

Dept of Commerce Budgets

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Insurance & Financial Services, Department of

Mission Statement

Serve Iowans by effectively and efficiently providing a fair, flexible and positive regulatory environment. Develop leaders that promote empowerment, communication, trust, and cooperation. Develop employees knowledge and skills to effectively regulate and meet customer needs. Increase consumer and customer awareness through public education. Increase efficiency and responsiveness by sharing departmental resources. Increase efficient transfer of information through advanced technology.

Description

The Department of Insurance and Financial Services (DIFS) consists of three regulatory divisions under

the DIFS umbrella. The divisions are: Banking Division, Credit Union Division, Insurance Division. The Department is committed to fostering an environment conducive to sound economic development in Iowa; maintaining public confidence in the integrity of the regulated industries and professions; establishing policies which protect the public interest while balancing the interests of the consumers, industries and professions; pursuing regulatory objectives in a manner that minimizes the costs and complexities of regulation without sacrificing quality; identifying competitive opportunities and deregulating where appropriate; and providing direct services and information to the public to assist them in responding to the impact of the regulated industry, profession or regulator.

Performance Measures

Measure	FY 2023	FY 2024	FY 2025	FY 2025
	Actuals Achieved	Current Year Budget Estimate Target	Total Department Request Target	Total Governor's Recommended Target
Percent of Licensed Domestic Insurers Examined as Scheduled	100	100	100	100
Percent State Bank & Trust Companies Examined as Scheduled	100	100	100	100
Percent Credit Unions Examined as Scheduled	100	100	100	100
% Finance Bureau Exams Completed within Scheduled Timeframes	100	100	100	100

Financial Summary

Object Category	FY 2023	FY 2024	FY 2025	FY 2025
	Actuals	Current Year Budget Estimate	Total Department Request	Total Governor's Recommended
Resources				
State Appropriations	22,455,760	24,477,307	24,477,307	24,477,307
Receipts from Other Entities	2,362,461	1,889,900	1,889,900	1,889,900
Interest, Dividends, Bonds & Loans	11,962	3,500	0	0
Fees, Licenses & Permits	46,931,659	26,619,774	26,903,053	27,520,173
Refunds & Reimbursements	14,483,096	10,300,038	10,350,037	10,350,037
Miscellaneous	(711,651)	1,001	1,100	1,100
Beginning Balance and Adjustments	25,080,341	35,890,739	5,692,106	21,905,909
Total Resources	110,613,629	99,182,259	69,313,503	86,144,426
Expenditures				
Personal Services	25,953,937	29,287,437	29,249,462	29,249,462
Travel & Subsistence	538,134	1,681,842	1,647,405	1,647,405
Supplies & Materials	512,735	1,016,454	866,676	866,676
Contractual Services and Transfers	4,573,270	16,906,604	7,530,882	7,520,882
Equipment & Repairs	445,094	597,221	649,518	649,518
Claims & Miscellaneous	190,632	49,254	54,801	54,801
Licenses, Permits, Refunds & Other	173,533	29,498	273,645	273,645
Appropriations	36,094,693	24,027,307	24,027,307	24,027,307
Reversions	9,921,595	0	0	0
Balance Carry Forward	32,210,006	25,586,642	5,013,807	21,854,730
Total Expenditures	110,613,629	99,182,259	69,313,503	86,144,426
Full Time Equivalents	197	225	226	226

Appropriations from General Fund

Appropriations	FY 2023	FY 2024	FY 2025	FY 2025
	Actuals	Current Year Budget Estimate	Total Department Request	Total Governor's Recommended
IID Captive Insurance	0	450,000	450,000	450,000
Total DIFS - Insurance	0	450,000	450,000	450,000

Appropriations from Other Funds

Appropriations	FY 2023	FY 2024	FY 2025	FY 2025
	Actuals	Current Year Budget Estimate	Total Department Request	Total Governor's Recommended
Banking Division Commerce Fund	13,025,180	14,004,469	14,004,469	14,004,469
Total DIFS - Banking Division	13,025,180	14,004,469	14,004,469	14,004,469
Credit Union Division	2,553,593	2,624,690	2,624,690	2,624,690
Total DIFS - Credit Union	2,553,593	2,624,690	2,624,690	2,624,690
Insurance Div - Pharmacy Benefit Managers Program	200,000	0	0	0
Insurance Division-Commerce Revolving Fund	6,676,987	7,398,148	7,398,148	7,398,148
Total DIFS - Insurance	6,876,987	7,398,148	7,398,148	7,398,148

Appropriations Detail

IID Captive Insurance

General Fund

Appropriation Description

Provides a general fund appropriation to the Insurance Division for the support of the captive insurance program.

IID Captive Insurance Financial Summary

Object Class	FY 2023 Actuals	FY 2024 Current Year Budget Estimate	FY 2025 Total Department Request	FY 2025 Total Governor's Recommended
Resources				
Appropriation	0	450,000	450,000	450,000
Total Resources	0	450,000	450,000	450,000
Expenditures				
Intra-State Transfers	0	450,000	450,000	450,000
Total Expenditures	0	450,000	450,000	450,000

Insurance Div - Pharmacy Benefit Managers Program

Commerce Revolving Fund

Appropriation Description

To fund the Division management, enforcement, and investigations related to pharmacy benefit manager programs.

Insurance Div - Pharmacy Benefit Managers Program Financial Summary

Object Class	FY 2023	FY 2024	FY 2025	FY 2025
	Actuals	Current Year Budget Estimate	Total Department Request	Total Governor's Recommended
Resources				
Appropriation	200,000	0	0	0
Total Resources	200,000	0	0	0
Expenditures				
Personal Services-Salaries	200,000	0	0	0
Total Expenditures	200,000	0	0	0

Banking Division Commerce Fund

Commerce Revolving Fund

Appropriation Description

Provides regulatory supervision support for 100% of state chartered banks and regulated loan licenses.

Banking Division Commerce Fund Financial Summary

Object Class	FY 2023 Actuals	FY 2024 Current Year Budget Estimate	FY 2025 Total Department Request	FY 2025 Total Governor's Recommended
Resources				
Appropriation	12,990,766	13,025,180	14,004,469	14,004,469
Salary Adjustment	34,414	979,289	0	0
Fees, Licenses & Permits	459,271	540,745	355,745	355,745
Total Resources	13,484,451	14,545,214	14,360,214	14,360,214
Expenditures				
Personal Services-Salaries	11,294,358	12,221,495	12,055,495	12,055,495
Personal Travel In State	133,025	463,001	463,000	463,000
State Vehicle Operation	30,966	78,000	78,000	78,000
Depreciation	0	41,000	41,000	41,000
Personal Travel Out of State	125,124	524,198	569,316	569,316
Office Supplies	188,818	210,624	208,500	208,500
Printing & Binding	810	500	500	500
Postage	961	5,100	5,000	5,000
Communications	31,457	43,000	42,500	42,500
Rentals	128,672	156,315	150,000	150,000
Professional & Scientific Services	85,233	53,500	53,500	53,500
Outside Services	3,787	108,312	108,312	108,312
Advertising & Publicity	0	826	826	826
Outside Repairs/Service	744	2,500	2,500	2,500
Reimbursement to Other Agencies	37,293	41,601	41,600	41,600
ITS Reimbursements	65,845	198,320	197,720	197,720
Workers Comp. Reimbursement	0	100	100	100
IT Outside Services	562	0	0	0
Gov Fund Type Transfers - Attorney General Services	4,910	54,490	47,740	47,740
Gov Fund Type Transfers - Auditor of State Services	9,765	20,750	20,000	20,000
Gov Fund Type Transfers - Other Agencies Services	10,411	52,975	9,500	9,500
Equipment	0	13,000	13,000	13,000
Office Equipment	0	15,000	15,000	15,000
IT Equipment	106,895	198,792	195,292	195,292
Other Expense & Obligations	144,298	34,001	34,000	34,000
Refunds-Other	21,077	7,814	7,813	7,813
Reversions	1,059,440	0	0	0
Total Expenditures	13,484,451	14,545,214	14,360,214	14,360,214

Credit Union Division

Commerce Revolving Fund

Appropriation Description

Supervise and regulate state credit unions. Review examination and status reports of individual credit unions and take such remedial action as deemed necessary in the circumstances. Process administrative papers related to credit union organization and operation. Provide liaison with member account

insurers. Prepare and publish an annual report of the division including information from state credit union individual reports. Respond to public inquiry and complaints regarding credit unions. Advise various agencies, governmental bodies and individuals on matters regarding credit unions. Advise various agencies, governmental bodies and individuals on matters of credit union affairs. Recommend and participate in the drafting of legislation and adoption of rules and regulations. Office management; personnel management; and budget preparation and monitoring.

Credit Union Division Financial Summary

Object Class	FY 2023 Actuals	FY 2024 Current Year Budget Estimate	FY 2025 Total Department Request	FY 2025 Total Governor's Recommended
Resources				
Appropriation	2,433,413	2,553,593	2,624,690	2,624,690
Salary Adjustment	120,180	71,097	0	0
Gov Fund Type Transfers - Other Agencies	19,923	0	0	0
Total Resources	2,573,516	2,624,690	2,624,690	2,624,690
Expenditures				
Personal Services-Salaries	1,924,101	2,079,130	1,954,212	1,954,212
Personal Travel In State	103,042	100,000	100,000	100,000
Personal Travel Out of State	35,682	40,000	40,000	40,000
Office Supplies	18,440	55,000	55,000	55,000
Printing & Binding	2	500	500	500
Postage	383	500	500	500
Communications	20,685	25,000	25,000	25,000
Rentals	40,542	48,000	48,000	48,000
Outside Services	706	5,000	5,000	5,000
Advertising & Publicity	0	500	500	500
Reimbursement to Other Agencies	7,065	12,500	12,500	12,500
ITS Reimbursements	68,149	175,560	300,478	300,478
Gov Fund Type Transfers - Attorney General Services	12,000	12,000	12,000	12,000
Gov Fund Type Transfers - Auditor of State Services	9,948	15,000	15,000	15,000
Gov Fund Type Transfers - Other Agencies Services	5,030	5,500	5,500	5,500
IT Equipment	38,971	35,500	35,500	35,500
Other Expense & Obligations	42,999	15,000	15,000	15,000
Reversions	245,772	0	0	0
Total Expenditures	2,573,516	2,624,690	2,624,690	2,624,690

Insurance Division-Commerce Revolving Fund

services. It supports the remaining personnel and operations of the Division.

Commerce Revolving Fund

Appropriation Description

This appropriation funds the Division operations except for the insurance company examination

Insurance Division-Commerce Revolving Fund Financial Summary

Object Class	FY 2023 Actuals	FY 2024 Current Year Budget Estimate	FY 2025 Total Department Request	FY 2025 Total Governor's Recommended
Resources				
Balance Brought Forward (Approps)	0	0	0	91
Appropriation	6,523,101	6,876,987	7,398,148	7,398,148
Salary Adjustment	153,886	521,161	0	0
Federal Support	2,091,471	1,439,900	1,439,900	1,439,900
Fees, Licenses & Permits	348,689	185,600	354,100	354,100
Refunds & Reimbursements	14,414,480	10,274,355	10,274,354	10,274,354
Total Resources	23,531,627	19,298,003	19,466,502	19,466,593
Expenditures				
Personal Services-Salaries	12,120,502	14,295,872	14,064,104	14,064,104
Personal Travel In State	37,394	148,461	133,715	133,715
State Vehicle Operation	6,615	5,601	6,600	6,600
Depreciation	1,120	7,600	7,600	7,600
Personal Travel Out of State	59,074	220,304	154,464	154,464
Office Supplies	137,328	557,327	369,249	369,249
Facility Maintenance Supplies	0	1	0	0
Other Supplies	3,198	14,600	16,600	16,600

Insurance Division-Commerce Revolving Fund Financial Summary (Continued)

Object Class	FY 2023	FY 2024	FY 2025	FY 2025
	Actuals	Current Year Budget Estimate	Total Department Request	Total Governor's Recommended
Printing & Binding	65,987	50,601	76,801	76,801
Uniforms & Related Items	0	800	0	0
Postage	76,750	114,100	125,000	125,000
Communications	75,515	117,199	110,200	110,200
Rentals	612,676	868,645	892,745	892,745
Professional & Scientific Services	375,111	662,908	810,991	810,991
Outside Services	142,371	151,195	185,001	185,001
Intra-State Transfers	106,457	724,419	724,316	724,316
Advertising & Publicity	210	1,700	1,700	1,700
Outside Repairs/Service	0	5,500	5,500	5,500
Reimbursement to Other Agencies	89,014	92,087	123,387	123,387
ITS Reimbursements	418,459	553,609	703,608	703,608
Workers Comp. Reimbursement	0	6,600	16,600	16,600
IT Outside Services	1,283	81,000	81,000	81,000
Gov Fund Type Transfers - Attorney General Services	136,508	186,400	196,400	196,400
Gov Fund Type Transfers - Auditor of State Services	15,384	19,500	19,500	19,500
Gov Fund Type Transfers - Other Agencies Services	40,495	78,701	58,700	58,700
Office Equipment	0	11,601	21,501	21,501
Equipment - Non-Inventory	18,773	3,673	23,673	23,673
IT Equipment	280,454	317,454	336,454	336,454
Other Expense & Obligations	3,336	252	5,801	5,801
Refunds-Other	91,231	202	195,201	195,201
Balance Carry Forward (Approps)	0	91	91	182
Reversions	8,616,384	0	0	0
Total Expenditures	23,531,627	19,298,003	19,466,502	19,466,593

Fund Detail

Insurance & Financial Services, Department of Fund Detail

Funds	FY 2023 Actuals	FY 2024 Current Year Budget Estimate	FY 2025 Total Department Request	FY 2025 Total Governor's Recommended
DIFS - Banking Division	295,275	26,506	837,854	380,266
Money Services Licensing Fund	295,275	26,506	837,854	380,266
DIFS - Insurance	70,528,760	73,597,555	46,614,685	63,903,105
Commerce Revolving Fund	67,332,784	69,719,049	39,067,749	59,719,049
Captive Insurance Regulatory and Supervision Fund	0	450,000	450,000	450,000
Health Organization Insolvency	440,100	441,100	442,000	442,100
Insurance Division Education Fund	1,428,615	1,587,548	5,056,960	1,921,960
Insurance Division Cemetery Fund	114,564	156,564	164,563	160,429
Service Company Oversight Fund	599,841	726,106	777,878	680,992
Insurance Division Regulatory	483,539	418,513	485,600	375,365
Insurance Division Clearing Account	62,842	16,716	66,700	66,666
Investor Restitution Fund	30,704	30,727	30,727	30,727
Settlement Account	35,771	51,232	72,508	55,817

Commerce Revolving Fund

Appropriations are made from the fund to the divisions for operations.

Fund Description

The fund receives revenues collected by the divisions of Banking, Credit Union, Insurance and Utilities.

Commerce Revolving Fund Detail

Object Class	FY 2023 Actuals	FY 2024 Current Year Budget Estimate	FY 2025 Total Department Request	FY 2025 Total Governor's Recommended
Resources				
Balance Brought Forward (Funds)	10,314,470	30,651,300	0	20,651,300
Adjustment to Balance Forward	4,359	0	0	0
Intra State Receipts	251,066	586,792	586,792	586,792
Reversions	10,618,096	0	0	0
Fees, Licenses & Permits	46,007,902	38,480,957	38,480,957	38,480,957
Refunds & Reimbursements	458	0	0	0
Other	136,433	0	0	0
Total Commerce Revolving Fund	67,332,784	69,719,049	39,067,749	59,719,049
Expenditures				
Intra-State Transfers	586,792	10,586,792	586,792	586,792
Appropriation	36,094,693	38,480,957	38,480,957	38,480,957
Balance Carry Forward (Funds)	30,651,300	20,651,300	0	20,651,300
Total Commerce Revolving Fund	67,332,784	69,719,049	39,067,749	59,719,049

Insurance Division Education Fund

Expenditures are made for public service announcements and mailings to educate the public.

Fund Description

This fund is used to account for amounts received from a court settlement from a brokerage firm.

Insurance Division Education Fund Detail

Object Class	FY 2023 Actuals	FY 2024 Current Year Budget Estimate	FY 2025 Total Department Request	FY 2025 Total Governor's Recommended
Resources				
Balance Brought Forward (Funds)	2,276,699	113,875	3,583,360	0
Fees, Licenses & Permits	0	1,473,672	1,473,500	1,921,860
Other	(848,084)	1	100	100
Total Insurance Division Education Fund	1,428,615	1,587,548	5,056,960	1,921,960
Expenditures				
Personal Services-Salaries	63,171	64,575	210,000	210,000
Personal Travel In State	3,384	5,000	5,000	5,000
State Vehicle Operation	401	900	500	500
Depreciation	0	2,000	2,000	2,000
Personal Travel Out of State	0	1,000	1,000	1,000
Office Supplies	14,476	2,000	2,000	2,000
Printing & Binding	4,050	2,000	2,000	2,000
Postage	282	1,000	1,000	1,000
Communications	0	700	900	900
Rentals	55,470	63,405	55,000	55,000
Professional & Scientific Services	1,128,352	1,428,856	1,610,000	1,600,000
Outside Services	13,000	5,000	5,000	5,000
Intra-State Transfers	0	100	100	100
Advertising & Publicity	29,376	7,000	28,000	28,000
Other Expense & Obligations	0	1	0	0
Refunds-Other	0	1	100	100
Balance Carry Forward (Funds)	113,875	0	3,125,000	0
Gov Fund Type Transfers - Attorney General Services	2,778	4,000	9,000	9,000
Gov Fund Type Transfers - Other Agencies Services	0	10	360	360
Total Insurance Division Education Fund	1,428,615	1,587,548	5,056,960	1,921,960

Settlement Account

Fund Description

The court appoints the State to be the receiver over money, invested assets and earned interest held in this account.

Settlement Account Detail

Object Class	FY 2023 Actuals	FY 2024 Current Year Budget Estimate	FY 2025 Total Department Request	FY 2025 Total Governor's Recommended
Resources				
Balance Brought Forward (Funds)	35,561	35,771	57,047	40,356
Fees, Licenses & Permits	0	4,800	4,800	4,800
Refunds & Reimbursements	209	10,661	10,661	10,661
Total Settlement Account	35,771	51,232	72,508	55,817
Expenditures				
Personal Travel In State	0	500	500	500
Personal Travel Out of State	0	100	100	100
Office Supplies	0	100	100	100
Professional & Scientific Services	0	2,338	2,338	2,338
Outside Services	0	887	887	887
Intra-State Transfers	0	621	621	621
Reimbursement to Other Agencies	0	100	100	100
Refunds-Other	0	6,130	6,130	6,130
Balance Carry Forward (Funds)	35,771	40,356	61,632	44,941
Gov Fund Type Transfers - Attorney General Services	0	100	100	100
Total Settlement Account	35,771	51,232	72,508	55,817