



IOWA HOUSE DEMOCRATS

BILL SUMMARY

Admin. and Reg. Budget SF 2385/HF 2590

Status of Bill: Senate Calendar
Committee: Senate Appropriations (13-7)
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Status Update

SF 2385 passed out of Appropriations, to be debated on the Senate Floor. Meanwhile, the agreed upon language has been introduced on the House side in the form HSB 731, and is awaiting the Appropriations meeting.

Senate Bill Summary

The Senate version of the Administration and Regulation Budget bill spends a total of \$50,112,268 out of the general fund for FY23, which is \$102,161 less than what the House proposed and passed. This is approximately \$99.5 million less than the FY 22 Administration and Regulation budget which is primarily due to the absence of \$100,000,000 in broadband grants. The Senate budget eliminates most of the additional appropriations the House version had, keeping only the House's \$54,200 increase to the Iowa Ethics and Campaign Disclosure Board to maintain the upgraded electronic system. The Senate's reductions include the removal of the House's \$28,694 increase for the Department of Human Rights, the \$8,951 to the Public Information Board, and a decrease of \$64,561 to the Child Advocacy Board for the state's CASA program, resulting in only a \$25,000 increase in the appropriation from FY22. The Senate's version appropriates a \$75,000 increase to DOM to cover salaries, \$25,000 less than the House's bill.

Department of Administrative Services

Encompasses personnel, information technology, and general services functions for state government. DAS is primarily fee-based and customers (other state agencies) are billed for the services they receive. DAS is organized into enterprises - the General Services Enterprise, the Human Resource Enterprise, and the Information Technology Enterprise.

Operations. The status quo funding of \$3.6 million in FY 23 goes towards salaries, support, maintenance, and other miscellaneous purposes.

Utilities. The status quo appropriation of \$4.1 million is used to supplement utility costs. Any money that is not spent in FY 23 will carry forward for utility costs in FY 24.

Terrace Hill Operations. The bill provides \$461,674 for the maintenance and care at Terrace Hill in FY 23, no change from FY 22.

Auditor of State

Responsible for conducting annual audits of all state departments and agencies as well as audits of counties, cities, school districts and other governmental subdivisions as requested. The office is also responsible for conducting performance audits of state agencies and the programs they administer, and conducts special studies assigned by the State Auditor or requested by the Legislature.

General Office. The Auditor of the State will receive status quo funding of \$986,193 for FY 23, the same as the office received in FY 22. Money appropriated is required to be only on audit work that is related to the Comprehensive Annual Financial Report (CAFR).

Ethics and Campaign Disclosure Board

The Ethics and Campaign Disclosure Board administers the campaign finance laws, which apply to candidates running for state and local offices. The Board also administers the ethics laws, which apply to candidates for office and officials and employees of the Executive Branch of state government.

Operations. The appropriation for FY 23 is a \$54,200 increase from FY 22. Of the increase, \$41,650 is for ongoing maintenance and hosting of the Board's upgraded electronic filing system. The Ethics and Campaign Disclosure Board received \$500,000 from the Technology Reinvestment Fund in FY 2021 and FY 2022 to improve the Board's web-based electronic filing system. The remaining increase is for operational expenses.

Office of the Chief Information Officer

Broadband. There is no appropriation for FY 23. The \$100,000,000 appropriation in FY 22 was for Broadband grants.

Department of Commerce

The Department of Commerce is made up of the five divisions: Alcoholic Beverages, Banking, Credit Union, Insurance and Utilities. Each division is responsible for the regulation of an industry or group of industries and is funded in whole, or in part, by fees and assessments levied on the regulated industries.

Alcoholic Beverages. The status quo funding of \$1 million will go toward salaries, maintenances, and miscellaneous expenses in the Alcoholic Beverages Division.

Professional Licensure. The status quo funding of \$360,856 in FY 23 will go toward salaries, maintenances, and miscellaneous expenses in the Alcoholic Beverages Division.

Governor/ Lt. Governor Office

Funding for the Governor's office includes the Governor and Lt. Governor's Office, Terrace Hill, Administrative Rules Coordinator, National Governor's Association dues, and the State-Federal Relations

Office.

Office. The Governor's office will see a total of \$2.3 million in FY 23, the same as the previous year.

Terrace Hill Quarters. The appropriation is \$142,702 for FY 23, the same as the previous year.

Drug Control Policy

The office coordinates multi-jurisdictional drug task forces across Iowa. The drug task forces have been paid through federal funds. This office creates drug control policy and strategy for the state and also identifies and administers federal grants.

Operations. The FY 23 appropriation is a total of \$239,271. The appropriation will go toward salaries, maintenances, and miscellaneous expenses including the statewide coordination of the D.A.R.E. program and other similar programs.

Department of Human Rights

The Department works to ensure that every Iowan is equally protected and respected. Included in this Department are the Central Administration Division and the Community Advocacy and Services Division. The Department will receive a status quo appropriation of \$1,145,965 in FY 23. This is a \$28,649 decrease from the House's FY23 budget bill.

Department of Inspections and Appeals

The Department of Inspections and Appeals (DIA) is a regulatory agency charged with protecting the health, safety, and well-being of Iowans. The department is organized into four major divisions.

Administration Division. The administrative division receives status quo funding of \$546,312 for FY 23. The money will be used to oversee the day-to-day operations of the agency.

Administrative Hearings Division. The appropriation of \$625,827 for FY 23 will be appropriated to conduct quasi-judicial contested case hearings involving Iowans who disagree with an administrative ruling issued by a state government agency.

Investigations Divisions. The appropriation of \$2.3 million in FY 23 is used to investigate alleged fraud in the state's public assistance programs. Including investigations into Medicaid fraud by health care providers, and conducts professional practice investigations on behalf of state licensing boards.

Health Facilities Division. The Health Care facilities division receives an appropriation of \$5.1 million for FY 23. This division is responsible for the regulation of more than 4,000 health care providers and suppliers in Iowa. Regulation includes periodic inspections, complaint investigations, state licensing/certification, certification under the Medicare and Medicaid program, and enforcement. The increase of \$318,900 is going towards additional surveys required of long-term care facilities in light of the COVID-19 pandemic.

Employment Appeal Board. The appropriation of \$38,912 in FY 23 will go towards the Employment Appeal

Board. This three-member board hears appeals of rulings of OSHA, rulings of the Iowa Department of Administrative Services (DAS), and rulings of IPERS (Iowa Public Employees Retirement System). The Board is required to be reimbursed by the Labor Services Division for all hearings relating to contractor registration.

Child Advocacy Board. The FY 23 appropriation of \$2,607,454 works to ensure that Iowa's foster children are well cared for and that the system designed to meet their needs is doing so in the most effective manner possible. The board oversees the Foster Care Review program, the Foster Care Registry, and the Court Appointed Special Advocate program (CASA), which works with abused and neglected children. Administrative costs for the board are limited at 4% of the appropriation. The additional \$25,000 being put towards the state's CASA program. This is a \$40,000 cut from the House's initial appropriation.

Food and Consumer Safety. The appropriation of \$574,819 in FY 23, is the same as FY 22. This division is charged with administering and enforcing the state's food and sanitation laws.

Department of Management

The Iowa Department of Management (DOM) is the planning and budgeting agency within the Executive Branch of Iowa state government.

Operations. The FY 23 appropriation will result in approximately \$2.8 million, this is a \$75,000 increase in operations from the Department of Management, which will most likely go towards salaries and other operation costs. The House's version of this bill originally added an \$100,000 increase to DOM.

Public Information Board

The Public Information Board was started on July 1, 2013, and offers informal advice and declaratory orders regarding the state's open meetings and records laws.

Public Information Board. The status quo appropriation of \$358,039 in FY 23 will go towards offering training, disseminating information, and investigating complaints, seeking resolution of disputes, and acting to enforce the law. This is an \$8,951 reduction from the House's budget.

Department of Revenue

The Department of Revenue is responsible for revenue collection and tax law compliance.

Operations. There is an appropriation of \$15.3 million for the operations at the Department of Revenue, this money will maintain the status quo for the Department.

Secretary of State

The Secretary of State is responsible for filing corporate and lien documents such as Uniform Commercial Code financing statements, trademarks, business entity documents and other statutorily required special filings. The office supervises and coordinates elections and maintains the voter registration program.

Administration and Elections. Receives a status quo appropriation for FY 23. The money goes towards salaries, support, maintenance, and other miscellaneous purposes. There is also language in the appropriation that prevents state agencies from charging the Secretary of State to provide data processing services for voter registration file maintenance and storage.

Business Services. Receives status quo funding of \$1.4 million for FY 23. The money goes towards salaries, support, maintenance, and other miscellaneous purposes.

Treasurer of State

The Office receives all revenues from state agencies and the federal government and is responsible for all bank relations. The Treasurer is the investor and custodian of the state's general fund, the reserve funds, and the road use tax fund operating funds. These funds are pooled and invested together. The office also provides clerical support for the Executive Council.

General Office. The Treasurer of the State receives status quo funding of \$1 million for FY 23. The funding goes will go towards salaries, support, maintenance, and other miscellaneous purposes.

Other Funds:

The Senate bill appropriates a total of \$60.2 million from other funds. This is an increase of \$521,805 compared to estimated FY22, which includes an increase of \$100,000 to the Credit Unit Division from the Commerce Revolving Fund (CMRF) for cybersecurity regulatory concerns in credit unions. An increase of \$45,000 to the Insurance Division from the CMRF to evaluate complaints from senior citizens. An additional \$200,000 and 2 FTEs from the CMRF for the Insurance Division to enforce the Pharmacy Benefit Manager Program, contingent upon HF 2384 passing. And an increase of \$177,000 to the Treasurer of State from the Road Use Tax Fund for increased I/3 expenses.

