

House File 442 - Introduced

HOUSE FILE _____
BY HAGENOW and COWNIE

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

A BILL FOR

1 An Act establishing a state biennial appropriations process and
2 providing effective and applicability dates.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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1 1 Section 1. Section 2.12, unnumbered paragraph 4, Code
1 2 2009, is amended to read as follows:
1 3 There is appropriated out of any funds in the state
1 4 treasury not otherwise appropriated such sums as may be
1 5 necessary for the fiscal ~~year~~ biennium budgets of the
1 6 legislative services agency and the citizens' aide office for
1 7 salaries, support, maintenance, and miscellaneous purposes to
1 8 carry out their statutory responsibilities. The legislative
1 9 services agency and the citizens' aide office shall submit
1 10 their proposed budgets for the two years of the fiscal
1 11 biennium to the legislative council not later than ~~September~~
1 12 October 1 of each the year preceding the first regular session
1 13 of the general assembly. The legislative council shall review
1 14 and approve the proposed budgets not later than December 1 of
1 15 ~~each the year preceding the first regular session of a general~~
1 16 assembly. The budget approved by the legislative council for
1 17 each of its statutory legislative agencies shall be
1 18 transmitted by the legislative council to the department of
1 19 management on or before December 1 of ~~each the year preceding~~
1 20 the first regular session of a general assembly for the fiscal
1 21 ~~year~~ biennium beginning July 1 of the following year. The
1 22 department of management shall submit the approved budgets
1 23 received from the legislative council to the governor for
1 24 inclusion in the governor's proposed budget for the succeeding
1 25 fiscal ~~year~~ biennium. The approved budgets shall also be
1 26 submitted to the chairpersons of the committees on
1 27 appropriations. The committees on appropriations may allocate
1 28 from the funds appropriated by this section the funds
1 29 contained in the approved budgets, or such other amounts as
1 30 specified, pursuant to a concurrent resolution to be approved
1 31 by both houses of the general assembly. The director of the
1 32 department of administrative services shall issue warrants for
1 33 salaries, support, maintenance, and miscellaneous purposes
1 34 upon requisition by the administrative head of each statutory
1 35 legislative agency. If the legislative council elects to
2 1 change the approved budget for a legislative agency for either
2 2 or both years of a fiscal biennium prior to July 1, the
2 3 legislative council shall transmit the amount of the budget
2 4 revision to the department of management prior to July 1 of
2 5 the affected fiscal year, however, if the general assembly
2 6 approved the budget it cannot be changed except pursuant to a
2 7 concurrent resolution approved by the general assembly.
2 8 Sec. 2. NEW SECTION. 2.12B FISCAL BIENNIUM ==
2 9 APPROPRIATIONS.
2 10 1. In the first year of each general assembly the general
2 11 assembly shall enact appropriations for each fiscal year of
2 12 the ensuing fiscal biennium. An appropriation shall indicate
2 13 the source from which the appropriation shall be paid. An
2 14 appropriation need not be in greater detail than to indicate
2 15 the total appropriation to be made for both of the following:
2 16 a. Administration, operation, and maintenance of each
2 17 department and establishment, as defined in section 8.2, for
2 18 each fiscal year of a fiscal biennium.
2 19 b. The cost of land, public improvements, and other
2 20 capital outlays for each department and establishment,

2 21 itemized by specific projects or classes of projects of the
2 22 same general character.

2 23 2. The general assembly may enact appropriation bills for
2 24 the second year of a fiscal biennium providing for
2 25 supplemental appropriations to or appropriation reductions
2 26 from the previously enacted fiscal biennium budget.

2 27 Sec. 3. Section 8.6, subsection 2, Code 2009, is amended
2 28 to read as follows:

2 29 2. REPORT OF STANDING APPROPRIATIONS. To ~~annually~~
2 30 biennially prepare a separate report containing a complete
2 31 list of all standing appropriations showing the amount of each
2 32 appropriation and the purpose for which the appropriation is
2 33 made and furnish a copy of the report to each member of the
2 34 general assembly on or before the first day of ~~each the first~~
2 35 regular session of a new general assembly.

3 1 Sec. 4. Section 8.6, subsection 13, Code 2009, is amended
3 2 to read as follows:

3 3 13. CAPITAL PROJECT BUDGETING REQUESTS. To biennially
3 4 ~~compile annually~~ all capital project budgeting requests of all
3 5 state agencies, as defined in section 8.3A, and to consolidate
3 6 the requests, with individual state agency priorities noted,
3 7 into a report for submission with the budget documents by the
3 8 governor pursuant to section 8.22. Any additional information
3 9 regarding the capital project budgeting requests or priorities
3 10 shall be compiled and submitted in the same report. Any
3 11 changes to biennial capital project appropriations deemed to
3 12 be appropriate by the director shall be submitted to the
3 13 governor for inclusion in the budget documents submitted by
3 14 the governor to the general assembly for consideration in the
3 15 second year of a legislative biennium.

3 16 Sec. 5. Section 8.21, Code 2009, is amended to read as
3 17 follows:

3 18 8.21 BUDGET TRANSMITTED.

3 19 1. Not later than February 1 of the first regular session
3 20 of each legislative session general assembly, the governor
3 21 shall transmit to the legislature general assembly a document
3 22 to be known as a budget, setting forth the governor's
3 23 financial program for each of the fiscal years of the ensuing
3 24 fiscal year biennium and having the character and scope set
3 25 forth in sections 8.22 through 8.29.

3 26 2. If the governor is required to use a lesser amount in
3 27 the budget process because of a later meeting of the state
3 28 revenue estimating conference under section 8.22A, subsection
3 29 3, the governor shall transmit recommendations for a budget in
3 30 conformance with that requirement within fourteen days of the
3 31 later meeting of the state revenue estimating conference.

3 32 3. If the governor is required under section 8.22A,
3 33 subsection 3, and section 8.54, subsection 2, to use a
3 34 different amount in the budget process for the second year of
3 35 a fiscal biennium because the revenue estimating conference
4 1 agrees to a different estimate for the second fiscal year than
4 2 was used in the initial budget process for that fiscal year
4 3 and the state general fund expenditure limitation for that
4 4 fiscal year is readjusted, the governor shall transmit to the
4 5 general assembly recommendations for revisions in revenue
4 6 provisions and appropriations as necessary so that the budget
4 7 for the second year of the fiscal biennium does not exceed the
4 8 readjusted state general fund expenditure limitation. The
4 9 recommendations for revisions shall be transmitted not later
4 10 than February 1 of the second regular session of the general
4 11 assembly.

4 12 Sec. 6. Section 8.22, Code 2009, is amended to read as
4 13 follows:

4 14 8.22 NATURE AND CONTENTS OF BUDGET.

4 15 The budget shall consist of four parts, the nature and
4 16 contents of which shall be as follows:

4 17 1. Part I == Governor's budget message.

4 18 a. Part I shall consist of the governor's budget message,
4 19 in which the governor shall set forth:

4 20 (1) (a) The governor's program for meeting all the
4 21 expenditure needs of the government for ~~the~~ each of the fiscal
4 22 years of the ensuing fiscal year biennium, indicating the
4 23 classes of funds, general or special, from which
4 24 appropriations are to be made and the means through which the
4 25 expenditures shall be financed.

4 26 (b) The governor's program shall include a single budget
4 27 request for all capital projects proposed by the governor.
4 28 The request shall include but is not limited to the following:

4 29 (i) The purpose and need for each capital project.

4 30 (ii) A priority listing of capital projects.

4 31 (iii) The costs of acquisition, lease, construction,

4 32 renovation, or demolition of each capital project.
4 33 (iv) The identification of the means and source of funding
4 34 of each capital project.
4 35 (v) The estimated operating costs of each capital project
5 1 after completion.
5 2 (vi) The estimated maintenance costs of each capital
5 3 project after completion.
5 4 (vii) The consequences of delaying or abandoning each
5 5 capital project.
5 6 (viii) Alternative approaches to meeting the purpose or
5 7 need for each capital project.
5 8 (ix) Alternative financing mechanisms.
5 9 (x) A cost-benefit analysis or economic impact of each
5 10 capital project.
5 11 b. (1) Financial statements giving in summary form:
5 12 (a) The condition of the treasury at the end of the last
5 13 completed fiscal year, the estimated condition of the treasury
5 14 at the end of the year in progress, and the estimated
5 15 condition of the treasury at the end of each of the following
5 16 fiscal year fiscal years of the ensuing fiscal biennium if the
5 17 governor's budget proposals are put into effect.
5 18 (b) Statements showing the bonded indebtedness of the
5 19 government, debt authorized and unissued, debt redemption and
5 20 interest requirements, and condition of the sinking funds, if
5 21 any.
5 22 (c) A summary of appropriations recommended for each of
5 23 the following fiscal year fiscal years of the ensuing fiscal
5 24 biennium for each department and establishment and for the
5 25 government as a whole, in comparison with the actual
5 26 expenditures for the last completed fiscal year and the
5 27 estimated expenditures for the year in progress.
5 28 (d) A summary of the revenue, estimated to be received by
5 29 the government during each of the fiscal years of the
5 30 following ensuing fiscal year biennium, classified according
5 31 to sources, in comparison with the actual revenue received by
5 32 the government during the last completed fiscal year and
5 33 estimated income during the year in progress.
5 34 (e) A statement of federal funds received in the form of
5 35 block or categorical grants which were not included in the
6 1 governor's budget for the previous fiscal year biennium in
6 2 progress and a statement of anticipated block grants and
6 3 categorical grants for each of the fiscal years of the ensuing
6 4 fiscal biennium. The budget shall indicate how the federal
6 5 funds will be used and the programs to which they will be
6 6 allocated. The amount of state funds required to implement
6 7 the programs to which the federal funds will apply shall also
6 8 be indicated. The departments shall provide information to
6 9 the director on the anticipated federal block grants and
6 10 categorical grants to be received on or before November 1 of
6 11 each year. The director shall use this information to develop
6 12 an annual update of the statement of federal funds received
6 13 which shall be provided to the general assembly.
6 14 (f) Other financial statements, data, and comments as in
6 15 the governor's opinion are necessary or desirable in order to
6 16 make known in all practicable detail the financial condition
6 17 and operation of the government and the effect that each of
6 18 the fiscal years of the biennial budget as proposed by the
6 19 governor will have on the financial condition and operation.
6 20 (2) If the estimated revenues of the government for the
6 21 ensuing fiscal year biennium as set forth in the budget on the
6 22 basis of existing laws, plus the estimated amounts balances in
6 23 the treasury at the close of the year fiscal biennium in
6 24 progress, available for expenditure in the ensuing fiscal year
6 25 biennium are less than the aggregate recommended
6 26 appropriations for the ensuing fiscal year biennium as
6 27 contained in the budget, the governor shall make
6 28 recommendations to the legislature general assembly in respect
6 29 to the manner in which the deficit shall be met, whether by an
6 30 increase in the state tax or the imposition of new taxes,
6 31 increased rates on existing taxes, or otherwise, and if the
6 32 aggregate of the estimated revenues, plus estimated balances
6 33 in the treasury, is greater than the recommended
6 34 appropriations for each year of the ensuing fiscal year
6 35 biennium, the governor shall make recommendations in reference
7 1 to the application of the surplus to the reduction of debt or
7 2 otherwise, to the reduction in taxation, or to such other
7 3 action as in the governor's opinion is in the interest of the
7 4 public welfare.
7 5 2. Part II == Recommended appropriations.
7 6 a. Part II shall present in detail for each year of the
7 7 ensuing fiscal year biennium the governor's recommendations

7 8 for appropriations to meet the expenditure needs of the
7 9 government from each general class of funds, in comparison
7 10 with actual expenditures for each of the purposes during the
7 11 last completed fiscal year and estimated expenditures for the
7 12 year in progress, classified by departments and establishments
7 13 and indicating for each the appropriations recommended for:

7 14 (1) Meeting the cost of administration, operation, and
7 15 maintenance of the departments and establishments.

7 16 (2) Appropriations for meeting the cost of land, public
7 17 improvements, and other capital outlays in connection with the
7 18 departments and establishments.

7 19 b. Each item of expenditure, actual or estimated, and
7 20 appropriations recommended for administration, operation, and
7 21 maintenance of each department or establishment shall be
7 22 supported by detailed statements showing the actual and
7 23 estimated expenditures and appropriations classified by
7 24 objects according to a standard scheme of classification to be
7 25 prescribed by the director.

7 26 3. Part III == Appropriation bills. Part III shall
7 27 include a draft or drafts of appropriation bills having for
7 28 their purpose to give legal sanction to the appropriations
7 29 recommended to be made in parts I and II. The appropriation
7 30 bills shall indicate the funds, general or special, from which
7 31 the appropriations shall be paid, but the appropriations need
7 32 not be in greater detail than to indicate the total
7 33 appropriation to be made for both of the following:

7 34 a. Administration, operation, and maintenance of each
7 35 department and establishment for each year of the fiscal year
8 1 biennium.

8 2 b. The cost of land, public improvements, and other
8 3 capital outlays for each department and establishment,
8 4 itemized by specific projects or classes of projects of the
8 5 same general character.

8 6 The governor may submit appropriation bills in the second
8 7 year of a fiscal biennium providing for supplemental
8 8 appropriations to or appropriation reductions from the
8 9 previously enacted fiscal biennium budget.

8 10 4. Part IV == Strategic plan. Part IV shall include an
8 11 explanation that correlates the budget with the enterprise
8 12 strategic plan adopted pursuant to section 8E.204. The budget
8 13 shall provide an explanation of appropriations recommended for
8 14 the administration and maintenance of an agency as defined in
8 15 section 8E.103 with the general evaluation of the agency in
8 16 meeting enterprise strategic goals, including identifying
8 17 goals that require legislation.

8 18 Sec. 7. Section 8.22A, subsections 3, 4, and 5, Code 2009,
8 19 are amended to read as follows:

8 20 3. By December 15 of each fiscal year the conference shall
8 21 agree to a revenue estimate for ~~the fiscal year beginning the~~
8 22 ~~following July 1. That each of the two following fiscal~~
8 23 ~~years.~~

8 24 a. In the fiscal year preceding a fiscal biennium, the
8 25 estimate for each of the fiscal years of the ensuing fiscal
8 26 biennium shall be used by the governor in the preparation of
8 27 the budget message under section 8.22, and by the first
8 28 regular session of the general assembly in the budget process
8 29 for each of the fiscal years of that fiscal biennium, and in
8 30 determining an adjusted revenue estimate under section 8.54
8 31 for each of the fiscal years of the fiscal biennium.

8 32 b. In the fiscal year in which the following fiscal year
8 33 is the second year of the fiscal biennium, the conference
8 34 shall agree by December 15 to another estimate for the second
8 35 fiscal year and if this estimate is different from that which
9 1 was used in the initial budget process for the second fiscal
9 2 year, the adjusted revenue estimate determined pursuant to
9 3 section 8.54 for that second fiscal year shall be revised
9 4 based upon the different estimate. The different estimate
9 5 shall be used by the governor in the preparation of the budget
9 6 message under section 8.22, by the general assembly in the
9 7 budget process, and in determining an adjusted revenue
9 8 estimate under section 8.54 for the second fiscal year.

9 9 c. If the conference agrees to a different estimate at a
9 10 later meeting which projects a greater amount of revenue than
9 11 the initial estimate amount for a fiscal year agreed to by
9 12 December 15, the governor and the general assembly shall
9 13 continue to use the initial estimate amount in the budget
9 14 process for that fiscal year. However, if the conference
9 15 agrees to a different estimate for a fiscal year at a later
9 16 meeting which projects a lesser amount of revenue than the
9 17 initial estimate amount, the governor and the general assembly
9 18 shall use the lesser amount in the budget process for that

9 19 fiscal year. As used in this subsection, "later meeting"
9 20 means only those later meetings which are held prior to the
9 21 conclusion of ~~the~~ a regular session of the general assembly
9 22 and, if the general assembly holds an extraordinary session
9 23 prior to the commencement of the fiscal year to which the
9 24 estimate applies, those later meetings which are held before
9 25 or during the extraordinary session.

9 26 4. At the meeting in which the conference agrees to the
9 27 revenue estimate for ~~the following~~ a fiscal year in accordance
9 28 with the provisions of subsection 3, which is used in
9 29 determining an adjusted revenue estimate under section 8.54.
9 30 the conference shall agree to an estimate for tax refunds
9 31 payable from that estimated revenue. The estimates required
9 32 by this subsection shall be used in determining the adjusted
9 33 revenue estimate under section 8.54.

9 34 5. At the meeting in which the conference agrees to the
9 35 revenue estimate for ~~the succeeding~~ a fiscal year in
10 1 accordance with the provisions of subsection 3, which is used
10 2 in determining an adjusted revenue estimate under section

10 3 8.54. the conference shall also agree to the following
10 4 estimates which shall be used by the governor in preparation
10 5 of the budget message under section 8.22 and the general
10 6 assembly in the budget process for the ~~succeeding~~ fiscal year:
10 7 a. The amount of lottery revenues for the ~~following~~ fiscal
10 8 year to be available for disbursement following the deductions
10 9 made pursuant to section 99G.39, subsection 1.

10 10 b. The amount of revenue for the ~~following~~ fiscal year
10 11 from gambling revenues and from interest earned on the cash
10 12 reserve fund and the economic emergency fund to be deposited
10 13 in the rebuild Iowa infrastructure fund under section 8.57,
10 14 subsection 6, paragraph "e".
10 15 c. The amount of accruals of those revenues collected by
10 16 or due from entities other than the state on or before June 30
10 17 of the fiscal year but not remitted to the state until after
10 18 June 30.

10 19 d. The amount of accrued lottery revenues collected on or
10 20 before June 30 of the fiscal year but not transferred to the
10 21 general fund of the state until after June 30.

10 22 Sec. 8. Section 8.23, Code 2009, is amended to read as
10 23 follows:

10 24 8.23 ~~ANNUAL~~ BIENNIAL DEPARTMENTAL ESTIMATES.

10 25 1. On or before October 1, prior to ~~each legislative~~ the
10 26 first regular session of a general assembly, all departments
10 27 and establishments of the government shall transmit to the
10 28 director, on ~~blanks forms~~ to be furnished by the director,
10 29 estimates of their expenditure requirements, including every
10 30 proposed expenditure, for each fiscal year of the ensuing
10 31 fiscal year biennium, classified so as to distinguish between
10 32 expenditures estimated for administration, operation, and
10 33 maintenance, and the cost of each project involving the
10 34 purchase of land or the making of a public improvement or
10 35 capital outlay of a permanent character, together with
11 1 supporting data and explanations as called for by the
11 2 director.

11 3 2. On or before October 1, prior to the second regular
11 4 session of a general assembly, all departments and
11 5 establishments shall transmit to the director, on forms
11 6 furnished by the director, estimates of their requirements for
11 7 supplemental appropriations or appropriations reductions for
11 8 the fiscal biennium budget in progress.

11 9 ~~a-~~ 3. The estimates of expenditure requirements shall be
11 10 based upon seventy-five percent of the funding provided for
11 11 the current fiscal year accounted for by program reduced by
11 12 the historical employee vacancy factor in form specified by
11 13 the director and the remainder of the ~~estimate~~ estimates of
11 14 expenditure requirements prioritized by program. The
11 15 estimates shall be accompanied with performance measures for
11 16 evaluating the effectiveness of the program.

11 17 ~~b-~~ 4. The budget estimates for an agency as defined in
11 18 section 8E.103 shall be based on achieving goals contained in
11 19 the enterprise strategic plan and the agency's strategic plan
11 20 as provided for in chapter 8E. The estimates shall be
11 21 accompanied by a description of the measurable and other
11 22 results to be achieved by the agency. Performance measures
11 23 shall be based on the goals developed pursuant to sections
11 24 8E.205, 8E.206, and 8E.208. The estimates shall be
11 25 accompanied by an explanation of the manner in which
11 26 appropriations requested for the administration and
11 27 maintenance of the agency meet goals contained in the
11 28 enterprise strategic plan and the agency's strategic plan,
11 29 including identifying goals that require legislation.

11 30 ~~e- 5.~~ If a department or establishment fails to submit
11 31 estimates as required in subsection 1 within the time
11 32 specified, the legislative services agency shall use the
11 33 amounts of the appropriations to the department or
11 34 establishment for the fiscal year in ~~process~~ progress at the
11 35 time the estimates are required to be submitted as the amounts
12 1 for the department's or establishment's request in the
12 2 documents submitted to the general assembly for each fiscal
12 3 year of the ensuing fiscal year biennium and the governor
12 4 shall cause estimates to be prepared for that department or
12 5 establishment as in the governor's opinion are reasonable and
12 6 proper.

12 7 ~~d- 6.~~ The director shall furnish standard budget request
12 8 forms to each department or agency of state government.

12 9 ~~2- 7.~~ On or before November 15 prior to each regular
12 10 legislative session all departments and establishments of
12 11 government and the judicial branch shall transmit to the
12 12 department of management and the legislative services agency
12 13 estimates of their receipts and expenditure requirements from
12 14 federal or other nonstate grants, receipts, and funds for each
12 15 of the two ensuing fiscal ~~year~~ years. The transmittal shall
12 16 include the names of the grantor and the grant or the source
12 17 of the funds, the estimated amount of the funds, and the
12 18 planned expenditures and use of the funds. The format of the
12 19 transmittal shall be specified by the legislative services
12 20 agency.

12 21 Sec. 9. Section 8.30, Code 2009, is amended to read as
12 22 follows:

12 23 8.30 AVAILABILITY OF APPROPRIATIONS.

12 24 The appropriations made are not available for expenditure
12 25 until allotted as provided for in section 8.31. All
12 26 appropriations are declared to be maximum and proportionate
12 27 appropriations, the purpose being to make the appropriations
12 28 payable in full in the amounts named if the estimated budget
12 29 resources during ~~the~~ each fiscal year of the fiscal biennium
12 30 for which the appropriations are made, are sufficient to pay
12 31 all of the appropriations in full. The governor shall
12 32 restrict allotments only to prevent an overdraft or deficit in
12 33 any fiscal year for which appropriations are made.

12 34 Sec. 10. Section 8.36, Code 2009, is amended to read as
12 35 follows:

13 1 8.36 FISCAL BIENNIUM == FISCAL YEAR.

13 2 1. The fiscal biennium of the state ends on the thirtieth
13 3 day of June in each odd-numbered fiscal year; the succeeding
13 4 fiscal biennium begins on the day following.

13 5 2. The fiscal year of the government shall commence on the
13 6 first day of July and end on the thirtieth day of June. This
13 7 fiscal year shall be used for purposes of making
13 8 appropriations and of financial reporting and shall be
13 9 uniformly adopted by all departments and establishments of the
13 10 government.

13 11 3. However Notwithstanding subsection 2, the department of
13 12 workforce development may use the federal fiscal year instead
13 13 of the fiscal year commencing on July 1.

13 14 Sec. 11. Section 8.41, subsection 2, Code 2009, is amended
13 15 to read as follows:

13 16 2. Federal funds deposited in the state treasury as
13 17 provided in subsection 1 shall either be included as part of
13 18 the governor's budget required by section 8.22 or shall be
13 19 included in a separate recommendation made by the governor to
13 20 the general assembly. If federal funds received in the form
13 21 of block grants or categorical grants have not been included
13 22 in the governor's budget for the current fiscal ~~year~~ biennium
13 23 because of time constraints or because a budget is not being
13 24 submitted for the ~~next fiscal~~ second year of a fiscal
13 25 biennium, the governor shall submit a supplemental statement
13 26 to the general assembly listing the federal funds received and
13 27 including the same information for the federal funds required
13 28 by section 8.22, subsection 1, paragraph "b", subparagraph
13 29 (1), subparagraph ~~subdivision~~ division (e), for the statement
13 30 of federal funds in the governor's budget.

13 31 Sec. 12. Section 8.54, subsection 1, paragraph a, Code
13 32 2009, is amended to read as follows:

13 33 a. "Adjusted revenue estimate" means the appropriate
13 34 revenue estimate for the general fund for ~~the following a~~
13 35 fiscal year as determined by the revenue estimating conference
14 1 under section 8.22A, subsection 3, adjusted by subtracting
14 2 estimated tax refunds payable from that estimated revenue and
14 3 as determined by the conference, adding any new revenues which
14 4 may be considered to be eligible for deposit in the general
14 5 fund.

14 6 Sec. 13. Section 8.54, subsections 2, 3, 5, and 7, Code
14 7 2009, are amended to read as follows:

14 8 2. There is created a state general fund expenditure
14 9 limitation for each fiscal year of the fiscal biennium
14 10 calculated as provided in this section. An expenditure
14 11 limitation shall be used for the portion of the budget process
14 12 commencing on the date the revenue estimating conference
14 13 agrees to a revenue estimate for the following fiscal year in
14 14 accordance with section 8.22A, subsection 3, and ending with
14 15 the governor's final approval or disapproval of the
14 16 appropriations bills applicable to that fiscal year that were
14 17 passed prior to July 1 of that fiscal year in a regular or
14 18 extraordinary legislative session. The expenditure limitation
14 19 shall apply to each of the fiscal years of the fiscal biennium
14 20 as follows:

14 21 a. In the fiscal year preceding a fiscal biennium, a state
14 22 general fund expenditure limitation shall be calculated for
14 23 and shall apply to each of the fiscal years of the ensuing
14 24 fiscal biennium.

14 25 b. However, if the adjusted revenue estimate for the
14 26 second fiscal year of the fiscal biennium is revised due to a
14 27 different estimate developed for that fiscal year under
14 28 section 8.22A, subsection 3, paragraph "b", the state general
14 29 fund expenditure limitation for that fiscal year shall be
14 30 readjusted in accordance with the revision. The governor
14 31 shall submit recommendations for and the general assembly
14 32 shall pass revisions in revenue provisions and appropriations
14 33 as necessary so that the budget for the second fiscal year of
14 34 the fiscal biennium does not exceed the readjusted state
14 35 general fund expenditure limitation.

15 1 3. Except as otherwise provided in this section, the state
15 2 general fund expenditure limitation for a fiscal year shall be
15 3 ninety-nine percent of the appropriate adjusted revenue
15 4 estimate.

15 5 5. For a ~~fiscal years~~ year in which section 8.55,
15 6 subsection 2, results in moneys being transferred to the
15 7 general fund, the original state general fund expenditure
15 8 limitation amount provided for in subsection 3 for that fiscal
15 9 year shall be readjusted to include the moneys which are so
15 10 transferred.

15 11 7. The governor shall transmit to the general assembly, in
15 12 accordance with section 8.21, a budget which does not exceed
15 13 the state general fund expenditure limitation for a fiscal
15 14 year. The general assembly shall pass a budget which does not
15 15 exceed the state general fund expenditure limitation for a
15 16 fiscal year. The governor shall not transmit a budget with
15 17 recommended appropriations in excess of the state general fund
15 18 expenditure limitation for a fiscal year and the general
15 19 assembly shall not pass a budget with appropriations in excess
15 20 of the state general fund expenditure limitation for a fiscal
15 21 year. The governor shall not approve or disapprove
15 22 appropriation bills or items of appropriation bills passed by
15 23 the general assembly in a manner that would cause the final
15 24 budget approved by the governor to exceed the state general
15 25 fund expenditure limitation for a fiscal year. In complying
15 26 with the requirements of this subsection, the governor and the
15 27 general assembly shall not rely on any anticipated reversion
15 28 of appropriations in order to meet the state general fund
15 29 expenditure limitation for a fiscal year.

15 30 Sec. 14. Section 8.57, subsection 6, Code 2009, is amended
15 31 by adding the following new paragraph:

15 32 NEW PARAGRAPH. i. Appropriations from the rebuild Iowa
15 33 infrastructure fund shall be made on a biennial basis.

15 34 Sec. 15. Section 602.1301, subsection 1, Code 2009, is
15 35 amended to read as follows:

16 1 1. The supreme court shall prepare ~~an annual~~ a biennial
16 2 operating budget for the judicial branch, and shall submit a
16 3 budget request to the general assembly for the fiscal ~~period~~
16 4 biennium for which the general assembly is appropriating
16 5 funds.

16 6 Sec. 16. Section 602.1301, subsection 2, paragraph a,
16 7 unnumbered paragraph 1, Code 2009, is amended to read as
16 8 follows:

16 9 As early as possible, but not later than December 1
16 10 preceding the first regular session of a general assembly, the
16 11 supreme court shall submit to the legislative services agency
16 12 the ~~annual~~ biennial budget request and detailed supporting
16 13 information for the judicial branch. The submission shall be
16 14 designed to assist the legislative services agency in its
16 15 preparation for legislative consideration of the budget
16 16 request. The information submitted shall contain and be

16 17 arranged in a format substantially similar to the format
16 18 specified by the director of management and used by all
16 19 departments and establishments in transmitting to the director
16 20 estimates of their expenditure requirements pursuant to
16 21 section 8.23, except the estimates of expenditure requirements
16 22 shall be based upon one hundred percent of funding for the
16 23 fiscal years comprising the current fiscal year biennium
16 24 accounted for by program, and using the same line item
16 25 definitions of expenditures as used for the current fiscal
16 26 year's biennium's budget request, and the remainder of the
16 27 estimate of expenditure requirements prioritized by program.
16 28 The supreme court shall also make use of the department of
16 29 management's automated budget system when submitting
16 30 information to the director of management to assist the
16 31 director in the transmittal of information as required under
16 32 section 8.35A. The supreme court shall budget and track
16 33 expenditures by the following separate organization codes:
16 34 Sec. 17. Section 602.1301, subsection 2, paragraph b, Code
16 35 2009, is amended to read as follows:

17 1 b. Before December 1 preceding the first regular session
17 2 of a general assembly, the supreme court shall submit to the
17 3 director of management an estimate of the total expenditure
17 4 requirements of the judicial branch. The director of
17 5 management shall submit this estimate received from the
17 6 supreme court to the governor for inclusion without change in
17 7 the governor's proposed budget for the succeeding fiscal ~~year~~
17 8 biennium. The estimate shall also be submitted to the
17 9 chairpersons of the committees on appropriations.

17 10 Sec. 18. Section 602.1301, subsection 2, Code 2009, is
17 11 amended by adding the following new paragraph:

17 12 NEW PARAGRAPH. c. The supreme court may submit a
17 13 supplemental budget request for the second year of a fiscal
17 14 biennium providing for supplemental appropriations to or
17 15 appropriations reductions from the previously enacted fiscal
17 16 biennium budget. A supplemental request shall be subject to
17 17 the same format and information requirements as a biennial
17 18 budget request under paragraph "a" and an expenditure
17 19 requirements estimate under paragraph "b". A supplemental
17 20 budget request shall be submitted on or before December 1
17 21 preceding the second year of the fiscal biennium to the
17 22 legislative services agency and the director of the department
17 23 of management.

17 24 Sec. 19. EFFECTIVE DATE AND APPLICABILITY. This Act takes
17 25 effect July 1, 2010, and is first applicable to the fiscal
17 26 biennium beginning July 1, 2011, and ending June 30, 2013.

17 27 EXPLANATION

17 28 This bill provides for state biennial appropriations.

17 29 The bill provides for the budget process and appropriations
17 30 to be made on a biennial basis commencing with the fiscal
17 31 biennium beginning July 1, 2011, and ending June 30, 2013.

17 32 The bill takes effect July 1, 2010.

17 33 LSB 2021YH 83

17 34 jp/rj/24