

  
**State of Iowa**  
**Executive Department**

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF IOWA

EXECUTIVE ORDER NUMBER 43

- WHEREAS, Iowa's recovery from the national recession has not occurred as quickly as anticipated, and income from farm returns, fees, judicial revenue and interest is below expectations; and
- WHEREAS, as a result of these factors the Revenue Estimating Conference in its report issued on April 6, 1992 revised downward by \$27.5 million its estimate of state revenues for fiscal year 1992; and
- WHEREAS, expenditures for human services entitlement programs are expected to exceed funds appropriated to the Department of Human Services in fiscal year 1992 by an estimated \$6 million, despite the provision of an earlier supplemental of \$40 million for such programs; and
- WHEREAS, expenditures for indigent defense and certain standing unlimited appropriations are also expected to exceed the funds appropriated; and
- WHEREAS, the director of the department of management has concluded that without revisions to the state budget in fiscal year 1992, the need for additional appropriations for human services entitlement programs, indigent defense and other standing appropriations, and the shortfall in state revenues will result in a general fund deficit on June 30, 1992 of \$15.7 million; and
- WHEREAS, Article VII of the Constitution of Iowa prohibits state budget deficits; and
- WHEREAS, Iowa Code Section 8.31 provides a procedure for uniform and prorated reductions of state appropriations by the Governor to avoid overdrafts and deficits; and
- WHEREAS, without implementing these uniform, prorated reductions in state appropriations, in addition to other selective spending reductions, the state will face a \$15.7 million deficit in the general fund on June 30, 1992.
- NOW THEREFORE, I, Terry E. Branstad, Governor of the State of Iowa, by the power and authority vested in me by the Constitution and the laws of Iowa, do hereby make the following findings and orders:

- I find that the estimated budget resources during fiscal year 1992 are insufficient to pay all appropriations in full as required by Iowa Code Section 8.30, to wit:

General fund balance, June 30, 1991	\$ 11.1 million
Fiscal year 1992 receipts (net)	\$3169.2 million
Fiscal year 1992 appropriations and standing estimated appropriations	\$3196.0 million
<b>TOTAL DEFICIT</b>	<b>\$15.7 million</b>
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- I further find that a .62 percent reduction in appropriations subject to Iowa Code Section 8.31 is necessary to prevent an overdraft or deficit in the general fund of the state at the end of this fiscal year.
- I hereby direct the implementation of Iowa Code Section 8.31 requiring the uniform modification of allotments for the fourth quarter of the fiscal year to achieve an annual .62 percent fiscal year reduction in each respective appropriation unless subsequent projections provide good reason to alter these findings.
- I further direct the director of the department of management to prepare such modified allotments for the fourth quarter of fiscal year 1992, which commences April 1, 1992, with the exception of appropriations excluded by Iowa Code Section 8.2 (5), pertaining to the courts and the legislature.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and caused the Great Seal of Iowa to be affixed. Done at Des Moines this 8th day of April in the year of our Lord, one-thousand nine hundred and ninety-two.

*Henry E. Swanwick*  
GOVERNOR



Attest:

*Claine Baxter*  
SECRETARY OF STATE