FISCAL TOPICS

Fiscal Services Division

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LEGISLATIVE SERVICES AGENCY
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Technology Reinvestment Fund

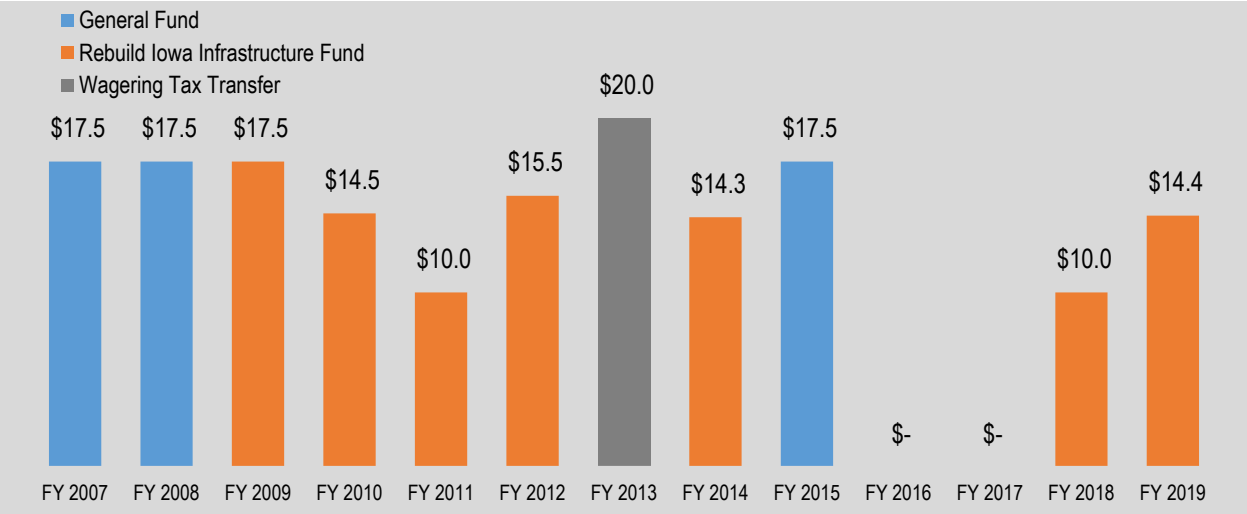
Iowa Code section 8.57C establishes the Technology Reinvestment Fund (TRF) for the purposes of acquiring computer hardware and software, software development, acquiring telecommunications equipment, maintenance, lease agreements associated with technology components, and the purchase of equipment intended 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 Funding 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 $168.8 million since the inception of the Fund. Of the total, 31.1% was from the General Fund and 68.9% 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)



More Information

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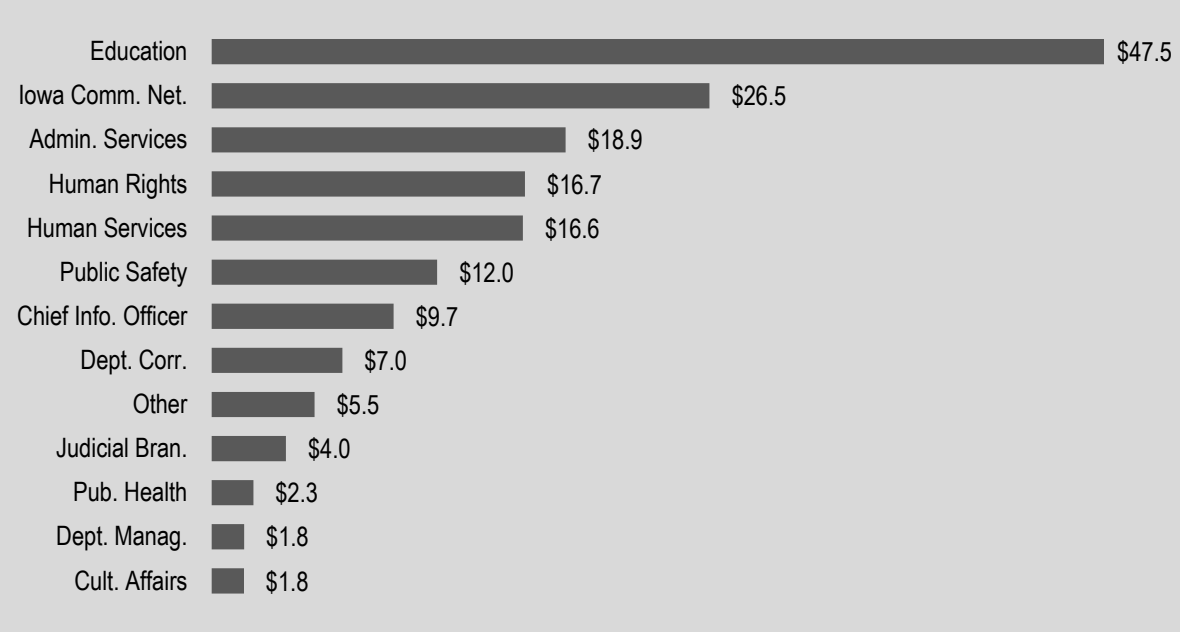
Chart 1 shows that no funding was appropriated in FY 2016 and FY 2017 to the TRF. For both of these years, technology projects were funded directly from the RIIF. The General Assembly appropriated $10.5 million from the RIIF for technology projects in FY 2016 and $8.7 million for technology projects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

Appropriations

Since 2007, the General Assembly has appropriated funding from the TRF to State agencies for programs and projects nine times. Generally, appropriations from the TRF match the funding appropriated to the TRF (**Chart 1**). Appropriations by Department are displayed in **Chart 2**. The top two recipients are the Department of Education (27.9%) and the Iowa Communications Network (ICN) (15.6%).

Chart 2 — Appropriations from the TRF to State Agencies – FY 2007 to Estimated FY 2019 (in millions)



Projects and acquisitions funded by the TRF are typically completed and do not require ongoing annual appropriations. However, several departments have received ongoing appropriations for technology systems and projects. These projects, listed below, will receive a total of $5.2 million (36.1% of TRF appropriations) in estimated FY 2019, and have received between 36.1% and 56.8% of available TRF resources.

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

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

Other projects have required multi-year appropriations but for a limited term. These projects may tie down funding for a number of years before completion. Multi-year projects that are ongoing in FY2019 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 2018: $600,000 FY 2019: $600,000
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
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

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	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019 (Est)	Total
Chief Information Officer, Office of the	$ -	$ -	$ 7,728,189	$ -	$ -	$ 1,000,000	$ 1,000,000	$ 9,728,189
IT Consolidation - TRF			7,728,189			1,000,000	1,000,000	9,728,189
Corrections, Department of	4,000,000	-	-	-	-	-	-	4,000,000
Radio Communications Upgrades - TRF	3,500,000							3,500,000
Iowa Corrections Offender Network - TRF	500,000							500,000
Cultural Affairs, Department of	150,000	129,450	500,000	-	-	-	-	779,450
Grout Museum Oral History Exhibit - TRF	150,000	129,450	500,000					779,450
Education, Department of	3,647,000	4,537,000	4,477,000	-	236,161	3,587,000	3,827,000	20,311,161
ICN Part III Leases & Maintenance - TRF	2,727,000	2,727,000	2,727,000			2,727,000	2,727,000	13,635,000
Statewide Ed Data Warehouse - TRF	600,000	600,000	600,000		236,161	600,000	600,000	3,236,161
IPTV Equipment Replacement - TRF		960,000	1,000,000			260,000	500,000	2,720,000
IPTV - Inductive Output Tubes - TRF	320,000							320,000
State Library Computer Resources - TRF		250,000						250,000
Common Course Numbering Mgmt - TRF			150,000					150,000
Homeland Security and Emergency Management	-	-	400,000	-	-	400,000	400,000	1,200,000
Alert Iowa Statewide Messag. System - TRF			400,000			400,000	400,000	1,200,000
Human Rights, Department of	1,714,307	1,454,734	1,614,474	-	-	1,157,980	1,357,980	7,299,475
Criminal Justice Info System (CJIS) - TRF	1,714,307	1,454,734	1,300,000			1,000,000	1,200,000	6,669,041
Justice Data Warehouse - TRF			314,474			157,980	157,980	630,434
Human Services	4,120,037	3,569,319	3,500,684	-	-	1,000,000	636,000	12,826,040
Medicaid Technology - TRF	4,120,037	3,415,163	3,345,684			1,000,000	636,000	12,516,884
Homestead Autism Clinics Technology - TRF		154,156	155,000					309,156
Inspections & Appeals, Department of	-	-	-	-	-	66,463	88,800	155,263
Online Claims Development - TRF						66,463	88,800	155,263
Iowa Telecommunications & Technology Commission	2,198,653	2,248,653	2,245,653	-	-	-	-	6,692,959
ICN Equipment Replacement - TRF	2,198,653	2,248,653	2,245,653					6,692,959
Judicial Branch	1,000,000	-	-	-	-	-	3,000,000	4,000,000
Technology Project - TRF							3,000,000	3,000,000
Electronic Document Mgmt System - TRF	1,000,000							1,000,000
Management, Department of	170,000	45,000	100,000	-	-	695,000	715,000	1,725,000
Local Gov't Budget & Property Tax System - TRF						600,000	600,000	1,200,000
Iowa Grants Mgmt Implementation - TRF	125,000		100,000			50,000	70,000	345,000
Searchable Online Databases - TRF	45,000	45,000				45,000	45,000	180,000

Natural Resources, Department of	-	-	-	-	-	-	954,000	954,000
Air Quality Application System - TRF							954,000	954,000
Parole, Board of	-	-	-	-	-	-	50,000	50,000
Record Digitization - TRF							50,000	50,000
Public Health, Department of	-	480,000	150,000	-	-	1,037,000	350,000	2,017,000
State Medical Examiner Office - TRF						1,037,000		1,037,000
Technology Consolidation - TRF		480,000						480,000
Medical Cannabidiol Registry - TRF							350,000	350,000
EMS Data System - TRF			150,000					150,000
Public Safety	2,500,000	-	-	-	-	1,116,377	985,000	4,601,377
Radio Communication Upgrades - TRF	2,500,000					1,116,377	860,000	4,476,377
DPS Technology Projects - TRF							125,000	125,000
Secretary of State	-	-	-	-	-	-	1,050,000	1,050,000
Voter Registration System Update - TRF							1,050,000	1,050,000
Grand Total	**$ 19,499,997**	**$ 12,464,156**	**$ 20,716,000**	**$ -**	**$ 236,161**	**$ 10,059,820**	**$ 14,413,780**	**$ 77,389,914**