



IOWA HOUSE DEMOCRATS

Bill Summary

Admin and Reg. Budget HF 759

Status of Bill: Appropriations Calendar

Committee: Appropriations (14-10)

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Background

The House Republicans proposal for the Administration and Regulation budget spends a total of \$52,420,985 in FY 20, \$3.95 million more than FY 19. The proposal also spends a total of \$55.38 million in FY 20 of non-general fund spending, an increase of \$75,000 from FY 19.

Summary

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.

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
Operations	\$3,616,936	\$3,616,936	\$0
Utilities	\$3,356,210	\$3,524,611	\$168,401
Terrace Hill Operations	\$386,660	\$418,200	\$31,540
Total	\$7,359,806	\$7,559,747	\$199,941

Operations. The status quo funding of \$3.6 million in FY 20 goes towards salaries, support, maintenance, and other miscellaneous purposes.

Utilities. There is an increase of \$168,401 in FY 20 for a total of \$3.5 million. This increase is needed as utility rates continue to rise. Any money that is not spent in FY 20 will carry forward for utility costs in FY 21. There is also a supplemental appropriation in FY 19 to the Department of Administrative Services (DAS) of \$456,979 for the payment of utility costs.

Terrace Hill Operations. The increase of \$31,540 in FY 20 is for .5 FTE position, for the maintenance and care at Terrace Hill. The total FY 20 appropriation is \$418,200.

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.

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
General Office	\$986,193	\$986,193	\$0
Total	\$986,193	\$986,193	\$0

General Office. The Auditor of the State will receive status quo funding of \$986,193 for FY 20, the same as the office received in FY 19. 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 and officials and employees of the Executive Branch of state government.

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
Operations	\$597,501	\$666,001	\$68,500
Total	\$597,501	\$666,001	\$68,500

Operations. The appropriation for FY 20 of \$666,011 is an increase of \$68,500 from FY 19. The increase will go for the hiring of an Attorney II position. Currently the director is the only attorney on staff and is responsible for all investigations.

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.

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
Alcoholic Beverages	\$1,019,556	\$1,019,556	\$0
Professional Licensure	\$370,263	\$370,263	\$0
Total	\$1,389,819	\$1,389,819	\$0

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 \$370,263 in FY 20 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.

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
Office	\$2,103,954	\$2,303,954	\$200,000
Terrace Hill Quarters	\$92,070	\$140,070	\$48,000
Total	\$2,196,024	\$2,444,024	\$248,000

Office. The Governor’s office will see a total of \$2.3 million in FY 20, a \$200,000 increase over FY 19. The new spending will go towards the hiring of two new full time employees (FTEs).

Terrace Hill Quarters. The appropriation is an increase of \$48,000 over FY 20 for a total of \$140,070. The increase in funding is addressing previous years underfunding.

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.

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
Operations	\$226,247	\$238,147	\$11,900
Total	\$226,247	\$238,147	\$11,900

Operations. The FY 20 appropriation is an increase of \$11,900 from FY 19 for a total of \$238,147. 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

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
Central Administration	\$210,075	\$210,075	\$0
Community Advocacy	\$956,894	\$956,894	\$0
Total	\$1,166,969	\$1,166,969	\$0

Central Administration. The FY 20 funding for Central Administration is \$210,075, the same as FY 19. The funding goes will go towards salaries, support, maintenance, and other miscellaneous purposes.

Community Advocacy. The FY 20 funding for Community Advocacy is \$956,894, the same as FY 19. The funding goes will go towards salaries, support, maintenance, and other miscellaneous purposes.

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

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
Administration	\$511,580	\$511,580	\$0
Administrative Hearings	\$625,827	\$625,827	\$0
Investigations	\$2,471,791	\$2,471,791	\$0
Health Facilities	\$4,734,682	\$4,734,682	\$0
Employment Appeal	\$38,912	\$38,912	\$0
Child Advocacy	\$2,570,605	\$2,570,605	\$0
Food and Consumer Safety	\$574,819	\$574,819	\$0
Total	\$11,528,216	\$11,528,216	\$0

Administration Division. The administrative division receives status quo funding of \$511,580 for FY 20. 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 20 will be appropriated to conduct quasi-judicial contested case hearings involving lowans who disagree with an administrative ruling issued by a state government agency.

Health Facilities Division. The Health Care facilities division receives an appropriation of \$2.5 million for FY 20. 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.

Investigations Divisions. The appropriation of \$4.7 million in FY 20 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. By December 1, 2019 that department is required to provide a report to the General Assembly on their efforts to related to fraud in public assistance programs.

Employment Appeal Board. The appropriation of \$38,912 in FY 20 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 20 appropriation of \$2.6 million 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.

Food and Consumer Safety. The appropriation of \$574,819 in FY 20, is the same as FY 19. 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.

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
Operations	\$2,257,389	\$2,652,389	\$125,000
OCIO Rate Adjustment	\$0	\$1,300,751	\$1,300,751
Total	\$2,257,389	\$3,953,140	\$1,425,751

Operations. The increase of \$125,000 in FY 20 will result in a \$2.7 million appropriation for FY 20. The increase will go towards new 1 FTE.

OCIO Rate Adjustments. The new appropriation of \$1.3 million in FY 20 will be used for the distribution to other agencies for rate adjustments and for salaries, support, maintenance, and miscellaneous purposes.

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

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
Public Info. Board	\$339,343	\$339,343	\$0
Total	\$339,343	\$339,343	\$0

Public Information Board. The status quo appropriation of \$339,343 in FY 20 will toward offering training, disseminating information, and investigating complaints, seeking resolution of disputes, and acting to enforce the law.

Department of Revenue

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

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
Printing Cigarette Stamps	\$124,652	\$124,652	\$0
Operations	\$15,474,482	\$15,474,482	\$0
Tobacco Reporting Requirements	\$17,525	\$17,525	\$0
Processing System Updates	\$0	\$2,000,000	\$2,000,000
Total	\$15,616,659	\$17,616,659	\$2,000,000

Processing System Updates. This new appropriation of \$2 million in FY 20 will go towards technology upgrades for processing systems. Of the money appropriated, \$400,000, must be used to pay the direct costs of compliance related to the Local Option Sales and Services Tax.

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.

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
Administration & Elections	\$2,109,755	\$2,109,755	\$0
Business Services	\$1,405,530	\$1,405,530	\$0
Total	\$3,515,285	\$3,515,285	\$0

Administration and Elections. Receives status quo funding of \$2.1 million for FY 20. The money goes towards salaries, support, maintenance, and other miscellaneous purposes.

Business Services. Receives status quo funding of \$1.4 million for FY 20. 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.

	Estimated FY 19 Net	House FY 2020	FY 20 v. FY 19
General Office	\$1,017,442	\$1,017,442	\$0
Total	\$1,017,442	\$1,017,442	\$0

General Office. The Treasurer of the State receives status quo funding of \$1 million for FY 20. The funding goes will go towards salaries, support, maintenance, and other miscellaneous purposes.

Policy Changes

The legislation creates new requirements for various reports that are to be filed:

- DAS must create an annual report to be submitted to the General Assembly listing real property owned or leased by the state.
- DAS must work with the OCIO to create and maintain an internet site with a listing of the properties leased or owned by the state.
- A quarterly report is required on the state of technology upgrades or enhancements for state agencies.
- The legislation makes a technical fix that applies the \$150 annual hotel license fee apply to hotels containing 101 guest rooms.