

CHAPTER 1154

STATE AND LOCAL GOVERNMENT AND REGULATORY MATTERS — APPROPRIATIONS AND MISCELLANEOUS CHANGES

S.F. 2443

AN ACT relating to state government and finances, including by making, modifying, limiting, or reducing appropriations, distributions, or transfers, authorizing expenditure of unappropriated moneys in special funds, providing for properly related matters including the state government efficiency review committee and teacher salary supplement district cost per pupil calculations, making corrections, and including effective date, applicability, and retroactive applicability provisions.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I

APPROPRIATIONS, DISTRIBUTIONS, TRANSFERS, AND EXPENDITURE AUTHORITY

Section 1. DEPARTMENT OF EDUCATION — EDUCATION SUPPORT PERSONNEL SALARY SUPPLEMENT — FY 2024-2025. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

To supplement education support personnel compensation, as described in 2024 Iowa Acts, House File 2612, ¹ section 52:

..... \$ 14,000,000

Moneys appropriated in this section are miscellaneous income as defined in [section 257.2](#) and shall not be included in any computation of district cost under [chapter 257](#) for any budget year.

Sec. 2. LIMITATIONS OF STANDING APPROPRIATIONS — FY 2024-2025. Notwithstanding the standing appropriation in the following designated section for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the amount appropriated from the general fund of the state pursuant to that section for the following designated purpose shall not exceed the following amount:

For payment of claims for nonpublic school pupil transportation under [section 285.2](#):

..... \$ 8,997,091

If total approved claims for reimbursement for nonpublic school pupil transportation exceed the amount appropriated in accordance with this section, the department of education shall prorate the amount of each approved claim.

Sec. 3. INSTRUCTIONAL SUPPORT STATE AID — FY 2024-2025. In lieu of the appropriation provided in [section 257.20, subsection 2](#), the appropriation for the fiscal year beginning July 1, 2024, and ending June 30, 2025, for paying instructional support state aid under [section 257.20](#) for the fiscal year is zero.

Sec. 4. DEPARTMENT OF PUBLIC SAFETY. There is appropriated from the general fund of the state to the department of public safety for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For providing personnel to conduct coordination, oversight, technical assistance, and investigatory assistance to current or new task forces to address the rise in illegal immigration and related criminal conduct such as drug trafficking and human trafficking, or as assigned by the commissioner of public safety, and for not more than the following full-time equivalent positions:

..... \$ 2,000,000

¹ Chapter 1002 herein

..... FTEs 12.00

Sec. 5. SPECIAL FUNDS — SALARY ADJUSTMENTS — FY 2024-2025. For the fiscal year beginning July 1, 2024, and ending June 30, 2025, salary adjustments otherwise provided may be funded as determined by the department of management, subject to any applicable constitutional limitation, using unappropriated moneys remaining in the commerce revolving fund, the gaming enforcement revolving fund, the gaming regulatory revolving fund, the primary road fund, the road use tax fund, the fish and game protection fund, and the Iowa public employees’ retirement fund, and in other departmental revolving, trust, or special funds for which the general assembly has not made an operating budget appropriation.

Sec. 6. DISTRIBUTIONS OF IOWA ECONOMIC EMERGENCY FUND EXCESS — FY 2023-2024. Notwithstanding section 8.55, subsection 2, paragraphs “a” and “b”, for the fiscal year beginning July 1, 2023, and ending June 30, 2024, moneys in excess of the maximum balance of the Iowa economic emergency fund created in section 8.55 shall be distributed as follows:

1. a. Based on the application of assessment limitations calculated under section 441.21 due to the enactment of 2023 Iowa Acts, chapter 5, of the amount that is the difference between the actual net revenue for the general fund of the state for the fiscal year and the adjusted revenue estimate for the fiscal year, up to \$8,000,000 is transferred to the general fund of the state to be used in lieu of a like amount of other general fund moneys to pay foundation aid under chapter 257 as described in section 257.16 for the fiscal year beginning July 1, 2024. The remaining amount, if any, is transferred to the taxpayer relief fund created in section 8.57E.

b. If the amount transferred to the general fund of the state under paragraph “a” is less than \$8,000,000, an amount equal to the difference is transferred from the taxpayer relief fund created in section 8.57E to the general fund of the state for the purposes specified in paragraph “a”.

2. The remaining moneys in excess of the maximum balance of the Iowa economic emergency fund, if any, are transferred to the general fund of the state.

Sec. 7. TAXPAYER RELIEF FUND — TRANSFER.

1. There is transferred from the taxpayer relief fund created in section 8.57E to the general fund of the state, the following amount:

..... \$ 13,881,303

2. The transfer made in this section is based on the application of assessment limitations calculated under section 441.21 due to the enactment of 2023 Iowa Acts, chapter 5. The transferred moneys shall be used in lieu of a like amount of other general fund moneys to pay foundation aid under chapter 257 as described in section 257.16 for the fiscal year beginning July 1, 2024.

Sec. 8. Section 257.35, subsection 2, Code 2024, as amended by 2024 Iowa Acts, House File 2612,² section 30, is amended to read as follows:

2. Notwithstanding the deduction and payment under subsection 1, the amounts specified for school districts and area education agencies in subsection 1, paragraph “a”, for the fiscal year beginning July 1, 2024, and each succeeding fiscal year, shall be reduced by the department of management by seven million five hundred thousand dollars. The department of management shall calculate a reduction such that such amounts shall be reduced proportionally to the amount that the district or agency would otherwise have received under this section if the reduction imposed pursuant to this subsection did not apply.

Sec. 9. Section 257.35, Code 2024, is amended by adding the following new subsection:

NEW SUBSECTION. 18A. Notwithstanding subsection 1, and in addition to the reduction applicable pursuant to subsection 2, the amounts specified for school districts and area education agencies in subsection 1, paragraph “a”, for the fiscal year beginning July 1, 2024, and ending June 30, 2025, shall be reduced by the department of management by fifteen

² Chapter 1002 herein

million dollars and, in addition, as a result of appropriations made pursuant to 2024 Iowa Acts, Senate File 2435,³ if enacted, shall be reduced by the department of management by ten million dollars. The reductions for each district or agency shall be prorated based on the proportional reduction that the district or agency receives under [subsection 2](#).

Sec. 10. EFFECTIVE DATE. The following, being deemed of immediate importance, take effect upon enactment:

1. The section of this division of this Act providing for distributions of moneys in excess of the maximum balance of the Iowa economic emergency fund.
2. The section of this division of this Act amending [section 257.35, subsection 2](#).

Sec. 11. APPLICABILITY. The following applies July 1, 2024, for school budget years beginning on or after that date:

The section of this division of this Act amending [section 257.35, subsection 2](#).

DIVISION II CORRECTIVE PROVISIONS

Sec. 12. [Section 135.194, subsection 3](#), paragraph h, if enacted by 2024 Iowa Acts, Senate File 477,⁴ section 4, is amended to read as follows:

h. “*Legal guardian*” means a person appointed by a court as the guardian of a minor pursuant to [chapter 633 232D](#), or the parent or other person responsible for the care of the minor.

Sec. 13. [Section 148J.2, subsection 1](#), paragraph a, if enacted by 2024 Iowa Acts, Senate File 477,⁵ section 2, is amended to read as follows:

a. The board shall grant a provisional license to practice medicine and surgery or osteopathic medicine and surgery in this state to an international physician with an offer for employment as a physician at a health care facility in this state. However, the board shall not grant a license pursuant to [this subsection](#) to an international physician who does not possess a federal immigration status allowing the international ~~medical graduate~~ physician to practice as a physician in the United States, or to an international physician who fails to obtain a passing score on the United States medical licensing examination.

Sec. 14. [Section 204.7, subsection 8](#), paragraph a, subparagraph (3), Code 2024, as amended by 2024 Iowa Acts, House File 2605,⁶ section 4, if enacted, is amended to read as follows:

(3) The consumable hemp product complies with packaging and labeling requirements, which shall be established by rules adopted by the department of health and human services. Each container storing a consumable hemp product shall be affixed with a notice advising consumers regarding the risks associated with its use. The department of health and human services shall adopt rules regarding the language of the notice and its display on the container.

Sec. 15. [Section 204.14A, subsection 1B](#), if enacted by 2024 Iowa Acts, House File 2605,⁷ section 8, is amended to read as follows:

1B. A person required to be registered to manufacture or sell a consumable hemp product under [section 204.7](#) shall not manufacture, produce, distribute, market, or sell a synthetic consumable hemp product, as defined by rules adopted by the department of health and human services.

³ Chapter 1152 herein

⁴ Chapter 1130 herein

⁵ Chapter 1130 herein

⁶ Chapter 1176 herein

⁷ Chapter 1176 herein

Sec. 16. [Section 514C.3C, subsection 5](#), as enacted by 2024 Iowa Acts, House File 2400,⁸ section 1, is amended to read as follows:

5. *Rules*. The commissioner may adopt rules pursuant to [chapter 17A](#) to administer [this chapter section](#).

Sec. 17. [Section 521A.14, subsection 1](#), paragraph a, Code 2024, as amended by 2024 Iowa Acts, House File 2490,⁹ section 6, if enacted, is amended to read as follows:

a. For purposes of [this section](#), “domestic mutual insurance company” includes a company qualified and licensed in this state pursuant to [chapters chapter 518 and or 518A](#). A domestic mutual insurance company, upon approval of the commissioner, may reorganize by forming an insurance holding company based upon a mutual plan and continuing the corporate existence of the reorganizing insurance company as a stock insurance company. The commissioner, after a public hearing as provided in [section 521A.3, subsection 4](#), paragraph “b”, if satisfied that the interests of the policyholders are properly protected and that the plan of reorganization is fair and equitable to the policyholders, may approve the proposed plan of reorganization and may require as a condition of approval such modifications of the proposed plan of reorganization as the commissioner finds necessary for the protection of the policyholders’ interests. The commissioner may retain consultants as provided in [section 521A.3, subsection 4](#), paragraph “d”. A reorganization pursuant to [this section](#) is subject to [section 521A.3, subsections 1, 2, and 3](#). The commissioner shall retain jurisdiction over a mutual insurance holding company organized pursuant to [this section](#) to assure that policyholder interests are protected.

Sec. 18. [Section 554H.4, subsections 4, 5, and 6](#), if enacted by 2024 Iowa Acts, House File 2464,¹⁰ section 4, are amended to read as follows:

4. Upon receipt of notice under [subsection 2 3](#), the person shall have sixty calendar days to cease the violation.

5. If the violation persists after the expiration of the sixty-day period under [subsection 3 4](#), the attorney general shall bring civil action in district court to enjoin further violations by a person found to be in violation of [this chapter](#).

6. If a person knowingly or willfully fails to comply with an injunction issued under [subsection 4 5](#), after sixty calendar days of the date the person is served with the injunction, the attorney general shall petition the district court to impose civil penalties in an amount not to exceed one thousand dollars per violation of the injunction, taking into consideration the financial resources of the violator and the harm or risk of harm to the violator’s rights under the second amendment to the Constitution of the United States and Article I, section 1A, of the Constitution of the State of Iowa.

Sec. 19. 2024 Iowa Acts, House File 2421,¹¹ section 1, if enacted, is amended by striking the section and inserting in lieu thereof the following:

SECTION 1. [Section 683.1, subsection 1](#), Code 2024, is amended by adding the following new paragraphs:

NEW PARAGRAPH. *Ob*. “Federal firearms licensee” means any person engaged in the business of importing, manufacturing, or dealing in firearms as defined by the federal National Firearms Act, 26 U.S.C. §5841, and who currently holds a valid license according to provisions of the federal Gun Control Act of 1968, 18 U.S.C. §921.

NEW PARAGRAPH. *c*. “Firearm hold agreement” means a private transaction between a federal firearms licensee and an individual owner where the licensee takes possession of the owner’s lawfully possessed firearm at the owner’s request, holds the firearm for an agreed period of time, and returns the firearm according to the terms of the transaction.

⁸ Chapter 1041 herein

⁹ Chapter 1116 herein

¹⁰ Chapter 1078 herein

¹¹ Chapter 1113 herein

Sec. 20. [Section 714.2B, subsection 4](#), as enacted by 2024 Iowa Acts, House File 2594,¹² section 1, is amended to read as follows:

4. The value of the retail merchandise received by the defendant in violation of [this section](#) within any six-month period may be aggregated and the defendant charged accordingly in applying the provisions of [this subdivision section](#), provided that when two or more offenses are committed by the same person in two or more counties, the accused may be prosecuted in any county in which one of the offenses was committed for all of the offenses aggregated under [this subdivision section](#).

Sec. 21. [Section 715D.3, subsection 1](#), paragraph b, if enacted by 2024 Iowa Acts, House File 572,¹³ section 3, is amended to read as follows:

b. Controls the flight of remotely piloted aircraft over a secure farmstead area, if the secure ~~farm~~ farmstead area is not owned or leased by the person, and the remotely piloted aircraft remains over the secure farmstead area.

Sec. 22. [Section 715D.4, subsection 1](#), paragraph b, if enacted by 2024 Iowa Acts, House File 572,¹⁴ section 4, is amended to read as follows:

b. Controls the flight of a remotely piloted aircraft equipped with a surveillance device over a secure farmstead area, if the secure ~~farm~~ farmstead area is not owned or leased by the person, and the remotely piloted aircraft remains over the secure farmstead area.

Sec. 23. [Section 718C.4, subsection 6](#), as enacted by 2024 Iowa Acts, Senate File 2340,¹⁵ section 4, is amended to read as follows:

6. An order issued under [this article section](#) must be filed with the county clerk of the county in which the person was arrested for an order described by [subsection 1](#), or with the clerk of the court exercising jurisdiction in the case for an order described by [subsection 2 or 4](#).

Sec. 24. [Section 805.8C, subsection 3](#), paragraph d, subparagraph (4), if enacted by 2024 Iowa Acts, House File 2605,¹⁶ section 16, is amended to read as follows:

(4) Notwithstanding [section 805.12](#), any civil penalty paid under this ~~subsection~~ paragraph shall be retained by the city or county enforcing the violation.

Sec. 25. [Section 811.1, subsection 3](#), Code 2024, as amended by 2024 Iowa Acts, House File 2661,¹⁷ section 5, if enacted, is amended to read as follows:

d. Notwithstanding paragraphs “b” and “c”, a defendant awaiting judgment of conviction and sentencing following either a plea or verdict of guilty of, or appealing a conviction of, any felony offense included in [section 708.11, subsection 3](#), or a felony offense under [chapter 124](#) not provided for in ~~subsection 1 or 2~~ paragraph “b” or “c”, is presumed to be ineligible to be admitted to bail unless the court determines that such release reasonably will not result in the person failing to appear as required and will not jeopardize the personal safety of another person or persons.

Sec. 26. 2024 Iowa Acts, House File 2326,¹⁸ section 4, if enacted, is amended to read as follows:

SEC. 4. RETROACTIVE APPLICABILITY. This division of this Act applies to proceedings before the real estate commission created in [section 543B.8](#), other administrative proceedings before a state agency or department, and judicial proceedings before a court, that are not finally adjudicated or are otherwise pending on the effective date of this division of this Act, except to the extent such application would affect a person’s contractual or vested rights.

¹² Chapter 1045 herein

¹³ Chapter 1131 herein

¹⁴ Chapter 1131 herein

¹⁵ Chapter 1020 herein

¹⁶ Chapter 1176 herein

¹⁷ Chapter 1127 herein

¹⁸ Chapter 1072 herein

Sec. 27. EFFECTIVE DATE. The following, being deemed of immediate importance, take effect upon enactment:

1. The section of this division of this Act amending [section 714.2B](#).
2. The section of this division of this Act amending 2024 Iowa Acts, House File 2326,¹⁹ section 4.

Sec. 28. EFFECTIVE DATE. The following takes effect January 1, 2025:
The section of this division of this Act amending [section 148J.2](#).

Sec. 29. RETROACTIVE APPLICABILITY. The following applies retroactively to April 10, 2024:

The section of this division of this Act amending [section 714.2B](#).

Sec. 30. RETROACTIVE APPLICABILITY. The following applies retroactively to the effective date of 2024 Iowa Acts, House File 2326,²⁰ section 4, if enacted:

The section of this division of this Act amending 2024 Iowa Acts, House File 2326,²¹ section 4.

DIVISION III SEARCH WARRANTS — CODE HARMONIZATION

Sec. 31. [Section 808.4](#), Code 2024, as amended by 2024 Iowa Acts, House File 2190,²² section 1, if enacted, is amended to read as follows:

808.4 Issuance.

Upon a finding of probable cause for grounds to issue a search warrant, the magistrate shall issue a warrant, signed by the magistrate with the magistrate's name of office, directed to any peace officer, commanding that peace officer forthwith to search the named person, place, or thing within the state for the property specified, and to ~~bring a list of any property seized before file with the magistrate~~ or clerk of the district court, a written inventory itemizing all seized property.

DIVISION IV STATE GOVERNMENT EFFICIENCY REVIEW COMMITTEE

Sec. 32. [Section 4A.1, subsections 3, 4, 5, and 6](#), if enacted by 2024 Iowa Acts, Senate File 2385,²³ section 43, are amended by striking the subsections.

Sec. 33. [Section 4A.6, subsection 2](#), paragraph c, if enacted by 2024 Iowa Acts, Senate File 2385,²⁴ section 48, is amended to read as follows:

c. The committee shall elect a chairperson and vice chairperson from the legislative members of the committee.

Sec. 34. REPEAL. [Sections 4A.7, 4A.8, 4A.9, and 4A.10](#), if enacted by 2024 Iowa Acts, Senate File 2385,²⁵ sections 49, 50, 51, and 52, are repealed.

¹⁹ Chapter 1072 herein

²⁰ Chapter 1072 herein

²¹ Chapter 1072 herein

²² Chapter 1062 herein

²³ Chapter 1170 herein

²⁴ Chapter 1170 herein

²⁵ Chapter 1170 herein

DIVISION V
TEACHER SALARY SUPPLEMENT DISTRICT COST PER PUPIL

Sec. 35. [Section 257.10, subsection 9](#), paragraph a, subparagraph (2), subparagraph division (c), subparagraph subdivision (i), as enacted by 2024 Iowa Acts, House File 2612,²⁶ section 46, is amended to read as follows:

(i) To support school districts with meeting the minimum teacher starting salary requirement of forty-seven thousand five hundred dollars and the minimum teacher salary requirement for full-time teachers with, as of July 1, 2024, at least twelve years of experience of sixty thousand dollars under [chapter 284](#) and other costs associated with such salary requirements, as identified in subparagraph subdivision (ii), the department of management shall calculate and assign to all school districts in a tier established under subparagraph division (b), a teacher salary supplement district cost per pupil in an amount based in part on the average cost to school districts within the tier to meet the requirements.

Sec. 36. [Section 257.10, subsection 9](#), paragraph a, subparagraph (3), subparagraph division (c), subparagraph subdivision (i), as enacted by 2024 Iowa Acts, House File 2612,²⁷ section 46, is amended to read as follows:

(i) To support school districts with meeting the minimum teacher starting salary requirement of fifty thousand dollars and the minimum teacher salary requirement for full-time teachers with, as of July 1, 2025, at least twelve years of experience of sixty-two thousand dollars under [chapter 284](#) and other costs associated with such salary requirements, as identified in subparagraph subdivision (ii), the department of management shall calculate and assign to all school districts in a tier established under subparagraph division (b), a teacher salary supplement district cost per pupil in an amount based in part on the average cost to school districts within the tier to meet the requirements.

Approved May 9, 2024

²⁶ Chapter 1002 herein

²⁷ Chapter 1002 herein