

**8.51 Political subdivisions — fiscal year — unexpended funds.**

1. The fiscal year of cities, counties, and other political subdivisions of the state shall begin July 1 and end the following June 30. For the purpose of [this section](#), the term “*political subdivision*” includes school districts.

2. Each department that provides state funding to a political subdivision of the state shall annually review the statutory and regulatory requirements applicable to the political subdivision’s receipt of the funding. The purpose of the review is to identify any barrier in statute or departmental rule or policy that would prevent recovery of any such state funding provided to a political subdivision that remains unencumbered or unobligated and the political subdivision no longer complies with requirements to receive the state funding. If an identified barrier exists in state law, the department shall propose legislation to the governor and general assembly to remove the barrier. If an identified barrier is in departmental rule or policy, the department shall amend the rule or policy to remove the barrier.

[C75, 77, 79, 81, §8.51]

[2011 Acts, ch 122, §37, 38](#)