau, the legislative fiscal bureau, the  
7 citizens' aide office and the computer support bureau for  
8 salaries, support, maintenance, and miscellaneous purposes to  
9 carry out their statutory responsibilities. The legislative  
10 service bureau, the legislative fiscal bureau, the citizens'  
11 aide office, and the computer support bureau shall submit  
12 their proposed budgets for the two years of the fiscal  
13 biennium to the legislative council not later than September  
14 October 1 of each the year preceding the first regular session  
15 of a general assembly. The legislative council shall review  
16 and approve the proposed budgets not later than December 1 of  
17 each the year preceding the first regular session of a general  
18 assembly. The budget approved by the legislative council for  
19 each of its statutory legislative agencies shall be  
20 transmitted by the legislative council to the department of  
21 management on or before December 1 of each the year preceding  
22 the first regular session of a general assembly for the fiscal  
23 year beginning July 1 of the following year. The department  
24 of management shall submit the approved budgets received from  
25 the legislative council to the governor for inclusion in the  
26 governor's proposed budget for the succeeding fiscal ~~year~~  
27 biennium. The approved budgets shall also be submitted to the  
28 chairpersons of the committees on appropriations. The  
29 committees on appropriations may allocate from the funds  
30 appropriated by this section the funds contained in the  
31 approved budgets, or such other amounts as specified, pursuant  
32 to a concurrent resolution to be approved by both houses of  
33 the general assembly. The director of revenue and finance  
34 shall issue warrants for salaries, support, maintenance, and  
35 miscellaneous purposes upon requisition by the administrative

1 head of each statutory legislative agency. If the legislative  
2 council elects to change the approved budget for a legislative  
3 agency for either or both years of a fiscal biennium prior to  
4 July 1, the legislative council shall transmit the amount of  
5 the budget revision to the department of management prior to  
6 July 1 of the affected fiscal year, however, if the general  
7 assembly approved the budget it cannot be changed except  
8 pursuant to a concurrent resolution approved by the general  
9 assembly.

10 Sec. 2. NEW SECTION. 2.12B FISCAL BIENNIUM --  
11 APPROPRIATIONS.

12 1. In the first year of each general assembly the general  
13 assembly shall enact appropriations for each fiscal year of  
14 the ensuing fiscal biennium. An appropriation shall indicate  
15 the source from which the appropriation shall be paid. An  
16 appropriation need not be in greater detail than to indicate  
17 the total appropriation to be made for both of the following:

18 a. Administration, operation, and maintenance of each  
19 department and establishment, as defined in section 8.2, for  
20 each fiscal year of a fiscal biennium.

21 b. The cost of land, public improvements, and other  
22 capital outlays for each department and establishment,  
23 itemized by specific projects or classes of projects of the  
24 same general character.

25 2. The general assembly may enact appropriation bills for  
26 the second year of a fiscal biennium providing for  
27 supplemental appropriations to or appropriation reductions  
28 from the previously enacted fiscal biennium budget.

29 Sec. 3. Section 8.6, subsection 2, Code 2003, is amended  
30 to read as follows:

31 2. REPORT OF STANDING APPROPRIATIONS. To ~~annually~~  
32 biennially prepare a separate report containing a complete  
33 list of all standing appropriations showing the amount of each  
34 appropriation and the purpose for which the appropriation is  
35 made and furnish a copy of the report to each member of the

1 general assembly on or before the first day of each the first  
2 regular session of a new general assembly.

3 Sec. 4. Section 8.21, Code 2003, is amended to read as  
4 follows:

5 8.21 BUDGET TRANSMITTED.

6 1. Not later than February 1 of the first regular session  
7 of each legislative-session general assembly, the governor  
8 shall transmit to the legislature general assembly a document  
9 to be known as a budget, setting forth the governor's  
10 financial program for each of the fiscal years of the ensuing  
11 fiscal year biennium and having the character and scope set  
12 forth in sections 8.22 through 8.29.

13 2. If the governor is required to use a lesser amount in  
14 the budget process because of a later meeting of the state  
15 revenue estimating conference under section 8.22A, subsection  
16 3, the governor shall transmit recommendations for a budget in  
17 conformance with that requirement within fourteen days of the  
18 later meeting of the state revenue estimating conference.

19 3. If the governor is required under section 8.22A,  
20 subsection 3, and section 8.54, subsection 2, to  
21 different amount in the budget process for the second year of  
22 a fiscal biennium because the revenue estimating conference  
23 agrees to a different estimate for the second fiscal year than  
24 was used in the initial budget process for that fiscal year  
25 and the state general fund expenditure limitation for that  
26 fiscal year is readjusted, the governor shall transmit to the  
27 general assembly recommendations for revisions in revenue  
28 provisions and appropriations as necessary so that the budget  
29 for the second year of the fiscal biennium does not exceed the  
30 readjusted state general fund expenditure limitation. The  
31 recommendations for revisions shall be transmitted not later  
32 than February 1 of the second regular session of the general  
33 assembly.

34 Sec. 5. Section 8.22, Code 2003, is amended to read as  
35 follows:

1 8.22 NATURE AND CONTENTS OF BUDGET.

2 The budget shall consist of four parts, the nature and  
3 contents of which shall be as follows:

4 PART I

5 GOVERNOR'S BUDGET MESSAGE. Part I shall consist of the  
6 governor's budget message, in which the governor shall set  
7 forth:

8 1. The governor's program for meeting all the expenditure  
9 needs of the government for the each of the fiscal years of  
10 the ensuing fiscal year biennium, indicating the classes of  
11 funds, general or special, from which appropriations are to be  
12 made and the means through which the expenditures shall be  
13 financed.

14 The governor's program shall include a single budget  
15 request for all capital projects proposed by the governor.  
16 The request shall include but is not limited to the following:

- 17 a. The purpose and need for each capital project.
- 18 b. A priority listing of capital projects.
- 19 c. The costs of acquisition, lease, construction,  
20 renovation, or demolition of each capital project.
- 21 d. The identification of the means and source of funding  
22 of each capital project.
- 23 e. The estimated operating costs of each capital project  
24 after completion.
- 25 f. The estimated maintenance costs of each capital project  
26 after completion.
- 27 g. The consequences of delaying or abandoning each capital  
28 project.
- 29 h. Alternative approaches to meeting the purpose or need  
30 for each capital project.
- 31 i. Alternative financing mechanisms.
- 32 j. A cost-benefit analysis or economic impact of each  
33 capital project.

34 2. Financial statements giving in summary form:

- 35 a. The condition of the treasury at the end of the last

1 completed fiscal year, the estimated condition of the treasury  
2 at the end of the year in progress, and the estimated  
3 condition of the treasury at the end of each of the following  
4 fiscal-year fiscal years of the ensuing fiscal biennium if the  
5 governor's budget proposals are put into effect.

6 b. Statements showing the bonded indebtedness of the  
7 government, debt authorized and unissued, debt redemption and  
8 interest requirements, and condition of the sinking funds, if  
9 any.

10 c. A summary of appropriations recommended for each of the  
11 following-fiscal-year fiscal years of the ensuing fiscal  
12 biennium for each department and establishment and for the  
13 government as a whole, in comparison with the actual  
14 expenditures for the last completed fiscal year and the  
15 estimated expenditures for the year in progress.

16 d. A summary of the revenue, estimated to be received by  
17 the government during each of the fiscal years of the  
18 following ensuing fiscal year biennium, classified according  
19 to sources, in comparison with the actual revenue received by  
20 the government during the last completed fiscal year and  
21 estimated income during the year in progress.

22 e. A statement of federal funds received in the form of  
23 block or categorical grants which were not included in the  
24 governor's budget for the previous fiscal year biennium in  
25 progress and a statement of anticipated block grants and  
26 categorical grants for each of the fiscal years of the ensuing  
27 fiscal biennium. The budget shall indicate how the federal  
28 funds will be used and the programs to which they will be  
29 allocated. The amount of state funds required to implement  
30 the programs to which the federal funds will apply shall also  
31 be indicated. The departments shall provide information to  
32 the director on the anticipated federal block grants and  
33 categorical grants to be received on or before November 1 of  
34 each year. The director shall use this information to develop  
35 an annual update of the statement of federal funds received

1 which shall be provided to the general assembly.

2 f. Other financial statements, data, and comments as in  
3 the governor's opinion are necessary or desirable in order to  
4 make known in all practicable detail the financial condition  
5 and operation of the government and the effect that each of  
6 the fiscal years of the biennial budget as proposed by the  
7 governor will have on the financial condition and operation.

8 If the estimated revenues of the government for the ensuing  
9 fiscal year biennium as set forth in the budget on the basis  
10 of existing laws, plus the estimated amounts balances in the  
11 treasury at the close of the year fiscal biennium in progress,  
12 available for expenditure in the ensuing fiscal year biennium  
13 are less than the aggregate recommended appropriations for the  
14 ensuing fiscal year biennium as contained in the budget, the  
15 governor shall make recommendations to the legislature general  
16 assembly in respect to the manner in which the deficit shall  
17 be met, whether by an increase in the state tax or the  
18 imposition of new taxes, increased rates on existing taxes, or  
19 otherwise, and if the aggregate of the estimated revenues,  
20 plus estimated balances in the treasury, is greater than the  
21 recommended appropriations for each year of the ensuing fiscal  
22 year biennium, the governor shall make recommendations in  
23 reference to the application of the surplus to the reduction  
24 of debt or otherwise, to the reduction in taxation, or to such  
25 other action as in the governor's opinion is in the interest  
26 of the public welfare.

27

PART II

28 RECOMMENDED APPROPRIATIONS. Part II shall present in  
29 detail for each year of the ensuing fiscal year biennium the  
30 governor's recommendations for appropriations to meet the  
31 expenditure needs of the government from each general class of  
32 funds, in comparison with actual expenditures for each of the  
33 purposes during the last completed fiscal year and estimated  
34 expenditures for the year in progress, classified by  
35 departments and establishments and indicating for each the

1 appropriations recommended for:

2 1. Meeting the cost of administration, operation, and  
3 maintenance of the departments and establishments.

4 2. Appropriations for meeting the cost of land, public  
5 improvements, and other capital outlays in connection with the  
6 departments and establishments.

7 Each item of expenditure, actual or estimated, and  
8 appropriations recommended for administration, operation, and  
9 maintenance of each department or establishment shall be  
10 supported by detailed statements showing the actual and  
11 estimated expenditures and appropriations classified by  
12 objects according to a standard scheme of classification to be  
13 prescribed by the director.

14 PART III

15 APPROPRIATION BILLS. Part III shall include a draft or  
16 drafts of appropriation bills having for their purpose to give  
17 legal sanction to the appropriations recommended to be made in  
18 Parts I and II. The appropriation bills shall indicate the  
19 funds, general or special, from which the appropriations shall  
20 be paid, but the appropriations need not be in greater detail  
21 than to indicate the total appropriation to be made for both  
22 of the following:

23 1. Administration, operation, and maintenance of each  
24 department and establishment for each year of the fiscal year  
25 biennium.

26 2. The cost of land, public improvements, and other  
27 capital outlays for each department and establishment,  
28 itemized by specific projects or classes of projects of the  
29 same general character.

30 The governor may submit appropriation bills in the second  
31 year of a fiscal biennium providing for supplemental  
32 appropriations to or appropriation reductions from the  
33 previously enacted fiscal biennium budget.

34 PART IV

35 STRATEGIC PLAN. Part IV shall include an explanation that



1 correlates the budget with the enterprise strategic plan  
2 adopted pursuant to section 8E.204. The budget shall provide  
3 an explanation of appropriations recommended for the  
4 administration and maintenance of an agency as defined in  
5 section 8E.103 with the general evaluation of the agency in  
6 meeting enterprise strategic goals, including identifying  
7 goals that require legislation.

8 Sec. 6. Section 8.22A, subsections 3, 4, and 5, Code 2003,  
9 are amended to read as follows:

10 3. By December 15 of each fiscal year the conference shall  
11 agree to a revenue estimate for ~~the fiscal year beginning the~~  
12 following July 1. That each of the two following fiscal  
13 years.

14 a. In the fiscal year preceding a fiscal biennium, the  
15 estimate for each of the fiscal years of the ensuing fiscal  
16 biennium shall be used by the governor in the preparation of  
17 the budget message under section 8.22, and by the first  
18 regular session of the general assembly in the budget process  
19 for each of the fiscal years of that fiscal biennium, and in  
20 determining an adjusted revenue estimate under section 8.54  
21 for each of the fiscal years of the fiscal biennium.

22 b. In the fiscal year in which the following fiscal year  
23 is the second year of the fiscal biennium, the conference  
24 shall agree by December 15 to another estimate for the second  
25 fiscal year and if this estimate is different from that which  
26 was used in the initial budget process for the second fiscal  
27 year, the adjusted revenue estimate determined pursuant to  
28 section 8.54 for that second fiscal year shall be revised  
29 based upon the different estimate. The different estimate  
30 shall be used by the governor in the preparation of the budget  
31 message under section 8.22, by the general assembly in the  
32 budget process, and in determining an adjusted revenue  
33 estimate under section 8.54 for the second fiscal year.

34 c. If the conference agrees to a different estimate at a  
35 later meeting which projects a greater amount of revenue than

1 the initial estimate amount for a fiscal year agreed to by  
2 December 15, the governor and the general assembly shall  
3 continue to use the initial estimate amount in the budget  
4 process for that fiscal year. However, if the conference  
5 agrees to a different estimate for a fiscal year at a later  
6 meeting which projects a lesser amount of revenue than the  
7 initial estimate amount, the governor and the general assembly  
8 shall use the lesser amount in the budget process for that  
9 fiscal year. As used in this subsection, "later meeting"  
10 means only those later meetings which are held prior to the  
11 conclusion of ~~the~~ a regular session of the general assembly.

12 4. At the meeting in which the conference agrees to the  
13 revenue estimate for ~~the-following~~ a fiscal year in accordance  
14 with the provisions of subsection 3, which is used in  
15 determining an adjusted revenue estimate under section 8.54,  
16 the conference shall agree to an estimate for tax refunds  
17 payable from that estimated revenue. The estimates required  
18 by this subsection shall be used in determining the adjusted  
19 revenue estimate under section 8.54.

20 5. At the meeting in which the conference agrees to the  
21 revenue estimate for ~~the-succeeding~~ a fiscal year in  
22 accordance with the provisions of subsection 3, which is used  
23 in determining an adjusted revenue estimate under section  
24 8.54, the conference shall also agree to the following  
25 estimates which shall be used by the governor in preparation  
26 of the budget message under section 8.22 and the general  
27 assembly in the budget process for the ~~succeeding~~ fiscal year:

28 a. The amount of lottery revenues for the ~~following~~ fiscal  
29 year to be available for disbursement following the deductions  
30 made pursuant to section 99E.10, subsection 1.

31 b. The amount of revenue for the ~~following~~ fiscal year  
32 from gambling revenues and from interest earned on the cash  
33 reserve fund and the economic emergency fund to be deposited  
34 in the rebuild Iowa infrastructure fund under section 8.57,  
35 subsection 5, paragraph "e".

1 c. The amount of accruals of those revenues collected by  
2 or due from entities other than the state on or before June 30  
3 of the fiscal year but not remitted to the state until after  
4 June 30.

5 d. The amount of accrued lottery revenues collected on or  
6 before June 30 of the fiscal year but not transferred to the  
7 general fund of the state until after June 30.

8 Sec. 7. Section 8.23, Code 2003, is amended to read as  
9 follows:

10 8.23 ANNUAL DEPARTMENTAL ESTIMATES.

11 1. On or before October 1, prior to ~~each legislative~~ the  
12 first regular session of a general assembly, all departments  
13 and establishments of the government shall transmit to the  
14 director, on ~~blanks~~ forms to be furnished by the director,  
15 estimates of their expenditure requirements, including every  
16 proposed expenditure, for each fiscal year of the ensuing  
17 fiscal year biennium, classified so as to distinguish between  
18 expenditures estimated for administration, operation, and  
19 maintenance, and the cost of each project involving the  
20 purchase of land or the making of a public improvement or  
21 capital outlay of a permanent character, together with  
22 supporting data and explanations as called for by the  
23 director.

24 2. On or before October 1, prior to the second regular  
25 session of a general assembly, all departments and  
26 establishments shall transmit to the director, on forms  
27 furnished by the director, estimates of their requirements for  
28 supplemental appropriations or appropriations reductions for  
29 the fiscal biennium budget in progress.

30 a- 3. The budget estimates shall include for those  
31 agencies which pay for energy directly a line item for energy  
32 expenses itemized by type of energy and location.

33 b- 4. The estimates of expenditure requirements shall be  
34 based upon seventy-five percent of the funding provided for  
35 the current fiscal year accounted for by program reduced by

1 the historical employee vacancy factor in form specified by  
2 the director and the remainder of the ~~estimate~~ estimates of  
3 expenditure requirements prioritized by program. The  
4 estimates shall be accompanied with performance measures for  
5 evaluating the effectiveness of the program.

6 e- 5. The budget estimates for an agency as defined in  
7 section 8E.103 shall be based on achieving goals contained in  
8 the enterprise strategic plan and the agency's strategic plan  
9 as provided for in chapter 8E. The estimates shall be  
10 accompanied by a description of the measurable and other  
11 results to be achieved by the agency. Performance measures  
12 shall be based on the goals developed pursuant to sections  
13 8E.205, 8E.206, and 8E.208. The estimates shall be  
14 accompanied by an explanation of the manner in which  
15 appropriations requested for the administration and  
16 maintenance of the agency meet goals contained in the  
17 enterprise strategic plan and the agency's strategic plan,  
18 including identifying goals that require legislation.

19 d- 6. a. If a department or establishment fails to submit  
20 estimates as required in subsection 1 within the time  
21 specified, the legislative fiscal bureau shall use the amounts  
22 of the appropriations to the department or establishment for  
23 the fiscal year in process at the time the estimates are  
24 required to be submitted as the amounts for the department's  
25 or establishment's request in the documents submitted to the  
26 general assembly for each fiscal year of the ensuing fiscal  
27 year biennium and the governor shall cause estimates to be  
28 prepared for that department or establishment as in the  
29 governor's opinion are reasonable and proper.

30 b. If a department or establishment fails to submit  
31 estimates as required in subsection 2 within the time  
32 specified, the legislative fiscal bureau shall report to the  
33 general assembly that the department or establishment does not  
34 require a supplemental appropriation.

35 e- 7. The director shall furnish standard budget request

1 forms to each department or agency of state government.  
2 ~~2~~ 8. On or before November 15 prior to each regular  
3 legislative session, all departments and establishments of  
4 government and the judicial branch shall transmit to the  
5 department of management and the legislative fiscal bureau  
6 estimates of their receipts and expenditure requirements from  
7 federal or other nonstate grants, receipts, and funds for each  
8 of the two ensuing fiscal year years. The transmittal shall  
9 include the names of the grantor and the grant or the source  
10 of the funds, the estimated amount of the funds, and the  
11 planned expenditures and use of the funds. The format of the  
12 transmittal shall be specified by the legislative fiscal  
13 bureau.

14 Sec. 8. Section 8.30, Code 2003, is amended to read as  
15 follows:

16 8.30 AVAILABILITY OF APPROPRIATIONS.

17 The appropriations made are not available for expenditure  
18 until allotted as provided for in section 8.31. All  
19 appropriations are declared to be maximum and proportionate  
20 appropriations, the purpose being to make the appropriations  
21 payable in full in the amounts named if the estimated budget  
22 resources during the each fiscal year of the fiscal biennium  
23 for which the appropriations are made, are sufficient to pay  
24 all of the appropriations in full. The governor shall  
25 restrict allotments only to prevent an overdraft or deficit in  
26 any fiscal year for which appropriations are made.

27 Sec. 9. Section 8.36, Code 2003, is amended to read as  
28 follows:

29 8.36 FISCAL BIENNIUM -- FISCAL YEAR.

30 1. The fiscal biennium of the state ends on the thirtieth  
31 day of June in each odd-numbered fiscal year; the succeeding  
32 fiscal biennium begins on the day following.

33 2. The fiscal year of the government shall commence on the  
34 first day of July and end on the thirtieth day of June. This  
35 fiscal year shall be used for purposes of making

1 appropriations and of financial reporting and shall be  
2 uniformly adopted by all departments and establishments of the  
3 government.

4 However, the department of workforce development may use  
5 the federal fiscal year instead of the fiscal year commencing  
6 on July 1.

7 Sec. 10. Section 8.41, subsection 2, Code 2003, is amended  
8 to read as follows:

9 2. Federal funds deposited in the state treasury as  
10 provided in subsection 1 shall either be included as part of  
11 the governor's budget required by section 8.22 or shall be  
12 included in a separate recommendation made by the governor to  
13 the general assembly. If federal funds received in the form  
14 of block grants or categorical grants have not been included  
15 in the governor's budget for the current fiscal year biennium  
16 because of time constraints or because a budget is not being  
17 submitted for the next-fiscal second year of a fiscal  
18 biennium, the governor shall submit a supplemental statement  
19 to the general assembly listing the federal funds received and  
20 including the same information for the federal funds required  
21 by section 8.22, part I, subsection 2, paragraph "e", for the  
22 statement of federal funds in the governor's budget.

23 Sec. 11. Section 8.54, subsection 1, paragraph a, Code  
24 2003, is amended to read as follows:

25 a. "Adjusted revenue estimate" means the appropriate  
26 revenue estimate for the general fund for the-following a  
27 fiscal year as determined by the revenue estimating conference  
28 under section 8.22A, subsection 3, adjusted by subtracting  
29 estimated tax refunds payable from that estimated revenue and  
30 as determined by the conference, adding any new revenues which  
31 may be considered to be eligible for deposit in the general  
32 fund.

33 Sec. 12. Section 8.54, subsections 2 and 3, Code 2003, is  
34 amended to read as follows:

35 2. There is created a state general fund expenditure

1 limitation for each fiscal year ~~beginning-on-or-after-July-1,~~  
2 ~~1993~~ of the fiscal biennium, calculated as provided in this  
3 section. The expenditure limitation shall apply to each of  
4 the fiscal years of the fiscal biennium as follows:

5 a. In the fiscal year preceding a fiscal biennium, a state  
6 general fund expenditure limitation shall be calculated for  
7 and shall apply to each of the fiscal years of the ensuing  
8 fiscal biennium.

9 b. However, if the adjusted revenue estimate for the  
10 second fiscal year of the fiscal biennium is revised due to a  
11 different estimate developed for that fiscal year under  
12 section 8.22A, subsection 3, paragraph "b", the state general  
13 fund expenditure limitation for that fiscal year shall be  
14 readjusted in accordance with the revision. The governor  
15 shall submit recommendations for and the general assembly  
16 shall pass revisions in revenue provisions and appropriations  
17 as necessary so that the budget for the second fiscal year of  
18 the fiscal biennium does not exceed the readjusted state  
19 general fund expenditure limitation.

20 3. Except as otherwise provided in this section, the state  
21 general fund expenditure limitation for a fiscal year shall be  
22 ninety-nine percent of the appropriate adjusted revenue  
23 estimate.

24 Sec. 13. Section 8.54, subsection 5, Code 2003, is amended  
25 to read as follows:

26 5. For a fiscal years year in which section 8.55,  
27 subsection 2, results in moneys being transferred to the  
28 general fund, the original state general fund expenditure  
29 limitation amount provided for in subsection 3 for that fiscal  
30 year shall be readjusted to include the moneys which are so  
31 transferred.

32 Sec. 14. Section 8.54, subsection 7, Code 2003, is amended  
33 to read as follows:

34 7. The governor shall transmit to the general assembly, in  
35 accordance with section 8.21, a budget which does not exceed

1 the state general fund expenditure limitation for a fiscal  
2 year. The general assembly shall pass a budget which does not  
3 exceed the state general fund expenditure limitation for a  
4 fiscal year. The governor shall not transmit a budget with  
5 recommended appropriations in excess of the state general fund  
6 expenditure limitation for a fiscal year and the general  
7 assembly shall not pass a budget with appropriations in excess  
8 of the state general fund expenditure limitation for a fiscal  
9 year. The governor shall not approve or disapprove  
10 appropriation bills or items of appropriation bills passed by  
11 the general assembly in a manner that would cause the final  
12 budget approved by the governor to exceed the state general  
13 fund expenditure limitation for a fiscal year. In complying  
14 with the requirements of this subsection, the governor and the  
15 general assembly shall not rely on any anticipated reversion  
16 of appropriations in order to meet the state general fund  
17 expenditure limitation for a fiscal year.

18 Sec. 15. Section 8.57, subsection 5, Code 2003, is amended  
19 by adding the following new paragraph:

20 NEW PARAGRAPH. f. Appropriations from the rebuild Iowa  
21 infrastructure fund shall be made on a biennial basis.

22 Sec. 16. Section 602.1301, subsection 1, Code 2003, is  
23 amended to read as follows:

24 1. The supreme court shall prepare ~~an-annual~~ a biennial  
25 operating budget for the judicial branch, and shall submit a  
26 budget request to the general assembly for the fiscal ~~period~~  
27 biennium for which the general assembly is appropriating  
28 funds.

29 Sec. 17. Section 602.1301, subsection 2, paragraph a,  
30 unnumbered paragraph 1, Code 2003, is amended to read as  
31 follows:

32 As early as possible, but not later than December 1  
33 preceding the first regular session of a general assembly, the  
34 supreme court shall submit to the legislative fiscal bureau  
35 the ~~annual~~ biennial budget request and detailed supporting



1 information for the judicial branch. The submission shall be  
2 designed to assist the legislative fiscal bureau in its  
3 preparation for legislative consideration of the budget  
4 request. The information submitted shall contain and be  
5 arranged in a format substantially similar to the format  
6 specified by the director of management and used by all  
7 departments and establishments in transmitting to the director  
8 estimates of their expenditure requirements pursuant to  
9 section 8.23, except the estimates of expenditure requirements  
10 shall be based upon one hundred percent of funding for the  
11 fiscal years comprising the current fiscal year biennium  
12 accounted for by program, and using the same line item  
13 definitions of expenditures as used for the current fiscal  
14 year's biennium's budget request, and the remainder of the  
15 estimate of expenditure requirements prioritized by program.  
16 The supreme court shall also make use of the department of  
17 management's automated budget system when submitting  
18 information to the director of management to assist the  
19 director in the transmittal of information as required under  
20 section 8.35A. The supreme court shall budget and track  
21 expenditures by the following separate organization codes:

22 Sec. 18. Section 602.1301, subsection 2, paragraph b, Code  
23 2003, is amended to read as follows:

24 b. Before December 1 preceding the first regular session  
25 of a general assembly, the supreme court shall submit to the  
26 director of management an estimate of the total expenditure  
27 requirements of the judicial branch. The director of  
28 management shall submit this estimate received from the  
29 supreme court to the governor for inclusion without change in  
30 the governor's proposed budget for the succeeding fiscal year  
31 biennium. The estimate shall also be submitted to the  
32 chairpersons of the committees on appropriations.

33 Sec. 19. Section 602.1301, subsection 2, Code 2003, is  
34 amended by adding the following new paragraph:

35 NEW PARAGRAPH. c. The supreme court may submit a

1 supplemental budget request for the second year of a fiscal  
2 biennium providing for supplemental appropriations to or  
3 appropriation reductions from the previously enacted fiscal  
4 biennium budget. A supplemental request shall be subject to  
5 the same format and information requirements as a biennial  
6 budget request under paragraph "a" and an expenditure  
7 requirements estimate under paragraph "b". A supplemental  
8 budget request shall be submitted on or before December 1  
9 preceding the second year of the fiscal biennium to the  
10 legislative fiscal bureau and the director of the department  
11 of management.

12 Sec. 20. EFFECTIVE DATE AND APPLICABILITY. This Act takes  
13 effect July 1, 2004, and is applicable to the fiscal biennium  
14 beginning July 1, 2005, and ending June 30, 2007.

15 EXPLANATION

16 This bill provides for state biennial appropriations.

17 The bill provides for the budget process and appropriations  
18 to be made on a biennial basis commencing with the fiscal  
19 biennium beginning July 1, 2005, and ending June 30, 2007.

20 The bill takes effect July 1, 2004, and is applicable to  
21 the fiscal biennium beginning July 1, 2005, and ending June  
22 30, 2007.

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