

House File 578 - Introduced

HOUSE FILE 578
BY COMMITTEE ON JUDICIARY

(SUCCESSOR TO HF 239)

A BILL FOR

- 1 An Act relating to the office of the consumer advocate.
- 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

unofficial

1 Section 1. Section 8A.461, subsection 1, Code 2025, is
2 amended to read as follows:

3 1. Unless otherwise provided by law, the governor shall
4 establish a salary for nonelected persons appointed by the
5 governor within the executive branch of state government. In
6 establishing a salary for a person holding a position enumerated
7 in subsection 3 within the range provided, the governor may
8 consider, among other items, the experience of the person in the
9 position, changes in the duties of the position, the incumbent's
10 performance of assigned duties, and subordinates' salaries.
11 However, ~~the attorney general shall establish the salary of the~~
12 ~~consumer advocate,~~ the chief justice of the supreme court shall
13 establish the salary of the state court administrator, the ethics
14 and campaign disclosure board shall establish the salary of
15 the executive director, the Iowa public information board shall
16 establish the salary of the executive director, the board of
17 regents shall establish the salary of the executive director,
18 and the Iowa public broadcasting board shall establish the salary
19 of the administrator of the public broadcasting division of the
20 department of education, each within the salary range provided in
21 subsection 3.

22 Sec. 2. Section 12.91, subsection 1, paragraph b, Code 2025,
23 is amended to read as follows:

24 b. "*Chargeable expenses*" means expenses charged by the
25 utilities commission and the office of the consumer advocate
26 ~~division of the department of justice~~ under section 476.10.

27 Sec. 3. Section 475A.1, subsection 1, Code 2025, is amended
28 to read as follows:

29 1. *Appointment.* ~~The attorney general~~ governor shall appoint
30 the consumer advocate from among a list of three candidates
31 submitted by a committee consisting of the secretary of
32 agriculture, the auditor of state, and the treasurer of state,
33 ~~who shall serve at the pleasure of the attorney general,~~ subject
34 to confirmation by the senate, ~~no less frequently than once~~
35 ~~every four years, in accordance with section 2.32~~ who shall

1 serve a term of five years. The consumer advocate is the chief
2 administrator of the office of the consumer advocate ~~division of~~
3 ~~the department of justice.~~

4 Sec. 4. Section 475A.1, Code 2025, is amended by adding the
5 following new subsection:

6 NEW SUBSECTION. 5. *Reporting.* The consumer advocate shall
7 regularly report to a committee consisting of the secretary of
8 agriculture, the auditor of state, and the treasurer of state,
9 regarding the activities of the consumer advocate.

10 Sec. 5. Section 475A.3, Code 2025, is amended to read as
11 follows:

12 **475A.3 Office — employees — expenses.**

13 1. *Office.* The office of consumer advocate shall be a
14 ~~separate division of the department of justice and an independent~~
15 agency located at the same location as the utilities commission.
16 Administrative support services may be provided to the office of
17 the consumer advocate ~~division~~ by the utilities commission.

18 2. *Employees.* The ~~attorney general~~ consumer advocate may
19 employ attorneys, legal assistants, secretaries, clerks, and
20 other employees necessary for the full and efficient discharge
21 of the duties and responsibilities of the office of the consumer
22 advocate ~~division~~. The consumer advocate may employ consultants
23 as expert witnesses or technical advisors pursuant to contract as
24 the consumer advocate finds necessary for the full and efficient
25 discharge of the duties of the office.

26 3. *Salaries, expenses, and appropriation.* The salary of the
27 consumer advocate shall be fixed by the ~~attorney general~~ governor
28 within the salary range set by section 8A.461. The salaries
29 of employees of the consumer advocate shall be at rates of
30 compensation consistent with current standards in industry. The
31 reimbursement of expenses for the employees and the consumer
32 advocate is as provided by law. The appropriation for the office
33 of consumer advocate shall be a separate line item contained in
34 the appropriation from the commerce revolving fund created in
35 section 546.12.

1 Sec. 6. Section 475A.6, subsection 2, Code 2025, is amended
2 to read as follows:

3 2. The consumer advocate is entitled to notice and
4 opportunity to be heard in any utilities commission proceeding on
5 objection to an assessment for expenses certified by the consumer
6 advocate. Expenses assessed under this section shall not exceed
7 the amount appropriated for the office of the consumer advocate
8 ~~division of the department of justice.~~

9 Sec. 7. Section 476.10, subsection 1, paragraph a, Code 2025,
10 is amended to read as follows:

11 a. In order to carry out the duties imposed upon it
12 by law, the commission may, at its discretion, allocate and
13 charge directly the expenses attributable to its duties to the
14 person bringing a proceeding before the commission, to persons
15 participating in matters before the commission, or to persons
16 subject to inspection by the commission. The commission shall
17 ascertain the certified expenses incurred and directly chargeable
18 by the office of the consumer advocate ~~division of the department~~
19 ~~of justice~~ in the performance of its duties. The commission
20 and the consumer advocate separately may decide not to charge
21 expenses to persons who, without expanding the scope of the
22 proceeding or matter, intervene in good faith in a commission
23 proceeding initiated by a person subject to the commission's
24 jurisdiction, the consumer advocate, or the commission on its own
25 motion. For assessments in any proceedings or matters before the
26 commission, the commission and the consumer advocate separately
27 may consider the financial resources of the person, the impact
28 of assessment on participation by intervenors, the nature of
29 the proceeding or matter, and the contribution of a person's
30 participation to the public interest. The commission may present
31 a bill for expenses under this subsection to the person, either
32 at the conclusion of a proceeding or matter, or from time to
33 time during its progress. Presentation of a bill for expenses
34 under this subsection constitutes notice of direct assessment and
35 request for payment in accordance with this section.

1 Sec. 8. Section 476.10, subsection 4, paragraphs a and b,
2 Code 2025, are amended to read as follows:

3 a. Fees paid to the utilities commission shall be deposited
4 in the commerce revolving fund created in section 546.12. These
5 funds shall be used for the payment, upon appropriation by the
6 general assembly, of the expenses of the utilities commission and
7 the office of the consumer advocate ~~division of the department of~~
8 ~~justice.~~

9 b. The administrator and consumer advocate shall account
10 for receipts and disbursements according to the separate duties
11 imposed upon the utilities commission and the office of the
12 ~~consumer advocate division~~ by the laws of this state and each
13 separate duty shall be fiscally self-sustaining.

14 Sec. 9. Section 476.10B, subsections 1, 2, 5, and 7, Code
15 2025, are amended to read as follows:

16 1. For the purposes of this section, "building project
17 expenses" means expenses that have been approved by the
18 utilities commission for the building and related improvements
19 and furnishings developed under this section and that are
20 considered part of the regulatory expenses charged by the
21 utilities commission and the office of the consumer advocate
22 ~~division of the department of justice~~ for carrying out duties
23 under section 476.10.

24 2. The department of administrative services, in consultation
25 with the utilities commission and the office of the consumer
26 ~~advocate division of the department of justice~~, shall provide
27 for the construction of a building to house the utilities
28 commission and the office of the consumer advocate ~~division of~~
29 ~~the department of justice~~. A building developed under this
30 subsection shall be a model energy-efficient building that may be
31 used as a public example for similar efforts. The building shall
32 comply with the life cycle cost provisions developed pursuant
33 to section 72.5. The building shall be located on the capitol
34 complex grounds or at another convenient location in the vicinity
35 of the capitol complex grounds.

1 5. A cost-effective approach for financing construction of
2 the building shall be utilized, which may include but is
3 not limited to lease, lease-purchase, bonding, or installment
4 acquisition arrangement, or a financing arrangement under section
5 12.28. If financing for the building is implemented under
6 section 12.28, the limitation on principal under that section
7 does not apply. This subsection is not a qualification of
8 any other powers which the utilities commission and the office
9 of the consumer advocate ~~division of the department of justice~~
10 may possess and the authorizations and powers granted under
11 this subsection are not subject to the terms, requirements, or
12 limitations of any other provisions of law. The department
13 of administrative services must comply with the provisions of
14 section 12.28 when entering into financing agreements for the
15 purchase of real or personal property.

16 7. The department of administrative services, in consultation
17 with the utilities commission and the office of the consumer
18 advocate ~~division of the department of justice~~, shall secure
19 architectural services, contract for construction, engineering,
20 and construction oversight and management, and control the
21 funding associated with the building construction and the
22 building's operation and maintenance. The department of
23 administrative services may utilize consultants or other
24 expert assistance to address feasibility, planning, or other
25 considerations connected with construction of the building or
26 decision making regarding the building. The department of
27 administrative services, on behalf of the utilities commission
28 and the office of the consumer advocate ~~division of the~~
29 ~~department of justice~~, shall consult with the office of
30 the governor, appropriate legislative bodies, and the capitol
31 planning commission.

32 Sec. 10. TRANSITION PROVISIONS. Notwithstanding any other
33 provision of law to the contrary, the term of office of the
34 consumer advocate serving immediately prior to the effective date
35 of this Act shall terminate on the effective date of this Act.

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EXPLANATION

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

This bill relates to the office of the consumer advocate. The bill changes the office of the consumer advocate from a division of the department of justice to an independent agency. The bill requires the consumer advocate to be appointed by the governor, subject to confirmation by the senate, from a list of three candidates provided by a committee consisting of the secretary of agriculture, the auditor of state, and the treasurer of state. The consumer advocate shall serve a term of five years and shall regularly report to a committee consisting of the secretary of agriculture, the auditor of state, and the treasurer of state, regarding the activities of the consumer advocate. The bill makes conforming changes, including by removing the authority of the attorney general to set the salary of the consumer advocate and employ staff to support the office of the consumer advocate. The bill terminates the term of office of the person serving as the consumer advocate immediately prior to the effective date of the bill on the effective date of the bill.

