TERRY E. BRANSTAD
GOVERNOR

OFFICE OF THE GOVERNOR

KIM REYNOLDS
LT. GOVERNOR

April 12, 2011

The Honorable Kraig Paulsen
Speaker of the House of Representatives
State Capitol
Des Moines, Iowa 50319

Dear Mr. Speaker:

House File 642, an Act relating to and making transportation and other infrastructure-related appropriations to the department of transportation, including allocation and use of moneys from the road use tax fund and the primary road fund, is hereby disapproved and transmitted to you in accordance with Article III, Section 16, of the Constitution of the State of Iowa.

House File 642 is hereby disapproved on this date.

I am unable to approve House File 642 for the following reasons:

When I announced my intention to once again seek the Governor's office I made a pledge to Iowans to end the past budgeting practices that were sending shockwaves throughout our state. I promised to restore predictability and stability to the state budgeting process.

As I began preparation of my proposed budget for Fiscal Years 2012 and 2013 I found a current state budget with 89 programs that had been funded by revenue sources that would no longer be available. Nearly $900 million of on-going state expenditures that rightfully belonged in the general fund had been moved and paid for with one-time money.

Some of the most egregious practices included using one-time money for on-going expenditures, purposely appropriating funds at levels that are grossly insufficient to pay the reasonably estimated costs of entitlement programs, starting programs mid-year, and adopting budgets that direct the Governor to order unspecified budget cuts that must be made mid-year, at the discretion of the Governor.

The results of these practices have been an unprecedented period of unpredictability in the provision of state funds that has caused service disruptions, furloughs, and layoffs throughout state government and for many of our local school districts.

As a first step toward restoring predictability and stability to state budgeting I have submitted to the legislature a proposed biennial state budget that includes funding for both Fiscal Years 2012 and 2013 and have also submitted legislation to require the General Assembly and Governor to adopt a biennial budget.

It is my full expectation that the General Assembly will adopt budgets for all of state government for both Fiscal Years 2012 and 2013.

House File 642 provides for making transportation appropriations and other infrastructure-related appropriations to the Department of Transportation for Fiscal Year 2012, only, in direct violation of the sound budgeting principles upon which my proposed budget is based.

As originally adopted by the Iowa House of Representatives, House File 642 provided appropriations for both Fiscal Years 2012 and 2013. Unfortunately, the Iowa Senate stripped the appropriations for Fiscal Year 2013 and it is in this form House File 642 is currently before me for action.

As such, I cannot approve House File 642. I encourage the General Assembly to reconsider the appropriations made in this legislation so as to include appropriations for both Fiscal Years 2012 and 2013.

Iowans have every right to demand the Governor and General Assembly restore the sound budgeting practices and long-range planning tools that are necessary to ensure predictability and stability in state budgeting and I will continue to work with the General Assembly to make this a reality before adjourning for the year.

For the above reasons, I respectfully disapprove House File 642, in its entirety, in accordance with Article III, Section 16, of the Constitution of the State of Iowa.

Sincerely,

Terry E. Branstad

TERRY E. BRANSTAD
Governor