

FEB 16 2006
APPROPRIATIONS

HOUSE FILE 2426
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JACOBS, RASMUSSEN, LALK,
SODERBERG, and DRAKE

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

A BILL FOR

HF 2426

1 An Act relating to the applicability of the state general fund
2 expenditure limitation and providing effective and
3 applicability dates.

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

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1 Section 1. Section 8.54, subsection 2, Code 2005, is
2 amended to read as follows:

3 2. There is created a state general fund expenditure
4 limitation for each fiscal year calculated as provided in this
5 section. An expenditure limitation shall be used for the
6 ~~portion-of~~ the budget process commencing on the date the
7 revenue estimating conference agrees to a revenue estimate for
8 the following fiscal year in accordance with section 8.22A,
9 subsection 3, and ending with the ~~governor's-final-approval-or~~
10 ~~disapproval-of-the-appropriations-bills-applicable-to-that~~
11 ~~fiscal-year-that-were-passed-prior-to-July-1-of-that-fiscal~~
12 ~~year-in-a-regular-or-extraordinary-legislative-session~~ close
13 of that following fiscal year. Once that following fiscal
14 year commences, the expenditure limitation for that fiscal
15 year is not subject to adjustment or readjustment except by
16 law enacted for that purpose.

17 Sec. 2. EFFECTIVE AND APPLICABILITY DATES. This Act takes
18 effect July 1, 2006, and is first applicable to the state
19 general fund expenditure limitation established for the fiscal
20 year beginning July 1, 2007.

21 EXPLANATION

22 This bill relates to the state general fund expenditure
23 limitation by extending the duration of the limitation.

24 The bill amends Code section 8.54 to require the
25 expenditure limitation to be used for the budget process until
26 the close of the fiscal year to which the expenditure
27 limitation applies. Current law provides the expenditure
28 limitation is applicable for the budget process until the
29 governor's final approval or disapproval of the appropriations
30 bills that were passed prior to July 1 of the fiscal year to
31 which the limitation applies. Under the bill, once the fiscal
32 year for which the expenditure limitation was calculated
33 commences, the expenditure limitation for that fiscal year is
34 not subject to adjustment or readjustment except by law
35 enacted for that purpose.

1 The bill takes effect July 1, 2006, and is first applicable
2 to the state general fund expenditure limitation established
3 for the fiscal year beginning July 1, 2007.

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