



KIM REYNOLDS  
GOVERNOR

**OFFICE OF THE GOVERNOR**

ADAM GREGG  
LT GOVERNOR

June 1, 2023

The Honorable Paul Pate  
Secretary of State of Iowa  
State Capitol  
Des Moines, Iowa 50319

Dear Mr. Secretary,

I hereby transmit:

Senate File 557, an Act relating to and making appropriations for state government administration and regulation, including the department of administrative services, auditor of state, ethics and campaign disclosure board, offices of governor and lieutenant governor, department of inspections, appeals, and licensing, department of insurance and financial services, department of management, Iowa public employees' retirement system, public information board, department of revenue, secretary of state, treasurer of state, and Iowa utilities board, creating a licensing and regulation fund, and modifying provisions related to major procurement contracts for the Iowa lottery division of the department of revenue.

The above Senate File is hereby approved on this date.

Sincerely,

A handwritten signature in black ink that reads "Kim Reynolds".

Kim Reynolds  
Governor of Iowa

cc: Secretary of the Senate



Senate File 557

AN ACT

RELATING TO AND MAKING APPROPRIATIONS FOR STATE GOVERNMENT ADMINISTRATION AND REGULATION, INCLUDING THE DEPARTMENT OF ADMINISTRATIVE SERVICES, AUDITOR OF STATE, ETHICS AND CAMPAIGN DISCLOSURE BOARD, OFFICES OF GOVERNOR AND LIEUTENANT GOVERNOR, DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING, DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES, DEPARTMENT OF MANAGEMENT, IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM, PUBLIC INFORMATION BOARD, DEPARTMENT OF REVENUE, SECRETARY OF STATE, TREASURER OF STATE, AND IOWA UTILITIES BOARD, CREATING A LICENSING AND REGULATION FUND, AND MODIFYING PROVISIONS RELATED TO MAJOR PROCUREMENT CONTRACTS FOR THE IOWA LOTTERY DIVISION OF THE DEPARTMENT OF REVENUE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

FY 2023-2024 APPROPRIATIONS

Section 1. DEPARTMENT OF ADMINISTRATIVE SERVICES.

1. There is appropriated from the general fund of the state to the department of administrative services for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	3,597,181
.....	FTEs	55.30

b. For the payment of utility costs, and for not more than the following full-time equivalent positions:

.....	\$	4,487,598
.....	FTEs	1.00

Notwithstanding section 8.33, moneys appropriated for utility costs in this lettered paragraph that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

c. For Terrace Hill operations, and for not more than the following full-time equivalent positions:

.....	\$	460,884
.....	FTEs	4.37

d. For state library services:

(1) For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	2,557,594
.....	FTEs	20.00

(2) For the enrich Iowa program established under section 256.57, as amended by 2023 Iowa Acts, Senate File 514:

.....	\$	2,464,823
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e. For administration of cultural activities:

(1) For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	168,403
.....	FTEs	0.75

(2) The department shall coordinate historical and cultural activities with the tourism office of the economic development authority to promote attendance at the state historical building and at the state's historic sites.

(3) Full-time equivalent positions authorized under this paragraph are funded, in full or in part, using moneys appropriated under this paragraph and paragraphs "f" and "g".

f. For support of the state's historical resources, and for not more than the following full-time equivalent positions:

.....	\$	3,136,371
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..... FTEs 37.24

g. For administration and support of the state's historic sites, and for not more than the following full-time equivalent positions:

..... \$ 425,751

..... FTEs 2.00

2. Any moneys and premiums collected by the department for workers' compensation shall be segregated into a separate workers' compensation fund in the state treasury to be used for payment of state employees' workers' compensation claims and administrative costs. Notwithstanding section 8.33, unencumbered or unobligated moneys remaining in this workers' compensation fund at the end of the fiscal year shall not revert but shall remain available for expenditure for purposes of the fund in subsequent fiscal years.

Sec. 2. REVOLVING FUNDS. There is appropriated to the department of administrative services for the fiscal year beginning July 1, 2023, and ending June 30, 2024, from the revolving funds designated in chapter 8A and from internal service funds created by the department such amounts as the department deems necessary for the operation of the department consistent with the requirements of chapter 8A.

Sec. 3. STATE EMPLOYEE HEALTH INSURANCE ADMINISTRATION CHARGE. For the fiscal year beginning July 1, 2023, and ending June 30, 2024, the monthly per contract administrative charge which may be assessed by the department of administrative services shall be \$2.00 per contract on all health insurance plans administered by the department.

Sec. 4. AUDITOR OF STATE.

1. There is appropriated from the general fund of the state to the office of the auditor of state for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 983,971

..... FTEs 98.00

b. For auditing costs associated with the transition of state entities pursuant to 2023 Iowa Acts, Senate File 514:  
..... \$ 65,400

2. The auditor of state may retain additional full-time equivalent positions as is reasonable and necessary to perform governmental subdivision audits which are reimbursable pursuant to section 11.20 or 11.21, to perform audits which are requested by and reimbursable from the federal government, and to perform work requested by and reimbursable from departments or agencies pursuant to section 11.5A or 11.5B. The auditor of state shall notify the department of management, the legislative fiscal committee, and the legislative services agency of the additional full-time equivalent positions retained.

3. The auditor of state shall allocate moneys from the appropriations in this section solely for audit work related to the annual comprehensive financial report, federally required audits, and investigations of embezzlement, theft, or other significant financial irregularities until the audit of the annual comprehensive financial report is complete.

Sec. 5. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD. There is appropriated from the general fund of the state to the Iowa ethics and campaign disclosure board for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:  
..... \$ 773,554  
..... FTEs 7.00

Sec. 6. GOVERNOR AND LIEUTENANT GOVERNOR. There is appropriated from the general fund of the state to the offices of the governor and the lieutenant governor for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. GENERAL OFFICE

For salaries, support, maintenance, and miscellaneous

purposes, and for not more than the following full-time equivalent positions:

.....	\$	2,810,502
.....	FTEs	25.00

2. TERRACE HILL QUARTERS

For the governor's quarters at Terrace Hill, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	142,281
.....	FTEs	1.93

Sec. 7. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING. There is appropriated from the general fund of the state to the department of inspections, appeals, and licensing for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION DIVISION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	545,733
.....	FTEs	10.55

2. ADMINISTRATIVE HEARINGS DIVISION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	624,374
.....	FTEs	23.00

3. INVESTIGATIONS

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	2,235,992
.....	FTEs	50.00

b. By December 1, 2023, the department shall submit a report to the general assembly concerning the department's activities relative to fraud in public assistance programs for the fiscal year beginning July 1, 2022, and ending June 30, 2023. The report shall include but is not limited to a

summary of the number of cases investigated, case outcomes, overpayment dollars identified, amount of cost avoidance, and actual dollars recovered.

4. HEALTH FACILITIES

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	4,862,971
.....	FTEs	115.00

b. The department shall make all of the following information available to the public as part of the department's development efforts to revise the department's internet site:

(1) The number of inspections of health facilities conducted by the department annually by type of service provider and type of inspection.

(2) The total annual operations budget for the department that is associated with health facilities regulation, including general fund appropriations and federal contract dollars received by type of service provider inspected.

(3) The total number of full-time equivalent positions in the department that are associated with health facilities regulation, to include the number of full-time equivalent positions serving in a supervisory capacity, and serving as surveyors, inspectors, or monitors in the field by type of service provider inspected.

(4) Identification of state and federal survey trends, cited regulations, the scope and severity of deficiencies identified, and federal and state fines assessed and collected concerning nursing and assisted living facilities and programs.

c. It is the intent of the general assembly that the department continuously solicit input from health facilities regulated by the department to assess and improve the department's level of collaboration and to identify new opportunities for cooperation.

5. EMPLOYMENT APPEAL BOARD

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	38,865
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..... FTEs 11.00

b. The employment appeal board shall be reimbursed by the department for all costs associated with hearings conducted under chapter 91C related to contractor registration. The board may expend, in addition to the amount appropriated under this subsection, additional amounts as are directly billable to the department under this subsection and to retain the additional full-time equivalent positions as needed to conduct hearings required pursuant to chapter 91C.

c. The employment appeal board may temporarily exceed and draw more than the amount appropriated in this subsection and incur a negative cash balance as long as there are receivables of federal funds equal to or greater than the negative balance and the amount appropriated in this subsection is not exceeded at the close of the fiscal year.

6. FOOD AND CONSUMER SAFETY

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 509,565  
..... FTEs 33.75

7. IOWA STATE CIVIL RIGHTS COMMISSION

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,337,999  
..... FTEs 27.00

b. The Iowa state civil rights commission may enter into a contract with a nonprofit organization to provide legal assistance to resolve civil rights complaints.

8. LABOR SERVICES

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 3,365,697  
..... FTEs 56.00

9. DIVISION OF WORKERS' COMPENSATION

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time



equivalent positions:

.....	\$	3,321,044
.....	FTEs	26.10

b. The division of workers' compensation shall charge a \$100 filing fee for workers' compensation cases. The filing fee shall be paid by the petitioner of a claim. However, the fee can be taxed as a cost and paid by the losing party, except in cases where it would impose an undue hardship or be unjust under the circumstances. The moneys generated by the filing fee allowed under this paragraph are appropriated to the department to be used for purposes of administering the division of workers' compensation.

10. PROFESSIONAL LICENSING

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	2,862,660
.....	FTEs	156.00

11. APPROPRIATION REALLOCATION. Notwithstanding section 8.39, the department of inspections, appeals, and licensing, in consultation with the department of management, may reallocate moneys appropriated in this section as necessary to best fulfill the needs of the department provided for in the appropriation.

Sec. 8. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING  
 — LICENSE OR REGISTRATION FEES.

1. For the fiscal year beginning July 1, 2023, and ending June 30, 2024, the department of inspections, appeals, and licensing shall collect any license or registration fees or electronic transaction fees generated during the fiscal year as a result of licensing and registration activities under chapters 99B, 137C, 137D, and 137F.

2. From the fees collected by the department under this section on behalf of a municipal corporation with which the department has an agreement pursuant to section 137F.3, through a statewide electronic licensing system operated by the department, notwithstanding section 137F.6, subsection 2, the department shall remit the amount of those fees to the municipal corporation for whom the fees were collected less

any electronic transaction fees collected by the department to enable electronic payment.

3. From the fees collected by the department under this section, other than those fees described in subsection 2, the department shall deposit the amount of \$800,000 into the general fund of the state prior to June 30, 2024.

4. From the fees collected by the department under this section, other than those fees described in subsections 2 and 3, the department shall retain the remainder of the fees for the purposes of enforcing the provisions of chapters 99B, 137C, 137D, and 137F. Notwithstanding section 8.33, moneys retained by the department pursuant to this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes of enforcing the provisions of chapters 99B, 137C, 137D, and 137F during the succeeding fiscal year. The department shall provide an annual report to the department of management and the legislative services agency on fees billed and collected and expenditures from the moneys retained by the department in a format determined by the department of management in consultation with the legislative services agency.

Sec. 9. HOUSING TRUST FUND APPROPRIATION — DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING. There is appropriated from the housing trust fund created in section 16.181 to the department of inspections, appeals, and licensing for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For professional licensing salaries, support, maintenance, and miscellaneous purposes:  
..... \$ 62,317

Sec. 10. RACING AND GAMING COMMISSION — RACING AND GAMING REGULATION. There is appropriated from the gaming regulatory revolving fund established in section 99F.20 to the racing and gaming commission of the department of inspections, appeals, and licensing for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes for regulation, administration, and enforcement of pari-mutuel racetracks, excursion boat gambling, gambling structure laws, sports wagering, and fantasy sports contests, and for not more than the following full-time equivalent positions:

.....	\$	7,013,449
.....	FTEs	53.70

Sec. 11. ROAD USE TAX FUND APPROPRIATION — DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING. There is appropriated from the road use tax fund created in section 312.1 to the administrative hearings division of the department of inspections, appeals, and licensing for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:

.....	\$	1,623,897
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Sec. 12. DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES. There is appropriated from the commerce revolving fund created in section 546.12, as amended by 2023 Iowa Acts, Senate File 514, to the department of insurance and financial services for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. BANKING DIVISION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	13,025,180
.....	FTEs	79.00

2. CREDIT UNION DIVISION

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	2,553,593
.....	FTEs	16.00

3. INSURANCE DIVISION

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	6,876,987
.....	FTEs	123.85

b. From the full-time equivalent positions authorized in this subsection, the insurance division shall use 2.00 full-time equivalent positions for two fraud investigators.

c. The insurance division shall use 1.00 full-time equivalent positions authorized in this subsection for an employee whose sole responsibility is investigating complaints and notifications related to financial exploitation of eligible adults.

d. The insurance division shall use 2.00 full-time equivalent positions authorized in this subsection for management, enforcement, and investigation of matters related to pharmacy benefit manager programs.

e. Except as provided in paragraphs "b", "c", and "d", the insurance division may reallocate authorized full-time equivalent positions as necessary to respond to accreditation recommendations or requirements.

f. The insurance division expenditures for examination purposes may exceed the projected receipts, refunds, and reimbursements, estimated pursuant to section 505.7, subsection 7, including the expenditures for retention of additional personnel, if the expenditures are fully reimbursable and the division first does all of the following:

(1) Notifies the department of management, the legislative services agency, and the legislative fiscal committee of the need for the expenditures.

(2) Files with each of the entities named in subparagraph (1) the legislative and regulatory justification for the expenditures, along with an estimate of the expenditures.

Sec. 13. DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES — CAPTIVE INSURANCE. There is appropriated from the general fund of the state to the department of insurance and financial services for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For deposit in the captive insurance regulatory and supervision fund created in section 521J.12, if enacted by 2023 Iowa Acts, Senate File 549, for use as provided in section 521J.12, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	450,000
.....	FTEs	2.00

Sec. 14. DEPARTMENT OF MANAGEMENT. There is appropriated from the general fund of the state to the department of management for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For enterprise resource planning, providing for a salary model administrator, conducting performance audits, and the department's LEAN process; for salaries, support, maintenance, and miscellaneous purposes; and for not more than the following full-time equivalent positions:

.....	\$	2,766,693
.....	FTEs	21.00

2. For the security office of the chief information officer; for salaries, support, maintenance, and miscellaneous purposes; and for not more than the following full-time equivalent positions:

.....	\$	4,421,887
.....	FTEs	24.39

Of the moneys appropriated in this subsection, \$325,000 is allocated to providing cybersecurity services to local governments.

Sec. 15. DEPARTMENT OF MANAGEMENT — OFFICE OF THE CHIEF INFORMATION OFFICER — REVOLVING FUND.

1. There is appropriated to the office of the chief information officer of the department of management for the fiscal year beginning July 1, 2023, and ending June 30, 2024, from the revolving funds designated in chapter 8B and from internal service funds created by the office such amounts as the office deems necessary for the operation of the office consistent with the requirements of chapter 8B.

2. a. Notwithstanding section 321A.3, subsection 1, for the

fiscal year beginning July 1, 2023, and ending June 30, 2024, the first \$750,000 collected and transferred to the treasurer of state with respect to the fees for transactions involving the furnishing of a certified abstract of a vehicle operating record under section 321A.3, subsection 1, shall be transferred to the IowAccess revolving fund created in section 8B.33 for the purposes of developing, implementing, maintaining, and expanding electronic access to government records as provided by law.

b. All fees collected with respect to transactions involving IowAccess shall be deposited in the IowAccess revolving fund created under section 8B.33 and shall be used only for the support of IowAccess projects.

Sec. 16. ROAD USE TAX FUND APPROPRIATION — DEPARTMENT OF MANAGEMENT. There is appropriated from the road use tax fund created in section 312.1 to the department of management for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:  
..... \$ 56,000

Sec. 17. IPERS — GENERAL OFFICE. There is appropriated from the Iowa public employees' retirement fund created in section 97B.7 to the Iowa public employees' retirement system for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For salaries, support, maintenance, and other operational purposes to pay the costs of the Iowa public employees' retirement system, and for not more than the following full-time equivalent positions:  
..... \$ 20,923,309  
..... FTEs 98.13

Sec. 18. IOWA PUBLIC INFORMATION BOARD. There is appropriated from the general fund of the state to the Iowa public information board for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amount, or so much thereof as is necessary, to be used for the purposes

designated:

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	357,407
.....	FTEs	3.20

Sec. 19. DEPARTMENT OF REVENUE.

1. There is appropriated from the general fund of the state to the department of revenue for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. (1) For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	15,056,183
.....	FTEs	151.16

(2) From the moneys appropriated in this paragraph, the department shall use \$400,000 to pay the direct costs of compliance related to the collection and distribution of local sales and services taxes imposed pursuant to chapters 423B and 423E.

b. For alcoholic beverage control activities; for salaries, support, maintenance, and miscellaneous purposes; and for not more than the following full-time equivalent positions:

.....	\$	1,010,054
.....	FTEs	18.10

2. The director of revenue shall prepare and issue a state appraisal manual and the revisions to the state appraisal manual as provided in section 421.17, subsection 17, without cost to a city or county.

Sec. 20. MOTOR VEHICLE FUEL TAX FUND APPROPRIATION. There is appropriated from the motor vehicle fuel tax fund created pursuant to section 452A.77 to the department of revenue for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and for administration and enforcement of the

provisions of chapter 452A and the motor vehicle fuel tax program:

..... \$ 1,305,775

Sec. 21. SECRETARY OF STATE. There is appropriated from the general fund of the state to the office of the secretary of state for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION AND ELECTIONS

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 2,121,759

..... FTEs 16.50

b. The state department or agency that provides data processing services to support voter registration file maintenance and storage shall provide those services without charge.

2. BUSINESS SERVICES

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... \$ 1,417,535

..... FTEs 16.00

Sec. 22. ADDRESS CONFIDENTIALITY PROGRAM REVOLVING FUND APPROPRIATION — SECRETARY OF STATE. There is appropriated from the address confidentiality program revolving fund created in section 9.8 to the office of the secretary of state for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:

..... \$ 195,400

Sec. 23. SECRETARY OF STATE FILING FEES REFUND.

Notwithstanding the obligation to collect fees pursuant to the provisions of section 489.117, subsection 1, paragraphs "c" and "q", section 490.122, subsection 1, paragraph "a", and section 504.113, subsection 1, paragraphs "a", "c", "d", "j", "k",



"l", and "m", for the fiscal year beginning July 1, 2023, the secretary of state may refund these fees to the filer pursuant to rules established by the secretary of state. The decision of the secretary of state not to issue a refund under rules established by the secretary of state is final and not subject to review pursuant to chapter 17A.

Sec. 24. TREASURER OF STATE.

1. There is appropriated from the general fund of the state to the office of treasurer of state for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	1,015,300
.....	FTEs	26.00

2. The office of treasurer of state shall supply administrative support for the executive council.

Sec. 25. ROAD USE TAX FUND APPROPRIATION — OFFICE OF TREASURER OF STATE. There is appropriated from the road use tax fund created in section 312.1 to the office of treasurer of state for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For enterprise resource management costs related to the distribution of road use tax fund moneys:

.....	\$	316,788
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Sec. 26. IOWA UTILITIES BOARD.

1. There is appropriated from the commerce revolving fund created in section 546.12, as amended by 2023 Iowa Acts, Senate File 514, to the Iowa utilities board for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

.....	\$	10,746,366
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..... FTEs 75.00

2. The utilities board may expend additional moneys, including moneys for additional personnel, if those additional expenditures are actual expenses which exceed the moneys budgeted for utility regulation and the expenditures are fully reimbursable. Before the board expends or encumbers an amount in excess of the moneys budgeted for regulation, the board shall first do all of the following:

a. Notify the department of management, the legislative services agency, and the legislative fiscal committee of the need for the expenditures.

b. File with each of the entities named in paragraph "a" the legislative and regulatory justification for the expenditures, along with an estimate of the expenditures.

Sec. 27. CHARGES. The Iowa utilities board and each division of the department of insurance and financial services shall include in its charges assessed or revenues generated an amount sufficient to cover the amount stated in its appropriation and any state-assessed indirect costs determined by the department of administrative services.

Sec. 28. IOWA PRODUCTS. As a condition of receiving an appropriation, any agency appropriated moneys pursuant to this Act shall give first preference when purchasing a product to an Iowa product or a product produced by an Iowa-based business. Second preference shall be given to a United States product or a product produced by a business based in the United States.

FY 2023-2024 STANDING APPROPRIATIONS — LIMITATIONS

Sec. 29. LIMITATION OF STANDING APPROPRIATION — FY 2023-2024. Notwithstanding the standing appropriation in the following designated section for the fiscal year beginning July 1, 2023, and ending June 30, 2024, the amount appropriated from the general fund of the state pursuant to that section for the following designated purpose shall not exceed the following amount:

For the enforcement of chapter 453D relating to tobacco product manufacturers under section 453D.8:

..... \$ 17,525

DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING  
LICENSING AND REGULATION FUND

Sec. 30. Section 10A.104, subsection 15, as enacted by 2023 Iowa Acts, Senate File 514, section 1430, is amended by striking the subsection and inserting in lieu thereof the following:

15. Perform fire control duties pursuant to section 10A.511.

Sec. 31. NEW SECTION. 10A.507 Licensing and regulation fund.

1. A licensing and regulation fund is created in the state treasury under the control of the department of inspections, appeals, and licensing. Moneys in the fund are appropriated to the department to be used to fulfill the administration and enforcement responsibilities of the department and boards under the purview of the department under this subchapter.

2. The fund shall consist of moneys and fees collected by the department for deposit in the fund.

3. Notwithstanding section 8.33, moneys in the fund that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated in succeeding fiscal years. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund.

Sec. 32. Section 88A.5, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 1766, is amended to read as follows:

**88A.5 Fees to ~~general~~ licensing and regulation fund.**

All fees collected by the department under the provisions of this chapter shall be transmitted to the treasurer of state and credited by the treasurer to the ~~general fund of the state~~ licensing and regulation fund created in section 10A.507.

Sec. 33. Section 89.9, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 1797, is amended to read as follows:

**89.9 Disposal of fees.**

All fees provided for in this chapter shall be collected by the director and remitted to the treasurer of state, to be deposited in the ~~boiler and pressure vessel safety fund~~ pursuant to section 89.8 licensing and regulation fund created

in section 10A.507, together with an itemized statement showing the source of collection.

Sec. 34. Section 89A.19, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 1820, is amended by striking the section and inserting in lieu thereof the following:

**89A.19 Fees.**

All fees collected by the director pursuant to this chapter shall be remitted to the treasurer of state, to be deposited in the licensing and regulation fund created in section 10A.507.

Sec. 35. Section 101A.12, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 1550, is amended to read as follows:

**101A.12 Deposit and use of fees.**

The fees collected by the director in issuing licenses pursuant to this chapter shall be deposited in the ~~state general fund~~ licensing and regulation fund created in section 10A.507.

Sec. 36. Section 103.7, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 1561, is amended by striking the section and inserting in lieu thereof the following:

**103.7 Fees.**

All licensing, examination, renewal, and inspection fees under this chapter shall be deposited in the licensing and regulation fund created in section 10A.507.

Sec. 37. Section 105.9, subsection 3, Code 2023, is amended by striking the subsection and inserting in lieu thereof the following:

3. All fees collected under this chapter shall be deposited in the licensing and regulation fund created in section 10A.507.

Sec. 38. Section 135.11A, subsection 1, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 1580, is amended to read as follows:

1. Each board under ~~chapters~~ chapter 100C, 103, 103A, 105, or 147 that ~~are~~ is under the administrative authority of the department, ~~except the board of nursing, board of medicine, dental board, and board of pharmacy,~~ shall receive administrative and clerical support from the department and may not employ its own support staff for administrative and

clerical duties. The executive director of the board of nursing, board of medicine, dental board, and board of pharmacy shall be appointed pursuant to section 135.11B.

Sec. 39. Section 147.80, subsection 3, Code 2023, is amended to read as follows:

3. The board of medicine, the board of pharmacy, the dental board, and the board of nursing shall retain individual executive officers pursuant to section 135.11B, ~~but shall make every effort to share administrative, clerical, and investigative staff to the greatest extent possible.~~

Sec. 40. Section 147.82, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 1624, is amended to read as follows:

**147.82 Fee retention.**

All fees collected by a board listed in section 147.13 or by the department, and fees collected pursuant to sections 124.301 and 147.80 and chapter 155A by the board of pharmacy, shall be ~~retained by each board or by the department~~ deposited in the licensing and regulation fund created in section 10A.507. ~~The moneys retained by a board shall be used for any of the board's duties, including but not limited to the addition of full-time equivalent positions for program services and investigations. Revenues retained by a board pursuant to this section shall be considered repayment receipts as defined in section 8.2. Notwithstanding section 8.33, moneys retained by a board pursuant to this section are not subject to reversion to the general fund of the state.~~

Sec. 41. Section 542.4, subsection 4, Code 2023, is amended to read as follows:

4. All moneys collected by the board from fees authorized to be charged by this chapter shall be received and accounted for by the board and shall be paid monthly to the treasurer of state for deposit in the ~~general fund of the state~~ licensing and regulation fund created in section 10A.507. Expenses of administering this chapter shall be paid from moneys appropriated to the department pursuant to section 10A.507 and from appropriations made by the general assembly, which expenses may include but shall not be limited to the costs of conducting investigations and of taking testimony and

procuring the attendance of witnesses before the board or its committees; all legal proceedings taken under this chapter for the enforcement of this chapter; and educational programs for the benefit of the public and licensees and their employees.

Sec. 42. Section 542B.12, Code 2023, is amended to read as follows:

**542B.12 Disposition of fees.**

The staff shall collect and account for all fees provided for by this chapter and pay the fees to the treasurer of state who shall deposit the fees in the ~~general fund of the state~~ licensing and regulation fund created in section 10A.507.

Sec. 43. Section 543B.14, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 1669, is amended to read as follows:

**543B.14 Fees and expenses.**

All fees and charges collected by the real estate commission under this chapter shall be ~~paid into the general fund of the state, except that~~ deposited in the licensing and regulation fund created in section 10A.507. Of the moneys deposited in the fund, twenty-five dollars from each real estate salesperson's license fee and each broker's license fee shall be appropriated to the department of inspections, appeals, and licensing for the purpose of hiring and compensating a real estate education director and regulatory compliance personnel. All expenses incurred by the commission under this chapter, including compensation of staff assigned to the commission, shall be paid from funds appropriated for those purposes.

Sec. 44. Section 543D.6, subsection 2, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 1674, is amended to read as follows:

2. All fees collected by the board shall be deposited into the ~~commerce revolving~~ licensing and regulation fund created in section ~~546.12 and are appropriated to the director on behalf of the board~~ 10A.507 to be used to administer this chapter, including but not limited to purposes such as examinations, investigations, and administrative staffing. ~~Notwithstanding section 8.33, moneys retained by the director pursuant to this section are not subject to reversion to the general fund of the state.~~ However, the appraisal management company national

registry fees the board collects on behalf of the appraisal subcommittee as defined in section 543E.3 shall be transmitted to the appraisal subcommittee in accordance with federal laws and regulations.

Sec. 45. Section 543E.10, subsection 2, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 1685, is amended to read as follows:

2. Except as provided in subsection 3, all fees collected under this chapter shall be deposited into the ~~commerce revolving~~ licensing and regulation fund created in section ~~546.12~~ and ~~are appropriated to the director~~ 10A.507 to be used to administer this chapter including but not limited to purposes such as examinations, investigations, and administrative staffing. ~~Notwithstanding section 8.33, moneys appropriated pursuant to this subsection are not subject to reversion to the general fund of the state.~~

Sec. 46. Section 544A.11, subsection 2, Code 2023, is amended to read as follows:

2. All fees shall be paid to the treasurer of state and deposited in the ~~general fund of the state~~ licensing and regulation fund created in section 10A.507.

Sec. 47. Section 544B.14, subsection 2, Code 2023, is amended to read as follows:

2. All fees shall be collected by the secretary, paid to the treasurer of state, and deposited in the ~~general fund of the state~~ licensing and regulation fund created in section 10A.507.

Sec. 48. Section 544C.3, subsection 1, paragraph e, Code 2023, is amended to read as follows:

e. Establishing fees for registration as a registered interior designer, renewal of registration, reinstatement of registration, and for other activities of the board pertaining to its duties. The fees shall be sufficient to defray the costs of administering this chapter, and shall be deposited in the ~~general fund of the state~~ licensing and regulation fund created in section 10A.507.

Sec. 49. Section 546.10, subsection 3, paragraph b, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 1704, is amended by striking the paragraph.

Sec. 50. Section 546.10, subsection 5, Code 2023, as amended

by 2023 Iowa Acts, Senate File 514, section 1704, is amended by striking the subsection and inserting in lieu thereof the following:

5. All expenses required in the discharge of the duties and responsibilities imposed upon the department, the director, and the licensing boards by the laws of this state shall be paid from moneys appropriated for those purposes.

Sec. 51. REPEAL. Section 89.8, Code 2023, is repealed.

Sec. 52. TRANSITION PROVISIONS.

1. Any unobligated and unencumbered moneys in the boiler and pressure vessel safety revolving fund created in section 89.8, Code 2023, as of July 1, 2023, shall be transferred for deposit in the licensing and regulation fund created in section 10A.507, as enacted by this Act.

2. Any unobligated and unencumbered moneys in the revolving elevator safety fund created in section 89A.19, Code 2023, as of July 1, 2023, shall be transferred for deposit in the licensing and regulation fund created in section 10A.507, as enacted by this Act.

3. Any unobligated and unencumbered moneys in the electrician and installer licensing and inspection fund created in section 103.7, Code 2023, as of July 1, 2023, shall be transferred for deposit in the licensing and regulation fund created in section 10A.507, as enacted by this Act.

4. Any unobligated and unencumbered moneys retained by any board or the department of public health for the bureau of professional licensure pursuant to section 147.82, Code 2023, as of July 1, 2023, shall be transferred for deposit in the licensing and regulation fund created in section 10A.507, as enacted by this Act.

5. All fees collected under chapters 543D and 543E and deposited into the department of commerce revolving fund created in section 546.12, Code 2023, as of July 1, 2023, shall be transferred for deposit in the licensing and regulation fund created in section 10A.507, as enacted by this Act.

DEPARTMENT OF REVENUE  
IOWA LOTTERY DIVISION  
MAJOR PROCUREMENT CONTRACTS

Sec. 53. Section 99G.3, subsection 18, Code 2023, as amended



by 2023 Iowa Acts, Senate File 514, section 2300, is amended to read as follows:

18. "Vendor" means a person who provides or proposes to provide goods or services to the department pursuant to a major procurement contract, but does not include an employee of the department under this chapter, a retailer, or a state agency or instrumentality thereof.

Sec. 54. Section 99G.8, subsection 13, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 2309, is amended to read as follows:

13. Board members shall not have any direct or indirect interest in an undertaking that puts their personal interest in conflict with that of the department under this chapter including but not limited to an interest in a major procurement contract or a participating retailer.

Sec. 55. Section 99G.9, subsection 2, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 2313, is amended to read as follows:

2. Approve, disapprove, amend, or modify the terms of major lottery procurements recommended by the administrator.

Sec. 56. Section 99G.22, subsections 1, 3, 4, and 6, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 2324, are amended to read as follows:

1. The department shall investigate the financial responsibility, security, and integrity of any lottery system vendor who is a finalist in submitting a bid, proposal, or offer as part of a major procurement contract. Before a major procurement contract is awarded, the division of criminal investigation of the department of public safety shall conduct a background investigation of the vendor to whom the contract is to be awarded. The administrator shall consult with the division of criminal investigation and shall provide for the scope of the background investigation and due diligence to be conducted in connection with major procurement contracts. At the time of submitting a bid, proposal, or offer to the department on a major procurement contract, each vendor shall be required to submit to the division of criminal investigation appropriate investigation authorization to facilitate this investigation, together with an advance of funds to meet the

anticipated investigation costs. If the division of criminal investigation determines that additional funds are required to complete an investigation, the vendor will be so advised. The background investigation by the division of criminal investigation may include a national criminal history check through the federal bureau of investigation. The screening of vendors or their employees through the federal bureau of investigation shall be conducted by submission of fingerprints through the state criminal history repository to the federal bureau of investigation.

3. A major procurement contract shall not be entered into with any lottery system vendor who has not complied with the disclosure requirements described in this section, and any contract with such a vendor is voidable. Any contract with a vendor that does not comply with the requirements for periodically updating such disclosures during the tenure of the contract as may be specified in such contract may be terminated. The provisions of this section shall be construed broadly and liberally to achieve the ends of full disclosure of all information necessary to allow for a full and complete evaluation by the department of the competence, integrity, background, and character of vendors for major procurements.

4. A major procurement contract shall not be entered into with any vendor who has been found guilty of a felony related to the security or integrity of the lottery in this or any other jurisdiction.

6. If, based on the results of a background investigation, the department determines that the best interests of the department, including but not limited to the department's reputation for integrity, would be served thereby, the department may disqualify a potential vendor from contracting with the department for a major procurement contract or from acting as a subcontractor in connection with a contract for a major procurement contract.

Sec. 57. Section 99G.37, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 2343, is amended to read as follows:

**99G.37 ~~Competitive bidding~~ Major procurement contracts.**

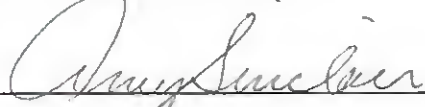
All major procurement contracts under this chapter must

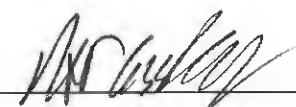
be ~~competitively bid~~ entered into in accordance with chapter 8A, subchapter III, part 2. ~~Procurement~~ Major procurement contracts shall take into consideration the greatest integrity for the Iowa lottery. In any bidding process, the services of the department of administrative services ~~shall~~ may be utilized.

Sec. 58. Section 99G.39, subsection 1, Code 2023, as amended by 2023 Iowa Acts, Senate File 514, section 2345, is amended to read as follows:

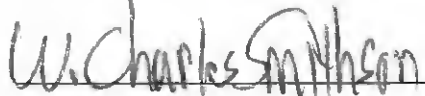
1. Upon receipt of any revenue from lottery games, the director shall deposit the moneys in the lottery fund created pursuant to section 99G.40. At least fifty percent of the projected annual revenue accruing from the sale of tickets or shares shall be allocated for payment of prizes to the holders of winning tickets. After the payment of prizes, the expenses of conducting the lottery shall be deducted from the department's revenue under this chapter prior to disbursement. Expenses for advertising production and media purchases shall not exceed four percent of the department's gross revenue under this chapter for the year.

Sec. 59. REPEAL. 2023 Iowa Acts, Senate File 514, section 2301, is repealed.

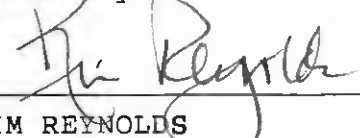
  
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AMY SINCLAIR  
President of the Senate

  
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PAT GRASSLEY  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 557, Ninetieth General Assembly.

  
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W. CHARLES SMITHSON  
Secretary of the Senate

Approved June 1st, 2023

  
\_\_\_\_\_  
KIM REYNOLDS  
Governor