



TERRY E. BRANSTAD
GOVERNOR

OFFICE OF THE GOVERNOR

KIM REYNOLDS
LT. GOVERNOR

April 12, 2011

The Honorable Kraig Paulsen
Speaker of the House of Representatives
State Capitol
Des Moines, Iowa 50319

Dear Mr. Speaker:

House File 642, an Act relating to and making transportation and other infrastructure-related appropriations to the department of transportation, including allocation and use of moneys from the road use tax fund and the primary road fund, is hereby disapproved and transmitted to you in accordance with Article III, Section 16, of the Constitution of the State of Iowa.

House File 642 is hereby disapproved on this date.

I am unable to approve House File 642 for the following reasons:

When I announced my intention to once again seek the Governor's office I made a pledge to Iowans to end the past budgeting practices that were sending shockwaves throughout our state. I promised to restore predictability and stability to the state budgeting process.

As I began preparation of my proposed budget for Fiscal Years 2012 and 2013 I found a current state budget with 89 programs that had been funded by revenue sources that would no longer be available. Nearly \$900 million of on-going state expenditures that rightfully belonged in the general fund had been moved and paid for with one-time money.

Some of the most egregious practices included using one-time money for on-going expenditures, purposely appropriating funds at levels that are grossly insufficient to pay the reasonably estimated costs of entitlement programs, starting programs mid-year, and adopting budgets that direct the Governor to order unspecified budget cuts that must be made mid-year, at the discretion of the Governor.

The results of these practices have been an unprecedented period of unpredictability in the provision of state funds that has caused service disruptions, furloughs, and layoffs throughout state government and for many of our local school districts.

As a first step toward restoring predictability and stability to state budgeting I have submitted to the legislature a proposed biennial state budget that includes funding for both Fiscal Years 2012 and 2013 and have also submitted legislation to require the General Assembly and Governor to adopt a biennial budget.

It is my full expectation that the General Assembly will adopt budgets for all of state government for both Fiscal Years 2012 and 2013.

House File 642 provides for making transportation appropriations and other infrastructure-related appropriations to the Department of Transportation for Fiscal Year 2012, only, in direct violation of the sound budgeting principles upon which my proposed budget is based.

As originally adopted by the Iowa House of Representatives, House File 642 provided appropriations for both Fiscal Years 2012 and 2013. Unfortunately, the Iowa Senate stripped the appropriations for Fiscal Year 2013 and it is in this form House File 642 is currently before me for action.

As such, I cannot approve House File 642. I encourage the General Assembly to reconsider the appropriations made in this legislation so as to include appropriations for both Fiscal Years 2012 and 2013.

Iowans have every right to demand the Governor and General Assembly restore the sound budgeting practices and long-range planning tools that are necessary to ensure predictability and stability in state budgeting and I will continue to work with the General Assembly to make this a reality before adjourning for the year.

For the above reasons, I respectfully disapprove House File 642, in its entirety, in accordance with Article III, Section 16, of the Constitution of the State of Iowa.

Sincerely,

A handwritten signature in black ink, appearing to read "Terry E. Branstad". The signature is written in a cursive style with a large, sweeping initial "T".

TERRY E. BRANSTAD
Governor



House File 642

AN ACT
RELATING TO AND MAKING TRANSPORTATION AND OTHER
INFRASTRUCTURE-RELATED APPROPRIATIONS TO THE DEPARTMENT OF
TRANSPORTATION, INCLUDING ALLOCATION AND USE OF MONEYS FROM
THE ROAD USE TAX FUND AND THE PRIMARY ROAD FUND.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. ROAD USE TAX FUND. There is appropriated from the road use tax fund created in section 312.1 to the department of transportation for the fiscal year beginning July 1, 2011, and ending June 30, 2012, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For the payment of costs associated with the production

of driver's licenses, as defined in section 321.1, subsection 20A:

..... \$ 3,876,000

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes specified in this subsection until the close of the succeeding fiscal year.

2. For salaries, support, maintenance, and miscellaneous purposes:

a. Operations:

..... \$ 6,570,000

b. Planning:

..... \$ 458,000

c. Motor vehicles:

..... \$ 33,921,000

3. For payments to the department of administrative services for utility services:

..... \$ 225,000

4. Unemployment compensation:

..... \$ 7,000

5. For payments to the department of administrative services for paying workers' compensation claims under chapter 85 on behalf of employees of the department of transportation:

..... \$ 119,000

6. For payment to the general fund of the state for indirect cost recoveries:

..... \$ 78,000

7. For reimbursement to the auditor of state for audit expenses as provided in section 11.5B:

..... \$ 67,319

8. For automation, telecommunications, and related costs associated with the county issuance of driver's licenses and vehicle registrations and titles:

..... \$ 1,406,000

9. For transfer to the department of public safety for operating a system providing toll-free telephone road and weather conditions information:

..... \$ 100,000

10. For costs associated with the participation in the Mississippi river parkway commission:

..... \$ 40,000

11. For motor vehicle division field facility maintenance

projects at various locations:

..... \$ 200,000

12. For scale replacement projects at various locations:

..... \$ 550,000

For purposes of section 8.33, unless specifically provided otherwise, moneys appropriated in subsections 11 and 12 that remain unencumbered or unobligated shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that ends three years after the end of the fiscal year for which the appropriation was made. However, if the projects for which the appropriation was made are completed in an earlier fiscal year, unencumbered or unobligated moneys shall revert at the close of that same fiscal year.

Sec. 2. PRIMARY ROAD FUND. There is appropriated from the primary road fund created in section 313.3 to the department of transportation for the fiscal year beginning July 1, 2011, and ending June 30, 2012, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For salaries, support, maintenance, miscellaneous purposes, and for not more than the following full-time equivalent positions:

a. Operations:

..... \$ 40,356,529

..... FTEs 296.00

b. Planning:

..... \$ 8,697,095

..... FTEs 121.00

c. Highways:

..... \$230,913,992

..... FTEs 2,247.00

d. Motor vehicles:

..... \$ 1,413,540

..... FTEs 445.00

2. For payments to the department of administrative services for utility services:

..... \$ 1,388,000

3. Unemployment compensation:

..... \$ 138,000

4. For payments to the department of administrative services for paying workers' compensation claims under

chapter 85 on behalf of the employees of the department of transportation:

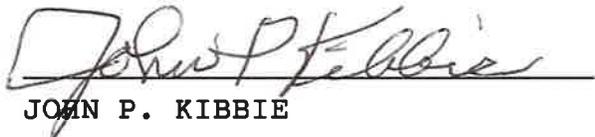
- \$ 2,846,000
- 5. For disposal of hazardous wastes from field locations and the central complex:
..... \$ 800,000
- 6. For payment to the general fund of the state for indirect cost recoveries:
..... \$ 572,000
- 7. For reimbursement to the auditor of state for audit expenses as provided in section 11.5B:
..... \$ 415,181
- 8. For costs associated with producing transportation maps:
..... \$ 242,000
- 9. For inventory and equipment replacement:
..... \$ 5,366,000
- 10. For utility improvements at various locations:
..... \$ 400,000
- 11. For roofing projects at various locations:
..... \$ 200,000
- 12. For heating, cooling, and exhaust system improvements at various locations:
..... \$ 400,000
- 13. For deferred maintenance projects at field facilities throughout the state:
..... \$ 1,000,000
- 14. For elevator upgrades at the Ames complex:
..... \$ 100,000
- 15. For wastewater treatment improvements at various locations:
..... \$ 1,000,000
- 16. For replacement of the Swea City garage:
..... \$ 2,100,000

For purposes of section 8.33, unless specifically provided otherwise, moneys appropriated in subsections 10 through 16 that remain unencumbered or unobligated shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that ends three years after the end of the fiscal year for which the appropriation was made. However, if the project or projects for which such appropriation was made are completed in an

earlier fiscal year, unencumbered or unobligated moneys shall revert at the close of that same fiscal year.

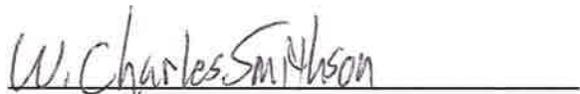


KRAIG PAULSEN
Speaker of the House



JOHN P. KIBBIE
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 642, Eighty-fourth General Assembly.



W. CHARLES SMITHSON
Chief Clerk of the House

~~Disapproved~~
~~Approved~~ April 12, 2011



TERRY E. BRANSTAD
Governor