

SF 2088

State Government Reorganization

Division I – Government Information Technology Services

- Sections 1-3 Amend Code sections 8A.104 and 8A.111 regarding the powers and duties of the Department of Administrative Services (DAS).
- Section 4 Amends Code section 8A.201 to define "information technology" to include "infrastructure services."
- Section 5 Amends Code section 8A.201 to define "infrastructure services" to include data centers and other computers; servers, mainframes, or other centralized processing systems; storage systems; local area networks; network services; groupware applications, including electronic mail, directory services, calendaring, and imaging systems; information technology help desk services; cyber security functions and equipment; digital printing and printing procurement services; digital warehouses, including services that assist in managing digital information; disaster recovery technology and services; and other similar or related services determined by the Chief Information Officer.
- Section 6 Amends Code section 8A.201 to define "participating agency" to include all state agencies, except the Board of Regents. A state agency as used in Code chapter 8A does not include the Office of the Governor, the General Assembly, the judicial branch, or a political subdivision of the state.
- Section 7 Amends Code section 8A.201 to change the title of the Technology Governance Board to Technology Advisory Council.
- Section 8 Creates new Code section 8A.201A and requires the Governor to appoint a Chief Information Officer, attached to the Department of Management (DOM), and establishes certain qualifications for the Chief Information Officer.
- Section 9 Amends Code section 8A.202 to strike language allowing a participating agency to enter into an agreement or contract for information technology with a qualified private entity.

- Section 10 Amends Code section 8A.202 and requires DAS to adopt rules for participating agencies to seek a temporary or permanent waiver from any of the requirements of Code chapter 8A, subchapter II (Information Technology). Requires participating agencies to submit a request in writing for approval by the Chief Information Officer who must consider certain criteria before approving or denying the request. A waiver shall only be approved if the agency shows it would be in the best interests of the state. A participating agency may appeal the decision of the Chief Information Officer to the DAS Director within seven calendar days following the decision.
- Sections 11-13 Amend Code section 8A.203 to require the Chief Information Officer to advise the DAS Director concerning the adoption of information technology standards and rules. The Chief Information Officer, in consultation with the DAS Director, is required to develop and recommend legislative proposals, provide advice to the Governor and consult with other agencies on issues related to information technology, work with all governmental entities to achieve information technology goals set by DAS, recommend the adoption of rules necessary to administer information technology, and perform other specified duties.
- Section 14 Amends Code section 8A.204 to establish the Technology Advisory Council, composed of ten members including the Chief Information Officer, the DOM Director, and eight members appointed by the Governor for two-year staggered terms. Establishes powers and duties of the Council, including advising and making recommendations to the Chief Information Officer, and advising DAS regarding rates to be charged for access to and for value-added services performed through IowaAccess.
- Section 15 Amends Code section 8A.205 concerning digital government to require DAS to assist participating agencies to convert printed government materials to electronic materials which can be accessed through an Internet searchable database; and to encourage participating agencies to utilize a print on demand strategy to reduce publication overruns, excessive inventory, and obsolete printed materials.

- Section 16 Amends Code section 8A.206 concerning information technology standards to require DAS, after consultation with the Technology Advisory Council, to develop and adopt information technology standards applicable to all information technology procurements for participating agencies, unless an agency is approved for waiver.
- Section 17 Amends Code section 8A.207 regarding procurement of information technology to add a new subsection that requires DAS to develop policies and procedures that apply to all acquisitions of information technology goods and services, and ensure the compliance of all participating agencies. States the department shall be the sole provider of infrastructure services for participating agencies.
- Sections 18-19 Amend Code sections 8A.221 and 8A.224 regarding the duties, responsibilities and funding of IowaAccess and establishes IowaAccess as a one-stop electronic access to government information and transactions at the federal, state, or local level. Requires DAS to establish rates to be charged for access to and for value-added services performed through IowaAccess, approve and establish the priority of projects associated with IowaAccess, establish measureable outcomes for IowaAccess, and perform other specified duties. Provides that the right of a person to purchase information or data from the Iowa Court Information System or any other governmental entity is not impaired.
- Section 21 Requires DAS to consult with and explore opportunities with the legislative and judicial branches of government concerning providing information technology services to those branches of government.
- Section 22 Requires the Chief Information Officer to conduct a study concerning convenience or handling fees charged by state agencies for the use of credit or debit cards or other electronic means of payment. The goal of the study is to encourage the elimination of such fees if possible and the Chief Information Officer shall report to the General Assembly by January 15, 2011, concerning the results of the study and any recommendations for legislative consideration.
- Section 23 Directs state agencies to utilize electronic mail or similar electronic means to notify holders of licenses or permits issued by the state agency that the license or permit needs to be renewed and requires the Chief Information Officer to assist state agencies to implement this directive.

Division II – Electronic Records

- Section 24 Amends Code section 7A.11A to require that all reports required to be filed with the General Assembly by a state department or agency be submitted electronically.
- Section 25 Directs DAS and the Department of Cultural Affairs, in consultation with the State Records Commission, to study and make recommendations for the creation, storage, and retention of state agency records in an electronic format, and submit a report containing recommendations to the General Assembly by December 15, 2010. As part of the study, the departments shall collect and assess information from each state agency, including an inventory of each agency's record series retention and disposition schedules. The departments shall also identify efficiency and cost saving efforts that could be achieved by creating, storing, and maintaining such records in an electronic format.

Division III – Publication Modernization

- Sections 26-58 Amend various Code sections to allow the Legislative Council and the Legislative Services Agency (LSA) to control information used to publish official legal publications (the Iowa Code, Iowa Acts, Iowa Administrative Bulletins, Iowa Administrative Code, and the Iowa Court Rules). LSA is required to make available electronic or printed versions of the official legal publications. LSA is allowed to review the publication costs and offsetting sales revenues relating to legal publications in electronic as well as printed formats. LSA may provide electronic versions free of charge or charge a fee for mailing and handling costs. Various provisions are updated to conform to current practice and to better accommodate electronic publication. Section 52 requires an agency to submit a copy of the Notice of Intended Action of proposed rule making to the chairpersons and ranking members of the appropriate standing committees of the General Assembly for additional study, beginning January 11, 2011. Section 53 requires an agency to submit, if available, an electronic copy of a publication or relevant part of the publication to the Administrative Code Editor when the agency adopts the publication by reference in administrative rules, for publication on the General Assembly's Web site.

Division IV – State Budgeting and Personnel

- Section 59 Amends Code section 8.36A to prohibit a state department from converting a full-time equivalent (FTE) position to a contract position and from using appropriated moneys for a contract position unless the department receives approval from the DOM Director, and provides criteria for such approval.
- Section 60 Amends Code section 8.62 concerning a department's use of operational appropriations that remain on June 30 of a fiscal year. Provides that moneys encumbered by the agency and used for employee training during the succeeding fiscal year be used for Internet-based employee training.
- Section 61 Amends Code section 8A.413 and requires DAS to adopt rules that provide for the development and operation of programs to promote job sharing, telecommuting, and flex-time opportunities for employment within the executive branch.
- Section 63 Requires state agencies to budget and plan for lean events, as described in Code section 8.70, and encourages state agencies to share resources and services, including staff, training, and educational services, to the greatest extent possible in order to fulfill the duties of each agency at the lowest cost. Each agency is required to coordinate its lean event activity with DOM's Office of Lean Enterprise.
- Section 64 Requires each department, as defined in Code section 8.2, to separately track the budget and expenditures for contract services and for employee training for each appropriation line item. The terms of the contracts for contracted services shall incorporate quality assurance and cost control measures. Employee training tracking shall be further divided into training categories and shall specifically address the use of electronically-based training. Each department shall report to LSA on January 15 and July 15 of each year concerning the budget, expenditure, quality assurance, and cost control information addressed by this section for the previous six calendar months.
- Section 65 States that, for FY 2011, if a FTE position within a department remains vacant for at least six months, the department's authorized FTE position level shall be decreased accordingly. The department may request the DOM Director to reauthorize the FTE position if the department can establish that the position is difficult to fill and is critical. Also requires that moneys appropriated to a department for FTE positions only be used for FTE positions and not for other purposes.

Section 66 Requires each joint appropriations subcommittee of the General Assembly to annually review the fees charged by state agencies under the purview of that joint appropriations subcommittee.

Division V – Span of Control

Section 67 Amends Code section 8A.402 to require DAS to consult with DOM and collaborate with executive branch agencies to implement and maintain a policy to incrementally increase the aggregate ratio of supervisory employees to other employees to 1:14 for FY 2011 and 1:15 for FY 2012. Adds a new definition for "supervisory employee." Provides an exception when the ratio is mandated by a federal requirement and allows an agency director to apply for a waiver of the requirement through a five-person review board, consisting of the DOM Director, three agency directors designated by the Governor, and one public member selected by the largest executive branch employee union. Provides that, if layoffs are implemented, the number of middle management position layoffs shall correspond to the relative number of direct service position layoffs. Requires the policy to improve on the current system by specifically defining and accounting for supervisory employee span of control and does not allow unfunded FTE positions to be considered in calculating the span of control ratio. Requires DAS to submit annual updates by April 1 of each year, with a final report by April 1, 2012, detailing the effects of the policy on the composition of the workforce, cost savings, government efficiencies, and outcomes. Amends existing Code language requiring DAS to evaluate the state's systems for job classification of executive branch employees and present an interim report to the General Assembly by January 14, 2011, concerning the department's progress in completing the evaluation and associated outcomes.

Section 69 Provides that Division V takes effect upon enactment, March 20, 2010.

Division VI – Board of Regents Cooperative Purchasing

Section 70

Creates new Code section 262.9B concerning cooperative purchasing by the Board of Regents institutions. The Board is required to convene at least quarterly an interagency group meeting including the institutions under its control, DAS, DOT, and any other state agency authorized to purchase goods and services, for the purposes of timely cooperation in purchasing goods and services and to identify practical measures to improve state agency performance. The Board is also required to convene at least quarterly an interagency group meeting including the institutions under its control, the state Chief Information Officer, and any other agency authorized to purchase goods and services, for the purposes of timely cooperation in obtaining information technology and related services. Requires the Board to prepare a cooperative purchasing plan by July 1 of each year that identifies specific areas of cooperation between the Regent institutions, DAS, and the Chief Information Officer. Requires the Board to submit a report to the General Assembly and the Governor by November 1 of each year concerning the cooperative purchasing plan for the fiscal year and on the results of the quarterly interagency meetings, including specific cost savings, efficiency gains, and implementation of identified best practices.

Division VII – Department of Administrative Services Purchasing

Section 71

Amends Code section 8A.302 to require all items of general use purchased by state agencies, including DOT, be purchased through DAS, except items used by the Board of Regents. Allows DAS to authorize DOT and other state agencies to directly purchase items, if DAS determines such purchasing is in the best interest of the state.

Section 72

Amends Code section 8A.311 to allow DAS to approve an agency to purchase directly from a vendor if the direct purchasing is more economical than purchasing through DAS, if the agency shows that direct purchasing by the state agency would be in the best interests of the state due to an immediate or emergency need, or if the purchase will not exceed \$10,000 and the purchase would contribute to the agency complying with the targeted small business procurement goals.

- Section 73 Creates new Code section 8A.311A concerning centralized purchasing and allows DAS to designate goods and services of general use that agencies shall, and governmental subdivisions may, purchase pursuant to a master contract established by DAS for that good or service. Requires DAS to establish a master contract for the good or service if DAS determines that a high-quality good or service can be acquired by agencies or governmental subdivisions at a lower cost through a master contract. Requires states agencies to purchase through a master contract established by DAS, if one is established, unless certain criteria apply, including a waiver as provided in Code section 8A.311.
- Section 74 Amends Code section 8A.312 concerning cooperative purchasing and allows DAS to purchase items through DOT, Board of Regents, and any other agency authorized by DAS to be exempt from centralized purchasing, as well as from interstate and intergovernmental entities. The DAS is required to collaborate and cooperate with the Board of Regents and any other state agency exempt from centralized purchasing to explore joint purchases of general use items that present opportunities to obtain quality goods and services at the lowest reasonable cost.
- Section 75 Amends Code section 307.21 and allows DOT to provide centralized purchasing services for the department if authorized by DAS.
- Section 76 Requires DAS to take various steps to facilitate efficient and cost-effective purchasing. The DAS must require state agencies to provide the department a report on an annual basis regarding planned purchases and steps taken to standardize products and services, require state employees who conduct bids to receive training annually, identify procurement compliance employees, review the process and basis for establishing departmental fees for purchasing, establish a work group to collaborate on best purchasing practices to implement cost savings, explore interstate and intergovernmental purchasing opportunities and encourage the legislative and judicial branches to participate in consolidated purchasing, and expand the use of procurement cards throughout state government.

*Division VIII – Department of Administrative Services
Operations*

- Section 77 Amends Code section 8A.104 to require DAS to examine and develop best practices for the efficient operation of government and encourages state agencies to adopt and implement these practices.
- Section 78 Creates new Code section 8A.459 and requires that beginning July 1, 2011, state employees be paid by electronic funds transfer unless otherwise provided by collective bargaining agreement. A state employee may elect to receive paper warrants but DAS is required to charge a processing fee unless waived for good cause.
- Section 79 Requires DAS, in consultation with DOM, to examine state hiring processes with the goal of simplifying and reducing the steps needed to hire personnel, and report to the General Assembly with any recommendations for legislative action.
- Section 80 Requires DAS to complete an inventory of surplus and unused state properties, including properties owned or under the control of DOT, and recommend which assets could be sold at a premium price. Only those assets identified as surplus and no longer related to their mission would be eligible for sale. Also requires DAS to review all state office leases and requires state agencies to consolidate rented office spaces where possible. The DAS is also directed to work with state agencies to renegotiate office leases to obtain more favorable lease terms, explore potential opportunities for state agencies to sell some properties to a private sector owner and then lease them back, and report to the General Assembly by January 1, 2011, concerning the requirements of this section, with findings and recommendations for legislative action.
- Section 82 Requires DAS to identify and sell, or sell and lease back, real property under the control of the department that will maximize the return to the state, during FY 2011.

*Division XVI – Department of Management – Financial
Administration Reorganization*

- Sections 175-232 Repeal Code sections 8A.504-8A.519 and amend Code chapter 8 to transfer responsibility for financial administration of state government from DAS to DOM, and establish new requirements. *HF 2531, section 35, repeals SF 2088, sections 175-232, and leaves state government financial administration responsibilities with DAS.*

- Section 233 Requires DOM to study the merging of all state payroll systems into a centralized system, consult with state agencies not utilizing the state payroll system, including DOT, and report to the joint Administration and Regulations Appropriations Subcommittee concerning efforts and recommendations to merge payroll systems. *HF 2531, section 33, amends SF 2088, section 233, and requires DAS to conduct the study.*
- Section 234 Requires DOM to implement payment of state employees on a semimonthly basis instead of biweekly. *HF 2531, section 34, amends SF 2088, section 234, and requires DAS to implement this requirement.*
Division XIX – Elimination of State Entities
Entities Associated with the Department of Natural Resources’ Control of the Natural Habitat
- Section 256 Repeals 2009 Iowa Acts, chapter 149, section 49. This section established the Upland Game Bird Study Advisory Committee of which DOT is a member. *Takes effect upon enactment, March 10, 2010.*
Division XX – Elimination of State Entities
Entities Associated with the Department of Natural Resources
Iowa Climate Change Advisory Council
- Section 258-260 Amends various Code sections and sunsets the Iowa Climate Change Advisory Council (ICCAC) on July 1, 2011, in order to allow the ICCAC to complete the report that is due to the General Assembly in January 2011. ICCAC is charged with developing scenarios to reduce statewide greenhouse gas emissions, including a scenario to reduce emissions by 50% by 2050. Requires the Department of Natural Resources to submit a report to the Governor and the General Assembly regarding greenhouse gas emissions in Iowa and trends in those emissions by September 1 annually. *HF 2531, section 54, amends the reporting deadline to December 31.*
Division XXXI – False Claims Act
- Sections 338-346 Create new Code chapter 685, the False Claims Act. The Act allows private individuals, as well as the state, to bring a fraud case where there could be financial loss to the state. The division appropriates funding and one FTE to the Attorney General’s office to perform the duties. The Attorney General is required to adopt rules as needed to implement the Act and is required to report annually to the legislature, including the number of cases filed and the amount of funds recovered by the state.

Division LI – Iowa Law Enforcement Academy

Sections 416-419

Amend Code section 80.13 regarding the Iowa Law Enforcement Academy training and require DOT to pay the total cost of training needed to meet the minimum basic training requirements for a law enforcement officer.

Division LII – State Government Efficiency Review Committee

Section 420

Amends Code section 2.69 to establish a State Government Efficiency Review Committee. The Committee, consisting of ten appointed legislators, must meet at least every two years to review the operations of state government. The Committee must review and consider options for reorganizing state government to improve efficiency, modernize processes, eliminate duplication and outdated processes, reduce costs, and increase accountability. The Committee shall address the expanded use of the Internet and other technology, and incorporate productivity improvement measures. A report, including findings and recommendations, shall be submitted to the General Assembly no later than January 1, 2013, and by January 1 every second year thereafter. *HF 2531, section 36, corrects a Code citation in Section 420.*

Division LIII – Boards and Commissions – Establishment Criteria

Section 421

Adds new requirements that the General Assembly must consider prior to establishing a new appointive board, commission, committee, or council of the state, and applies to such entities established by Code on or after July 1, 2010.

June 1, 2010

