

Withdrawn
3/9/04

FEB 24 2003
STATE GOVERNMENT

HOUSE FILE 274
BY HEATON

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to requirements for executive branch
2 interdepartmental transfers of appropriations.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 274

1 Section 1. Section 8.39, subsections 1, 2, and 3, Code
2 2003, are amended to read as follows:

3 1. Except as otherwise provided by law, an appropriation
4 or any part of it shall not be transferred or otherwise used
5 for any other purpose than that for which it was made.

6 However, with the prior written consent and approval of the
7 governor and the director of the department of management, the
8 governing board or head of any state department, institution,
9 or agency may, at any time during the fiscal year, make a
10 whole or partial intradepartmental transfer of its unexpended
11 appropriations for purposes within the scope of such
12 department, institution, or agency.

13 2. If the appropriation of a department, institution, or
14 agency is insufficient to properly meet the legitimate
15 expenses of the department, institution, or agency, the
16 director, with the approval of the governor, may make
17 authorize an interdepartmental transfer from any other
18 department, institution, or agency of the state having an
19 appropriation in excess of its needs, of sufficient funds to
20 meet that deficiency only by adopting an administrative rule
21 in accordance with this subsection implementing the transfer.
22 An interdepartmental transfer to an appropriation which is not
23 an entitlement appropriation is not authorized when the
24 general assembly is in regular session and, in addition, the
25 sum of interdepartmental transfers in a fiscal year to an
26 appropriation which is not an entitlement appropriation shall
27 not exceed fifty percent of the amount of the appropriation as
28 enacted by the general assembly. For the purposes of this
29 subsection, an entitlement appropriation is a line item
30 appropriation to the state public defender for indigent
31 defense or to the department of human services for foster
32 care, state supplementary assistance, or medical assistance,
33 or for the family investment program. A rule adopted under
34 this subsection shall be adopted under section 17A.4,
35 subsection 2, and section 17A.5, subsection 2, paragraph "b",

1 and the rule shall become effective immediately upon filing
2 and review of the administrative rules review committee or on
3 a later effective date specified in the rule, unless the
4 effective date is delayed by the administrative rules review
5 committee. The delay authority provided to the administrative
6 rules review committee under section 17A.4, subsection 5, and
7 section 17A.8, subsection 9, shall be applicable to a delay
8 imposed under this subsection, notwithstanding a provision in
9 those sections making them inapplicable to section 17A.5,
10 subsection 2, paragraph "b".

11 3. Prior to any transfer of funds pursuant to subsection 1
12 ~~or-2-of-this-section~~ or a transfer of an allocation from a
13 subunit of a department which statutorily has independent
14 budgeting authority, the director shall notify the
15 chairpersons of the standing committees on budget of the
16 senate and the house of representatives and the chairpersons
17 of subcommittees of such committees of the proposed transfer.
18 The notice from the director shall include information
19 concerning the amount of the proposed transfer, the
20 ~~departments~~ department, ~~institutions~~ institution, or ~~agencies~~
21 ~~affected-by-the-proposed~~ agency proposing the transfer and the
22 reasons for the proposed transfer. Chairpersons notified
23 shall be given at least two weeks to review and comment on the
24 proposed transfer before the transfer ~~of-funds~~ is made.

25 EXPLANATION

26 This bill relates to requirements for executive branch
27 transfers of appropriations between departments.

28 Under current law in Code section 8.39, with approval of
29 the governor, executive branch agencies may make
30 intradepartmental and interdepartmental transfers of
31 appropriations, subject to reporting to members of the general
32 assembly. The bill provides that the director of the
33 department of management may exercise the director's current
34 authority to authorize an interdepartmental transfer of an
35 appropriation only by adopting an administrative rule

1 implementing the transfer. The administrative rule must be
2 adopted utilizing the emergency procedures under Code sections
3 17A.4 and 17A.5, which dispense with public notice,
4 publication, and elapse of specified time periods before a
5 rule can be adopted. However, the rule cannot take effect
6 before review of the rule by the administrative rules review
7 committee, which may delay the rule. The bill provides that
8 the administrative rules review committee's delay authority is
9 applicable to a rule adopted for purposes of the bill,
10 notwithstanding a provision in law stating that the delay
11 authority does not apply to a rule adopted utilizing the
12 emergency procedures.

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