

House Study Bill 582 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
ADMINISTRATIVE SERVICES
BILL)

A BILL FOR

1 An Act relating to the department of administrative services'
2 notification requirements for internal service funds.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 8A.123, subsection 1, Code 2024, is
2 amended to read as follows:

3 1. Activities of the department shall be accounted
4 for within the general fund of the state, except that the
5 director may establish and maintain internal service funds
6 in accordance with generally accepted accounting principles,
7 as defined in [section 8.57, subsection 4](#), for activities of
8 the department which are primarily funded from billings to
9 governmental entities for services rendered by the department.
10 The establishment of an internal service fund is subject to
11 the approval of the director of the department of management
12 and the concurrence of the auditor of state. ~~At least ninety~~
13 ~~days prior to the establishment of an internal service fund~~
14 ~~pursuant to [this section](#), the director shall notify in writing~~
15 ~~the general assembly, including the legislative council,~~
16 ~~legislative fiscal committee, and the legislative services~~
17 ~~agency.~~

18 EXPLANATION

19 The inclusion of this explanation does not constitute agreement with
20 the explanation's substance by the members of the general assembly.

21 Code section 8A.123 authorizes the department of
22 administrative services (DAS) to establish and maintain
23 internal service funds for activities primarily funded by DAS's
24 billings to governmental entities. The director of DAS is
25 required to notify in writing the general assembly, including
26 the legislative council, legislative fiscal committee, and
27 legislative services agency, at least 90 days prior to the
28 establishment of an internal service fund. Under Code section
29 8A.126, if a service is no longer provided and insufficient
30 funds remain in an internal service fund to pay outstanding
31 debts and liabilities, the director of DAS must notify the
32 general assembly and request that moneys be appropriated
33 from the general fund of the state to pay such debts and
34 liabilities.

35 This bill strikes DAS's obligation to notify the general

S.F. _____ H.F. _____

1 assembly, legislative council, legislative fiscal committee,
2 and legislative services agency at least 90 days before DAS
3 establishes an internal service fund.