

Chairman Comer, Ranking member Connolly, members of the committee—thank you for giving me the opportunity to testify today.

Since this hearing is about government efficiency, I'll get right to the point: Iowa was doing DOGE before DOGE was a thing.

In 2018, when I took office for my first full term, our tax structure was an uncompetitive mess. At 8.98%, our top income tax rate was one of the highest in the nation, as was our 12% corporate rate. Antiquated state policies made our tax code complex and hard to reform

After President Trump signed TCJA in 2017, it gave us just the opportunity we needed.

The following year, I signed legislation that eliminated federal deductibility, cut rates across-the-board, provided for further reductions in future years, and reduced the number of income tax brackets.

After four more historic reforms, every Iowa taxpayer now pays a single, flat income tax rate of 3.8%. Our corporate rate is heading down to 5.5%, and we've eliminated tax on retirement and inheritance income. Over ten years, Iowans will save an estimated \$24 billion in a state with an annual budget of about \$10 billion.

But it's not enough just to cut taxes. You have to make them sustainable, especially if you want to keep bringing them down. The growth they create helps, but you also have to keep spending in check. Over the last few years, I've worked closely with our General Assembly to do just that. In fact, the Cato Institute has ranked Iowa the most fiscally responsible state three years running.

But that wasn't always the case. When we started our alignment work in 2022, state operations hadn't been reviewed in forty years – and it showed. Layers of bureaucracy had accumulated over decades, expanding government beyond its core function, keeping us from working effectively as one team, and hampering our service to Iowans. We were too big, too fractured, and too inefficient.

One example became clear during COVID where the separation of our Public Health and Human Services agencies resulted in both duplication and gaps in service. We consolidated them into a single Department of Health and Human Services in 2022 – the first big step in our work to align state government.

And there was a lot of work to do, as we saw similar problems of fragmentation across state government. We had eleven separate state agencies operating workforce

programs; 136 professional licensing functions were spread across eleven agencies; and our administrative code had ballooned to more than 20,000 pages and 190,000 restrictive terms.

At one point, I even discovered that the state owned a cow-calf operation. And to make matters worse, it operated at a loss!

Given our limited staff, and the vast scope of the initiative, we partnered with an outside firm. We also brought agency directors and their staff into the discussion early, and together, we asked the hard questions that bring accountability and change.

What is the core mission of each agency? How is it funded? How is it staffed and what does it own? Are the agency's programs working? How did the structure of the agency compare to other states? Where is there duplication or misalignment? What can we cut?

Next, we benchmarked Iowa against our neighboring states, as well as those with similar populations and budgets. We found that my 37-member cabinet was the most by far, while our expenditures per-capita were third highest.

In 2023, we introduced a 1,300-page bill that ultimately passed with only one technical amendment and took effect less than one year after we began the process. I also instituted a moratorium on new rulemaking and ordered a comprehensive review of rules already on the books utilizing a new technology platform.

Together, these actions cut 21 agencies from my cabinet, eliminated 600 open positions, removed 1,200 regulations in year one, and identified 4700 acres of state-owned farmland to sell.

Nearly all licensing functions are now in one agency, and we're currently in the process of consolidating six separate licensing platforms into one. We also created a one-stop shop for building permitting. One agency that used to operate out of ten buildings now operates out of just one.

Altogether, we've saved taxpayers \$217 million in just eighteen months, surpassing our initial projections for the first four years.

And our government isn't just smaller; it's better.

Getting your medical license recognized used to take 65 days; now it takes three. Unemployment case rulings used to take three months; now it's eleven days. By moving our Motor Vehicle Enforcement unit into the Department of Public Safety we put 100 more state troopers on the road.

After aligning the agencies, we streamlined our system of boards and commissions, cutting 83 boards—a third of the total.

We also brought IT systems spread across 20 different agencies into one department. For the first time ever, we have a single viewpoint into every IT operation in the executive branch.

And last year, we consolidated 32 different substance use and mental health regions together into seven unified behavioral health districts, resulting in greater investment on the ground and treatment delivered to Iowans when and where they need it.

Now, we're taking yet another step. I recently announced my intention to launch Iowa DOGE, to continue reducing the cost of government, maximizing the return on taxpayer investment, and leveraging new technology at all levels—federal, state, and local.

Like most Americans, I'm thrilled by the high priority President Trump is placing on shrinking government and making it work better. Not only do I believe Iowa's experience is a model, but I'm also committed to doing everything I can to help in the months to come.

I look forward to working with the Trump Administration to do just that.