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## FISCAL TOPICS

Fiscal Services Division

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## Technology Reinvestment Fund

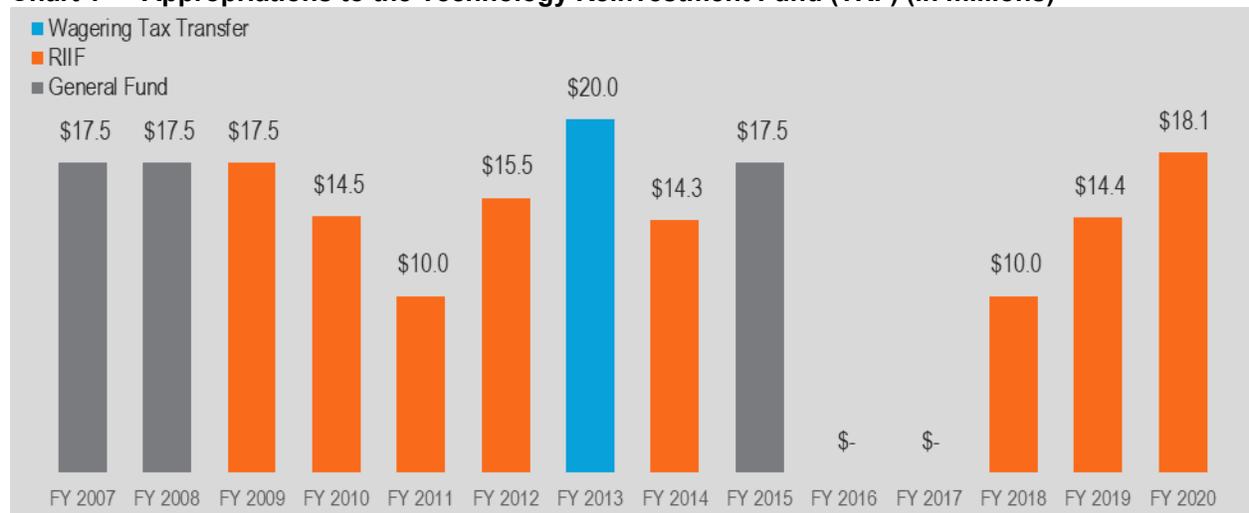
Iowa Code section [8.57C](#) establishes the Technology Reinvestment Fund (TRF) for the purposes of acquiring computer hardware and software, software development, acquiring telecommunications equipment, maintenance, lease agreements associated with technology components, and the purchase of equipment intended to provide an uninterruptible power supply. The TRF was created in 2006 Iowa Acts, chapter [1179](#) (FY 2007 Infrastructure and Capital Projects Appropriations Act), under the direction of the Department of Management.

### Funding

Iowa Code section [8.57C](#) provides a standing appropriation of \$17.5 million from the General Fund to the TRF. Unlike most funds, the TRF does not receive taxes or fees directly. This means that if the General Assembly elects to suspend the standing appropriation, the TRF will receive no new funding without legislative action. In FY 2016 and FY 2017, the TRF did not receive funding from any source. During these years, the technology projects typically funded from the TRF were instead funded from the Rebuild Iowa Infrastructure Fund (RIIF).

Since FY 2009, the General Assembly has appropriated funding to the TRF exclusively from non-General Fund sources. However, in FY 2015 the Governor vetoed a provision that suspended the General Fund appropriation. This veto meant that the TRF received the General Fund standing appropriation of \$17.5 million in FY 2015. In total, the TRF has received \$186.8 million since its inception. Of the total, 28.1% was from the General Fund and 71.9% was provided from other sources. The chart below displays funding provided to the TRF by year.

**Chart 1 — Appropriations to the Technology Reinvestment Fund (TRF) (in millions)**



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### More Information

Iowa Legislature: [www.legis.iowa.gov](http://www.legis.iowa.gov)

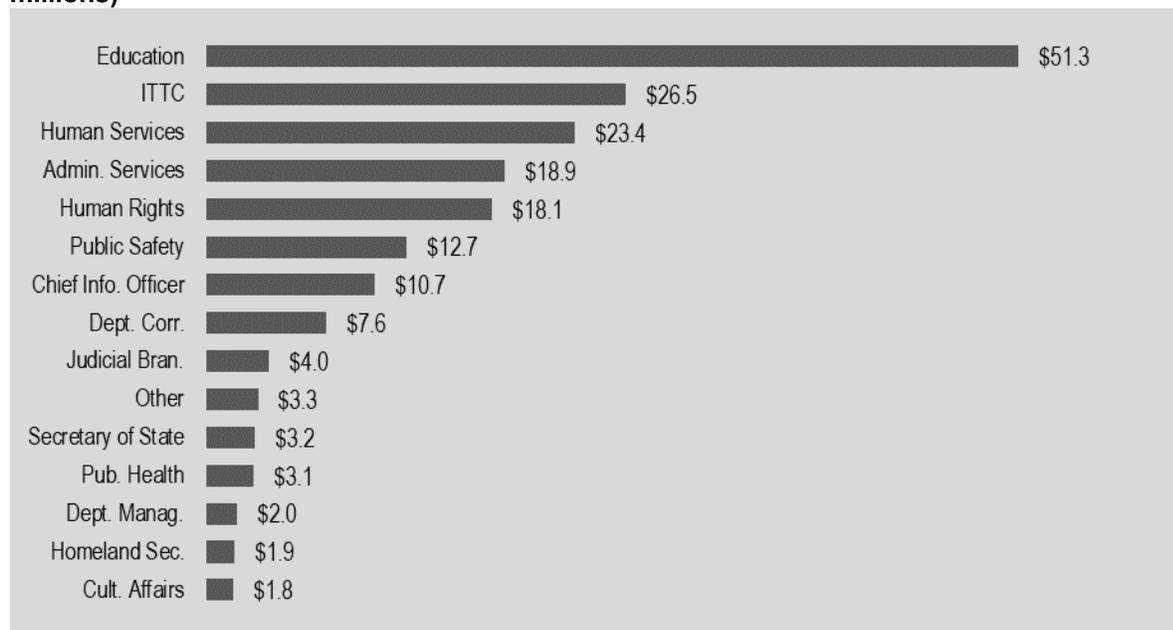
LSA Staff Contact: Adam Broich (515.281.8223) [adam.broich@legis.iowa.gov](mailto:adam.broich@legis.iowa.gov)

**Chart 1** shows that no funding was appropriated in FY 2016 and FY 2017 to the TRF. For both of these years, technology projects were funded directly from the RIIF. The General Assembly appropriated \$10.5 million from the RIIF for technology projects in FY 2016 and \$8.7 million for technology projects in FY 2017.

### Appropriations

Since 2007, the General Assembly has appropriated funding from the TRF to State agencies for programs and projects 13 times. Generally, appropriations from the TRF match the funding appropriated to the TRF (**Chart 1**), but in some years unexpended funds brought forward from the prior year mean the General Assembly may have resources in addition to the appropriated funds. Appropriations by department are shown in **Chart 2**. The top two recipients are the Department of Education (27.3%) and the Iowa Communications Network (ICN) (14.1%).

**Chart 2 — Appropriations from the TRF to State Agencies — FY 2007 to Estimated FY 2020 (in millions)**



Projects and acquisitions funded by the TRF are typically completed within a fiscal year and do not require ongoing annual appropriations. However, several departments have received ongoing appropriations for technology systems and projects. These projects, listed below, received a total of \$5.2 million (28.7% of TRF appropriations) in FY 2019, and have received between 28.7% and 56.8% of available TRF resources.

**Table 1 — Technology Projects and Programs that Received Ongoing Appropriations**

Department	Appropriation Name
Department of Education	ICN Part III Leases
	Statewide Education Data Warehouse
Department of Homeland Security Emerg. Man.	Alert Iowa Statewide Messaging System
Department of Human Rights	Criminal Justice Information System
	Justice Data Warehouse
Department of Management	Iowa Grants Management
	Searchable Online Database
Iowa Communications Network	Equipment Replacement (Ended in FY 2015)

Other projects have required multiyear appropriations but for a limited term. These projects may obligate funding for a number of years before completion. Multiyear projects that are ongoing in FY 2020 are displayed in **Table 2**.

**Table 2 — Limited-Term Technology Appropriations (over multiple fiscal years)**

Local Government Budget and Prop. Tax System (FY 2018 enacted in 2017, FY 2019 enacted in 2018, FY 2020 enacted in 2019.)	FY 2018: \$600,000 FY 2019: \$600,000 FY 2020: \$120,000 Total: \$1,320,000
Medicaid Technology (FY 2018 enacted in 2017, other years enacted in 2018)	FY 2018: \$1,000,000 FY 2019: \$636,000 FY 2020: \$1,228,535 FY 2021: \$1,979,319 FY 2022: \$1,625,363 FY 2023: \$1,416,680 FY 2024: \$1,578,280 FY 2025: \$1,335,178 Total: \$10,799,355
Voter Registration System (Enacted in 2018)	FY 2019: \$1,050,000 FY 2020: \$2,100,000 FY 2021: \$1,400,000 FY 2022: \$1,400,000 FY 2023: \$1,400,000 Total: \$7,350,000

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