

# **Financial Update House File 837**

Last Action:  
**Senate Appropriations  
Committee**  
April 27, 2005

**Executive Summary Only**

**An Act relating to State government financial matters concerning Charter Agencies, the State Appeal Board, and reinvention initiatives of the Department of Management, and making appropriations.**

**Fiscal Services Division  
Legislative Services Agency**

## **NOTES ON BILLS AND AMENDMENTS (NOBA)**

Available on line at <http://www3.legis.state.ia.us/noba/index.jsp>

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**EXECUTIVE SUMMARY  
NOTES ON BILLS AND AMENDMENTS**

**HOUSE FILE 837  
FINANCIAL UPDATE**

**CHARTER AGENCIES ACROSS-THE-BOARD REDUCTIONS**

- CODE: Extends the exclusion of Charter Agencies from uniform budget reductions by the Governor through FY 2006.

**CHARTER AGENCIES STATE APPEAL BOARD APPROVAL**

- CODE: Permits Charter Agencies to pay prior fiscal year claims from non-General Fund sources without the approval of the State Appeal Board.

**STATE APPEAL BOARD APPROPRIATION**

- Extends through FY 2007, the unlimited General Fund appropriation to the State Appeal Board for the costs of streamlining and improving the State Appeal Board process.

DETAIL: The current authority expires after FY 2005. The State Appeal Board has entered into an addendum to the master agreement with the Public Strategies Group (PSG). The addendum provides a maximum payment to the PSG of \$137,000 for redesign deliverables. The PSG has received payments totaling \$91,000. The remaining \$46,000 will be paid during FY 2005 upon the satisfactory completion of the recommendations for streamlining the claims process.

FISCAL IMPACT: The extension of the unlimited General Fund appropriation will have an unknown fiscal impact. The fiscal impact will not be known until a decision on the implementation of the redesign proposal has been made.

**NON-REVERSION OF FUNDS FOR REINVENTION INITIATIVES**

- Permits the Department of Management to carry forward funds for reinvention initiatives through FY 2007.

DETAIL: The Department received a net appropriation of \$6.2 million for reinvention initiatives in FY 2004. Current law permits the Department to carry the funds forward through FY 2005. The balance in the Fund as of March 23, 2005, is \$513,000.