

Senior Living Trust Fund Repayment Bill House File 2002

Last Action:

**House Appropriations
Committee**

January 10, 2006

Executive Summary Only

An Act increasing the standing amount required to be appropriated, reverted, or transferred to the credit of the senior living trust fund and including effective and retroactive applicability date provisions.

**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 2002
SENIOR LIVING TRUST FUND REPAYMENT BILL**

**GENERAL FUND SURPLUS
APPROPRIATION TO THE SENIOR
LIVING TRUST FUND**

- House File 2002 increases the standing amount required to be appropriated, reverted, or transferred to the Senior Living Trust Fund from the estimated General Fund surplus before funds are transferred to the Cash Reserve Fund from \$118.0 to \$300.0 million. Under current law, it is estimated that \$50.8 million will be transferred from the estimated General Fund surplus to the Senior Living Trust Fund at the beginning of FY 2007. This amount is subject to change pending legislative action.

FISCAL IMPACT

- The Bill increases the amount of time it will take for the General Fund to receive surplus revenue after the Economic Emergency Fund reaches the statutory maximum balance of 2.5% of estimated revenues.

RETROACTIVE APPLICABILITY

- Specifies that any appropriations, reversions, or transfers of appropriations credited to the Senior Living Trust Fund are applied retroactively to July 1, 2004. At the close of FY 2005, \$6.9 million was transferred from the Medicaid surplus to the Senior Living Trust Fund. Under this Bill, this amount is applied against the \$300.0 million repayment amount.

EFFECTIVE DATE

- The Bill takes effect upon enactment.