

MAR 24 1995  
STATE GOVERNMENT

HOUSE FILE 542  
BY KREIMAN

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act requiring the use of program performance-based budgeting  
2 by executive branch agencies for programs newly implemented in  
3 the fiscal year beginning July 1, 1995.

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

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HF 542

1 Section 1. PROGRAM PERFORMANCE-BASED BUDGETING.

2 1. DEFINITIONS. For the purposes of this section, unless  
3 the context otherwise requires:

4 a. "Agency" means a constitutional or statutory office,  
5 administrative department, or independent agency which is part  
6 of the executive branch of state government.

7 b. "New program" means an agency program, function, or  
8 service, whether the program is created by statute,  
9 administrative rule, or internal procedure, which is first  
10 implemented during the fiscal year beginning July 1, 1995.

11 c. "State funds" means the same as provided in section  
12 8.2, and includes block grants, categorical grants, private  
13 trust funds, repayment receipts, special funds as defined in  
14 section 8.2, and education research grants.

15 2. An agency which uses state funds available to the  
16 agency in the fiscal year beginning July 1, 1995, for a new  
17 program shall implement the program in accordance with the  
18 program performance-based budget provisions required by this  
19 section.

20 3. In addition to the annual departmental estimate  
21 information required to be submitted to the director of the  
22 department of management pursuant to section 8.23, an agency  
23 shall provide all of the following program performance-based  
24 budget information to the director and to the legislative  
25 fiscal bureau for each new program implemented during the  
26 fiscal year beginning July 1, 1995, which is included in the  
27 agency's budget estimates for the fiscal year beginning July  
28 1, 1996:

29 a. A description of the public need the new program is  
30 intended to address.

31 b. The new program's anticipated results, including  
32 specific program objectives for both the first and succeeding  
33 fiscal year of operation.

34 c. Plans for the new program's output, efficiency, and  
35 effectiveness during both the first and succeeding fiscal year

1 of operation.

2 d. The financial, staffing, and infrastructure resources  
3 committed to the new program in the first fiscal year and the  
4 resources requested for the succeeding fiscal year.

5 e. Other information concerning the new program requested  
6 by the department of management or the legislative fiscal  
7 bureau.

8 4. An agency shall consult with the department of  
9 management and the legislative fiscal bureau in developing the  
10 program performance-based budget information for a new program  
11 required by this section.

12 EXPLANATION

13 This bill requires the use of program performance-based  
14 budgeting by executive branch agencies for programs newly  
15 implemented in the fiscal year beginning July 1, 1995.

16 The bill defines the term "agency" to include any office,  
17 department, or independent agency which is part of the  
18 executive branch of state government. The term "new program"  
19 is defined to include any program, function, or service first  
20 implemented in the 1995-1996 fiscal year. The term "state  
21 funds" is defined to include all moneys appropriated by the  
22 general assembly and all moneys collected under state law by  
23 and for the state or a state agency including federal moneys,  
24 education research grants, and private contributions.

25 If an agency uses state funds available to the agency  
26 during the 1995-1996 fiscal year for a new program, the agency  
27 is required to utilize the program performance-based budget  
28 provisions of the bill. The information is to be submitted  
29 with the annual departmental estimates required to be  
30 submitted to the department of management by September 1,  
31 1995, for fiscal year 1996-1997. The following information is  
32 to be included: a description of the public need the new  
33 program is intended to address; the new program's anticipated  
34 results for both the first and succeeding fiscal year; plans  
35 for the new program's output, efficiency, and effectiveness

1 for both the first and the succeeding fiscal year; the  
2 financial, staffing, and infrastructure resources committed to  
3 the new program for the first fiscal year and requested for  
4 the succeeding fiscal year; and any other information  
5 requested by the department of management or the legislative  
6 fiscal bureau.

7 An agency must consult with the department of management  
8 and the legislative fiscal bureau in developing the program  
9 performance-based budget information required by the bill.

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