

8.57 Annual appropriations — reduction of GAAP deficit — rebuild Iowa infrastructure fund.

1. *a.* The “cash reserve goal percentage” for fiscal years beginning on or after July 1, 2004, is seven and one-half percent of the adjusted revenue estimate. For each fiscal year in which the appropriation of the surplus existing in the general fund of the state at the conclusion of the prior fiscal year pursuant to paragraph “b” was not sufficient for the cash reserve fund to reach the cash reserve goal percentage for the current fiscal year, there is appropriated from the general fund of the state an amount to be determined as follows:

(1) If the balance of the cash reserve fund in the current fiscal year is not more than six and one-half percent of the adjusted revenue estimate for the current fiscal year, the amount of the appropriation under this lettered paragraph is one percent of the adjusted revenue estimate for the current fiscal year.

(2) If the balance of the cash reserve fund in the current fiscal year is more than six and one-half percent but less than seven and one-half percent of the adjusted revenue estimate for that fiscal year, the amount of the appropriation under this lettered paragraph is the amount necessary for the cash reserve fund to reach seven and one-half percent of the adjusted revenue estimate for the current fiscal year.

(3) The moneys appropriated under this lettered paragraph shall be credited in equal and proportionate amounts in each quarter of the current fiscal year.

b. The surplus existing in the general fund of the state at the conclusion of the fiscal year is appropriated for distribution in the succeeding fiscal year as provided in subsections 2 and 3. Moneys credited to the cash reserve fund from the appropriation made in this paragraph shall not exceed the amount necessary for the cash reserve fund to reach the cash reserve goal percentage for the succeeding fiscal year. As used in this paragraph, “surplus” means the excess of revenues and other financing sources over expenditures and other financing uses for the general fund of the state in a fiscal year.

c. The amount appropriated in this section is not subject to the provisions of section 8.31, relating to requisitions and allotment, or to section 8.32, relating to conditional availability of appropriations.

2. Moneys appropriated under subsection 1 shall be first credited to the cash reserve fund. To the extent that moneys appropriated under subsection 1 would make the moneys in the cash reserve fund exceed the cash reserve goal percentage of the adjusted revenue estimate for the fiscal year, the moneys are appropriated to the department of management to be spent for the purpose of eliminating Iowa’s GAAP deficit, including the payment of items budgeted in a subsequent fiscal year which under generally accepted accounting principles should be budgeted in the current fiscal year. These moneys shall be deposited into a GAAP deficit reduction account established within the department of management. The department of management shall annually file with both houses of the general assembly at the time of the submission of the governor’s budget, a schedule of the items for which moneys appropriated under this subsection for the purpose of eliminating Iowa’s GAAP deficit, including the payment of items budgeted in a subsequent fiscal year which under generally accepted accounting principles should be budgeted in the current fiscal year, shall be spent. The schedule shall indicate the fiscal year in which the spending for an item is to take place and shall incorporate the items detailed in 1994 Iowa Acts, chapter 1181, section 17. The schedule shall list each item of expenditure and the estimated dollar amount of moneys to be spent on that item for the fiscal year. The department of management may submit during a regular legislative session an amended schedule for legislative consideration. If moneys appropriated under this subsection are not enough to pay for all listed expenditures, the department of management shall distribute the payments among the listed expenditure items. Moneys appropriated to the department of management under this subsection shall not be spent on items other than those included in the filed schedule. On September 1 following the close of a fiscal year, moneys in the GAAP deficit reduction account which remain unexpended for items on the filed schedule for the previous fiscal year shall be credited to the Iowa economic emergency fund.

3. To the extent that moneys appropriated under subsection 1 exceed the amounts necessary for the cash reserve fund to reach its maximum balance and the amounts

necessary to eliminate Iowa's GAAP deficit, including elimination of the making of any appropriation in an incorrect fiscal year, the moneys shall be appropriated to the Iowa economic emergency fund.

4. As used in this section, "GAAP" means generally accepted accounting principles as established by the governmental accounting standards board.

5. a. A rebuild Iowa infrastructure fund is created under the authority of the department of management. The fund shall consist of appropriations made to the fund and transfers of interest, earnings, and moneys from other funds as provided by law. The rebuild Iowa infrastructure fund shall be separate from the general fund of the state and the balance in the rebuild Iowa infrastructure fund shall not be considered part of the balance of the general fund of the state. However, the rebuild Iowa infrastructure fund shall be considered a special account for the purposes of section 8.53, relating to generally accepted accounting principles.

b. Moneys in the rebuild Iowa infrastructure fund are not subject to section 8.33. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the rebuild Iowa infrastructure fund shall be credited to the fund. Moneys in the rebuild Iowa infrastructure fund may be used for cash flow purposes during a fiscal year provided that any moneys so allocated are returned to the fund by the end of that fiscal year.

c. Moneys in the rebuild Iowa infrastructure fund in a fiscal year shall be used as directed by the general assembly for public vertical infrastructure projects. For the purposes of this subsection, "vertical infrastructure" includes only land acquisition and construction; major renovation and major repair of buildings; all appurtenant structures; utilities; site development; recreational trails; and debt service payments on academic revenue bonds issued in accordance with chapter 262A for capital projects at board of regents institutions. "Vertical infrastructure" does not include routine, recurring maintenance or operational expenses or leasing of a building, appurtenant structure, or utility without a lease-purchase agreement.

d. The general assembly may provide that all or part of the moneys deposited in the GAAP deficit reduction account created in this section shall be transferred to the infrastructure fund in lieu of appropriation of the moneys to the Iowa economic emergency fund.

e. (1) (a) (i) Notwithstanding provisions to the contrary in sections 99D.17 and 99F.11, for the fiscal year beginning July 1, 2000, and for each fiscal year thereafter, not more than a total of sixty-six million dollars shall be deposited in the general fund of the state in any fiscal year pursuant to sections 99D.17 and 99F.11.

(ii) However, in lieu of the deposit in subparagraph subdivision (i), for the fiscal year beginning July 1, 2010, and for each fiscal year thereafter until the principal and interest on all bonds issued by the treasurer of state pursuant to section 12.87 are paid, as determined by the treasurer of state, the first fifty-five million dollars of the moneys directed to be deposited in the general fund of the state under subparagraph subdivision (i) shall be deposited in the revenue bonds debt service fund created in section 12.89, and the next three million seven hundred fifty thousand dollars of the moneys directed to be deposited in the general fund of the state under subparagraph subdivision (i) shall be deposited in the revenue bonds federal subsidy holdback fund created in section 12.89A, and the next one million two hundred fifty thousand dollars of the moneys directed to be deposited in the general fund of the state under subparagraph subdivision (i) shall be deposited in the general fund of the state.

(b) The next fifteen million dollars of the moneys directed to be deposited in the general fund of the state in a fiscal year pursuant to sections 99D.17 and 99F.11 shall be deposited in the vision Iowa fund created in section 12.72 for the fiscal year beginning July 1, 2000, and for each fiscal year through the fiscal year beginning July 1, 2019.

(c) The next five million dollars of the moneys directed to be deposited in the general fund of the state in a fiscal year pursuant to sections 99D.17 and 99F.11 shall be deposited in the school infrastructure fund created in section 12.82 for the fiscal year beginning July 1, 2000, and for each fiscal year thereafter until the principal and interest on all bonds issued by the treasurer of state pursuant to section 12.81 are paid, as determined by the treasurer of state.

(d) (i) The total moneys in excess of the moneys deposited in the revenue bonds debt service fund, the revenue bonds federal subsidy holdback fund, the vision Iowa fund, the school infrastructure fund, and the general fund of the state in a fiscal year shall be

deposited in the rebuild Iowa infrastructure fund and shall be used as provided in this section, notwithstanding section 8.60.

(ii) (A) Except as otherwise provided in subparagraph part (B), in lieu of the deposit in subparagraph subdivision (i), for the fiscal years beginning July 1, 2010, July 1, 2011, and July 1, 2013, and for each fiscal year thereafter until the principal and interest on all bonds issued by the treasurer of state pursuant to section 12.87 are paid, as determined by the treasurer of state, sixty-four million seven hundred fifty thousand dollars of the excess moneys directed to be deposited in the rebuild Iowa infrastructure fund under subparagraph subdivision (i) shall be deposited in the general fund of the state.

(B) For the fiscal year beginning July 1, 2012, and ending June 30, 2013, thirty-eight million seven hundred fifty thousand dollars shall be deposited in the general fund of the state and the next twenty million dollars shall be deposited in the technology reinvestment fund.

(2) If the total amount of moneys directed to be deposited in the general fund of the state under sections 99D.17 and 99F.11 in a fiscal year is less than the total amount of moneys directed to be deposited in the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund in the fiscal year pursuant to this paragraph “e”, the difference shall be paid from moneys deposited in the beer and liquor control fund created in section 123.53 in the manner provided in section 123.53, subsection 3.

(3) After the deposit of moneys directed to be deposited in the general fund of the state, the revenue bonds debt service fund, and the revenue bonds federal subsidy holdback fund, as provided in subparagraph (1), subparagraph division (a), if the total amount of moneys directed to be deposited in the general fund of the state under sections 99D.17 and 99F.11 in a fiscal year is less than the total amount of moneys directed to be deposited in the vision Iowa fund and the school infrastructure fund in the fiscal year pursuant to this paragraph “e”, the difference shall be paid from lottery revenues in the manner provided in section 99G.39, subsection 3.

f. There is appropriated from the rebuild Iowa infrastructure fund to the secure an advanced vision for education fund created in section 423F.2, for each fiscal year of the fiscal period beginning July 1, 2008, and ending June 30, 2010, the amount of the moneys in excess of the first forty-seven million dollars credited to the rebuild Iowa infrastructure fund during the fiscal year, not to exceed ten million dollars.

g. Notwithstanding any other provision to the contrary, and prior to the appropriation of moneys from the rebuild Iowa infrastructure fund pursuant to paragraph “c”, and section 8.57A, subsection 4, moneys shall first be appropriated from the rebuild Iowa infrastructure fund to the vertical infrastructure fund as provided in section 8.57B, subsection 4.

h. Annually, on or before January 15 of each year, a state agency that received an appropriation from the rebuild Iowa infrastructure fund shall report to the legislative services agency and the department of management the status of all projects completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

i. Annually, on or before December 31 of each year, a recipient of moneys from the rebuild Iowa infrastructure fund for any purpose shall report to the state agency to which the moneys are appropriated the status of all projects completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

92 Acts, ch 1227, §7; 92 Acts, 2nd Ex, ch 1001, §229, 230; 94 Acts, ch 1181, §10, 11; 95 Acts, ch 209, §11, 12; 95 Acts, ch 214, §15, 16; 96 Acts, ch 1218, §25, 26, 71; 2000 Acts, ch 1225, §30, 38, 39; 2001 Acts, ch 185, §33, 49; 2002 Acts, 2nd Ex, ch 1001, §28, 29, 33, 52; 2003 Acts, ch 178, §99, 121; 2003 Acts, ch 179, §31, 40, 90, 142, 159; 2003 Acts, 1st Ex, ch 2, §91, 209; 2004 Acts, ch 1101, §100, 102; 2004 Acts, ch 1170, §3; 2004 Acts, ch 1175, §321; 2006 Acts, ch 1173, §2, 3; 2006 Acts, ch 1179, §33; 2007 Acts, ch 22, §114, 116; 2007 Acts, ch 219, §27; 2008 Acts, ch 1134, §37; 2008 Acts, ch 1179, §37; 2009 Acts, ch 173, §26, 36; 2009 Acts, ch 179, §29; 2009

Acts, ch 182, §100; 2009 Acts, ch 184, §29; 2010 Acts, ch 1184, §75, 76; 2011 Acts, ch 25, §1; 2011 Acts, ch 133, §18, 19, 50; 2012 Acts, ch 1021, §2; 2012 Acts, ch 1140, §21

Referred to in §7E.5A, 8.22A, 8.54, 8.56, 8.57A, 8.57C, 8.58, 8A.123, 12.87, 12.89, 12.89A, 12E.12, 16.193, 99F.4A, 99F.10, 99G.39, 123.53, 260G.6, 324A.6A, 461A.3A, 473.19A

[P] For temporary exceptions to appropriations contained in this section, see appropriations and other noncodified enactments in annual Acts of the general assembly

[T] Former subsection 2 stricken pursuant to its own terms by 2012 Acts, ch 1021, §2

[T] Section amended