

FEB 2 1989

Place On Calendar

HOUSE FILE 190
BY COMMITTEE ON STATE
GOVERNMENT

(SUCCESSOR TO HSB 92)

Passed House, Date 2-8-89 Passed Senate, Date 2-20-89 (p.438)
Vote: Ayes 98 Nays 0 Vote: Ayes 42 Nays 0
Approved 3-8-89 (p.697)

A BILL FOR

1 An Act relating to the time period for which an annual accounting
2 report for the revolving farm fund is filed.

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

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HF 190

1 Section i. Section 246.706, unnumbered paragraph 2, Code
2 1989, is amended to read as follows:

3 The Notwithstanding section 8.36, the department shall
4 annually prepare a financial statement covering the previous
5 calendar year to provide for an accounting of the funds in the
6 revolving farm fund. The financial statement shall be filed
7 with the legislative fiscal bureau on or before February 1
8 each year.

9 EXPLANATION

10 This bill provides that the annual report required to be
11 filed by the department of corrections and the department of
12 human services concerning the revolving farm fund is to cover
13 the previous calendar year rather than the previous fiscal
14 year.

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HSB 92

STATE GOVERNMENT

now

HOUSE FILE 190

BY (PROPOSED DEPARTMENT OF
CORRECTIONS BILL)

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the time period for which an annual accounting
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15 BACKGROUND STATEMENT

16 SUBMITTED BY THE AGENCY

17 The present Code requirement for a July through June fi-
18 nancial report results in an inaccurate picture of the farm
19 operations fiscal condition. It also necessitates maintenance
20 of two sets of financial records, one based on a fiscal year
21 and one based on a calendar year.

22 The nature of the farm crop cycle dictates that expenses
23 are incurred in the spring while revenues are realized in the
24 fall. Livestock operations follow a similar pattern. Because
25 the fiscal year start/end date divides these periods, fiscal
26 year reporting prohibits reconciling revenues with associated
27 costs. Consequently, fiscal year reports on the farm opera-
28 tions always have a built-in inaccuracy.

29 Sound farm fiscal management dictates the use of a finan-
30 cial management system that reconciles revenues with expenses.
31 Consequently the farm operations now maintains records on both
32 a fiscal and calendar year basis. Allowing the farm
33 operations to report on a calendar year basis would both
34 improve financial accountability and reduce costs.

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with the legislative fiscal bureau on or before February 1
each year.

.....
DONALD D. AVENSON
Speaker of the House

.....
JO ANN ZIMMERMAN
President of the Senate

HOUSE FILE 190

I hereby certify that this bill originated in the House and
is known as House File 190, Seventy-third General Assembly.

.....
JOSEPH O'HERN
Chief Clerk of the House
Approved March 8, 1989

.....
TERRY E. BRANSTAD
Governor

AN ACT
RELATING TO THE TIME PERIOD FOR WHICH AN ANNUAL ACCOUNTING RE-
PORT FOR THE REVOLVING FARM FUND IS FILED.

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

Section 1. Section 246.706, unnumbered paragraph 2, Code
1989, is amended to read as follows:

The Notwithstanding section 8.36, the department shall
annually prepare a financial statement covering the previous
calendar year to provide for an accounting of the funds in the
revolving farm fund. The financial statement shall be filed