

CHAPTER 8

DEPARTMENT OF MANAGEMENT — BUDGET AND FINANCIAL CONTROL ACT

Referred to in §80B.14, 84A.1A, 99D.17, 123.11, 173.22A, 307.8, 307A.7, 313.4, 313.5, 324A.6, 476.10

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SUBCHAPTER I

GENERAL PROVISIONS

8.1 Title.

This chapter shall be known and may be cited as the “Budget and Financial Control Act”. [C35, §84-e1; C39, §84.01; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.1]

8.2 Definitions.

When used in this chapter:

1. “Appropriated receipts” means receipts that have been appropriated by the general assembly.
2. “Block grant” means funds from the federal government awarded in broad program

areas within which the state is given considerable latitude in determining how funds are used and for which the state develops its own plan for spending according to general federal guidelines. “*Block grant*” does not include education research grants.

3. “*Budget*” means the budget document required by [this chapter](#) to be transmitted to the general assembly.

4. “*Categorical grant*” means federal funds applied for and received by the state which are in the form of entitlements, formula grants, discretionary grants, open-ended entitlements, or another form that may be used only for specific, narrowly defined activities, except funds for student aid and assistance; grants, contracts, and cooperative agreements for research and training for which no appropriated matching funds are required; and reimbursements for services rendered.

5. “*Custodial funds*” means those funds from various deposits, taxes, or other means that are properly collected from, held for, and distributed to individuals, private organizations, and other governments as provided by law.

6. The terms “*department and establishment*” and “*department or establishment*” mean any executive department, commission, board, institution, bureau, office, or other agency of the state government, by whatever name called, that uses, expends, or receives any government funds, including the state department of transportation, except for funds that are required to match federal aid allotted to the state by the federal government for highway special purposes, but excluding the courts and the general assembly.

7. “*General fund*” means the general fund of the state established pursuant to [section 444.21](#).

8. “*Government*” means the government of the state of Iowa.

9. “*Government funds*” means all moneys appropriated by the general assembly, or moneys collected by or for the state, or a department or establishment of the state, pursuant to authority granted by law.

10. “*Private purpose trust funds*” means trust arrangements under which the principal and income benefit individuals, private organizations, or other governments. “*Private purpose trust funds*” does not include pension or other employee benefit trust funds or investment trust funds.

11. “*Special revenue fund*” means any and all government fees and other revenue receipts earmarked to finance a governmental agency to which a general fund appropriation is not made by the state.

12. “*Unencumbered balance*” means the unobligated balance of an appropriation after charging to the appropriation all unpaid liabilities for goods and services and all contracts or agreements payable from the appropriation.

[C35, §84-e2; C39, §84.02; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.2; [81 Acts, ch 17, §1](#)]

[2020 Acts, ch 1063, §2](#); [2024 Acts, ch 1185, §1](#)

Referred to in §8A.125, 8A.502, 10A.107, 10A.503, 10A.506, 10A.801, 10A.902, 16.81, 20.33, 22.3A, 29C.8, 35D.7, 35D.18, 68A.405A, 80B.15, 84A.5, 99D.22, 99E.5, 100B.4, 100C.9, 100D.7, 124.553, 124E.10, 124E.19, 135C.7, 135Q.2, 135Q.3, 135Q.4, 135R.3, 136C.10, 147A.6, 155A.40, 162.2B, 203.9, 203C.2, 215A.9, 222.92, 226.9B, 252B.4, 252B.5, 252B.23, 262.9, 272C.6, 321.491, 325A.5, 421.17, 423.2A, 475A.6, 477C.7, 505.7, 523A.501, 523A.502, 524.207, 533.111, 543D.22, 543E.20

8.3 Governor.

The governor of the state shall have:

1. Direct and effective financial supervision over all departments and establishments, and every state agency by whatever name now or hereafter called, including the same power and supervision over such private corporations, persons and organizations that may receive, pursuant to statute, any funds, either appropriated by, or collected for, the state, or any of its departments, boards, commissions, institutions, divisions and agencies.

2. The efficient and economical administration of all departments and establishments of the government.

3. The initiation and preparation of a balanced budget of any and all revenues and expenditures for each regular session of the legislature.

[C35, §84-e3; C39, §84.03; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.3]

8.3A Capital project planning and budgeting — governor’s duties.

1. *Definitions.* For the purposes of [this section](#):

a. “*Capital project*” means a project that consists of nonroutine repairs and replacements unrelated to new construction for which the cost is two hundred fifty thousand dollars or more, new construction, infrastructure or site development, equipment, or information technology, as defined in [section 8.76](#). “*Capital project*” includes land acquisition and projects that extend the useful life of or change the functional use of a facility. “*Capital project*” does not include highway and right-of-way projects or airport capital projects undertaken by the state department of transportation and financed from dedicated funds or capital projects funded by nonstate grants, gifts, or contracts obtained at or through state universities, if the projects do not require a commitment of additional state resources for maintenance, operations, or staffing.

b. “*Facility*” means a distinct parcel of land or a building used by the state or a state agency for a specific purpose.

c. “*State agency*” means any executive, judicial, or legislative department, commission, board, institution, division, bureau, office, agency, or other entity of state government.

2. *Duties.* The governor shall:

a. Develop criteria for the evaluation of proposed capital projects which shall include but not be limited to the following:

- (1) Fiscal impacts on costs and revenues.
- (2) Health and safety effects.
- (3) Community economic effects.
- (4) Environmental, aesthetic, and social effects.
- (5) Amount of disruption and inconvenience caused by the capital project.
- (6) Distributional effects.
- (7) Feasibility, including public support and project readiness.
- (8) Implications of deferring the project.
- (9) Amount of uncertainty and risk.
- (10) Effects on interjurisdictional relationships.
- (11) Advantages accruing from relationships to other capital project proposals.
- (12) Private sector contracting for construction, operation, or maintenance.

b. Make recommendations to the general assembly and the legislative capital projects committee regarding the funding and priorities of proposed capital projects.

c. Develop maintenance standards and guidelines for capital projects.

d. Review financing alternatives available to fund capital projects, including the evaluation of the advantages and disadvantages of bonding for all types of capital projects undertaken by all state agencies.

e. Monitor the debt of the state or a state agency.

3. *Division of project restricted.* A capital project shall not be divided into smaller projects in such a manner as to thwart the intent of [this section](#) to provide for the evaluation of a capital project whose cost cumulatively equals or exceeds two hundred fifty thousand dollars.

[89 Acts, ch 298, §4; 2008 Acts, ch 1031, §74; 2024 Acts, ch 1185, §2](#)

Referred to in [§2.47A, 8.5](#)

SUBCHAPTER II

DEPARTMENT OF MANAGEMENT

8.4 Department of management.

The department of management is created, which is directly attached to the office of the governor and under the general direction, supervision, and control of the governor. The office is in immediate charge of an officer to be known as “the director”, who shall be appointed by the governor, subject to confirmation by the senate, and shall hold office at the governor’s pleasure and shall receive a salary as set by the governor. The director may establish, abolish, and consolidate divisions within the department of management when

necessary for the efficient performance of the various functions and duties of the department of management. Before entering upon the discharge of duties, the director shall take the constitutional oath of office.

[C24, §309, 311 – 316; C27, §309, 311, 313 – 316; C31, §309, 311, 314 – 316, 1063; C35, §84-e4; C39, §84.04; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.4]

[86 Acts, ch 1245, §103](#); [2024 Acts, ch 1185, §3](#)

Referred to in [§7E.5](#)

Confirmation, [§2.32](#)

8.5 General powers and duties.

The director of the department of management shall have the power and authority to:

1. *Personnel.* Employ personnel as necessary for the performance of the duties and responsibilities assigned to the department of management.

2. *Compensation of employees.* Fix the compensation, with the approval of the governor, of any person employed by the director, provided that the total amount paid in salaries shall not exceed the appropriation made for that purpose.

3. *Discharge of employees.* Discharge any employee of the department of management.

4. *Miscellaneous duties.* Exercise and perform such other powers and duties as may be prescribed by law.

5. *Investigations.* Make such investigations of the organization, activities, and methods of procedure of the several departments and establishments as the director of the department of management may be called upon to make by the governor or general assembly.

6. *Legislative assistance.*

a. Furnish to any committee of either house of the general assembly having jurisdiction over revenues or appropriations such assistance and information regarding the financial affairs of the government as the committee may request.

b. Develop and recommend legislative proposals deemed necessary for the continued efficiency of the department of management in performing information technology functions under [subchapter XI](#), and review legislative proposals generated outside of the department which are related to matters within the department's purview.

7. *Rules.* Make such rules, subject to the approval of the governor, as may be necessary for effectively carrying on the work of the department of management. The director may, with the approval of the executive council, require any state official, agency, department, or commission, to require any applicant, registrant, filer, permit holder, or license holder, whether individual, partnership, trust, or corporation, to submit to said official, agency, department, or commission, the social security number or the tax number or both so assigned to said individual, partnership, trust, or corporation.

8. *Allotments.* Perform the necessary work involved in reviewing requests for allotments as are submitted to the governor for approval.

9. *Budget document.* Prepare the budget document and draft the legislation to make it effective.

10. *Taxation transparency and disclosure.* Exercise the powers and perform the duties and responsibilities of the director and the department as authorized or required under [chapter 8G](#).

11. *General control.* Perform such other duties as may be required to effectively control the financial operations of the government as limited by [this chapter](#).

12. *Capital project budgeting requests.* Compile annually all capital project budgeting requests of all state agencies, as those terms are defined in [section 8.3A](#), and to consolidate the requests, with individual state agency priorities noted, into a report for submission with the budget documents by the governor pursuant to [section 8.22](#). Any additional information regarding the capital project budgeting requests or priorities shall be compiled and submitted in the same report.

13. *Capital project planning and budgeting authority.* Call upon any state agency, as defined in [section 8.3A](#), for assistance the director may require in performing the director's duties under [subsection 12](#). All state agencies, upon the request of the director, shall assist the director and are authorized to make available to the director any existing studies, surveys,

plans, data, and other materials in the possession of the state agencies which are relevant to the director's duties.

14. *State tort claims — risk management coordinator.* Designate a position within the department of management to serve as the executive branch's risk management coordinator.

a. The risk management coordinator shall have all of the following responsibilities:

(1) Coordinating and monitoring risk control policies and programs in the executive branch, including but not limited to coordination with the employees of departments who are responsible for the workers' compensation for state employees and management of state property.

(2) Consulting with the attorney general with respect to the risk control policies and programs and trends in claims and liability of the state under [chapter 669](#).

(3) Coordinating the state's central data repository for claims and risk information.

b. The costs of salary, benefits, and support for the risk management coordinator shall be authorized by the state appeal board established in [chapter 73A](#) and shall be paid as claims for services furnished to the state under [section 25.2](#).

15. *Salary model administrator.* Designate a position within the department of management to serve as the salary model administrator.

a. The salary model administrator shall work in conjunction with the legislative services agency to maintain the state's salary model used for analyzing, comparing, and projecting state employee salary and benefit information, including information relating to employees of the state board of regents.

b. The department of revenue, the department of administrative services, the institutions governed by the state board of regents pursuant to [section 262.7](#), each judicial district's department of correctional services, and the state department of transportation shall provide salary data to the department of management and the legislative services agency to operate the state's salary model. The format and frequency of provision of the salary data shall be determined by the department of management and the legislative services agency.

c. The information shall be used in collective bargaining processes under [chapter 20](#) and in calculating the funding needs contained within any annual salary adjustment legislation. A state employee organization as defined in [section 20.3, subsection 4](#), may request information produced by the model, but the information provided shall not contain information attributable to individual employees.

16. *County and city bond issuance.* To annually prepare and file with the general assembly by January 1 a report specifying the updated population thresholds as adjusted under [section 331.442, subsection 5](#), and [section 384.26, subsection 5](#), and detailing the use of the bond issuance procedures under [section 331.442, subsection 5](#), and [section 384.26, subsection 5](#), including the usage of such procedures by counties and cities based on the population-based limitations and the amount of bonds issued for each such usage.

17. *Chief information officer.* Designate a position within the department of management to serve as the chief information officer for the department and supported entities, as defined in [section 8.76](#), who shall be the sole chief information officer for the department and supported entities.

18. *Gubernatorial advice.* Provide advice to the governor, including advice related to information technology, as defined in [section 8.76](#).

19. *Information technology consultation.* Consult with departments and establishments on issues related to information technology, as defined in [section 8.76](#).

20. *Cybersecurity.* Exercise the sole authority in the executive branch of state government for convening cross-jurisdictional, multi-entity collaborations to address cybersecurity issues for supported entities, as defined in [section 8.76](#).

21. *Designation of services — funding — customer council.*

a. Establish a process by which the department of management, in consultation with the department of administrative services, determines which services provided by the department of administrative services shall be funded by an appropriation and which services shall be funded by the governmental entity receiving the service.

b. Establish a process for determining whether the department of administrative services shall be the sole provider of a service for purposes of those services which the department of

management determines under paragraph “a” are to be funded by the governmental entities receiving the service.

c. (1) Establish, by rule, a customer council responsible for overseeing the services provided solely by the department of administrative services. The rules adopted shall provide for all of the following:

(a) The method of appointment of members to the council by the governmental entities required to receive the services.

(b) The duties of the customer council which shall be as follows:

(i) Annual review and approval of the department of administrative services’ business plan regarding services provided solely by the department of administrative services.

(ii) Annual review and approval of the procedure for resolving complaints concerning services provided by the department of administrative services.

(iii) Annual review and approval of the procedure for setting rates for the services provided solely by the department of administrative services.

(c) A process for receiving input from affected governmental entities as well as for a biennial review by the customer council of the determinations made by the department of management of which services are funded by an appropriation to the department of administrative services and which services are funded by the governmental entities receiving the service, including any recommendations as to whether the department of administrative services shall be the sole provider of a service funded by the governmental entities receiving the service. The department of management, in consultation with the department of administrative services, may change the determination of a service if the change is in the best interests of those governmental entities receiving the service.

(2) If a service to be provided may also be provided to the judicial branch or legislative branch, then the rules shall provide that the chief justice of the supreme court may appoint a member to the customer council, and the legislative council may appoint a member from the senate and a member from the house of representatives to the customer council, respectively, at their discretion.

22. *Annual report.* On an annual basis, the department of management shall prepare a report to the governor and the general assembly regarding the total spending on technology for the previous fiscal year, the total amount appropriated for the current fiscal year, and an estimate of the amount to be requested for the succeeding fiscal year for all supported entities, as defined in [section 8.76](#). The report must include a five-year projection of technology cost savings, an accounting of the level of technology cost savings for the current fiscal year, and a comparison of the level of technology cost savings for the current fiscal year with that of the previous fiscal year. The department shall file the report as soon as possible after the close of a fiscal year, and by no later than the second Monday of January of each year.

23. *Other powers and duties.* Exercise and perform such other powers and duties as may be prescribed by law.

[C51, §50 – 58; R60, §71 – 79, 1967; C73, §66 – 74; C97, §89 – 97, 162; S13, §89, 162, 163-a, 170-e, -f; SS15, §170-r, -s, -t, -u; C24, §102 – 109, 391 – 407; C27, §102 – 109, 130-a1, 391 – 407; C31, §102 – 109, 130-a1, 391 – 397, 397-d1, 398 – 407; C35, §84-e5; C39, §84.05; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.5]

[2023 Acts, ch 71, §137, 154; 2024 Acts, ch 1094, §45; 2024 Acts, ch 1185, §4, 5, 82](#)

Referred to in [§2.47A, 8D.3](#)

8.6 Specific powers and duties. Repealed by 2024 Acts, ch 1185, §83.

8.7 Reporting of gifts and bequests received. Transferred to [§68B.22A](#); 2024 Acts, ch 1185, §85.

8.7A Federal funds.

1. Neither the provisions of [this chapter](#) nor rules adopted pursuant to [this chapter](#) shall apply in any situation where such provision or rule is in conflict with a governing federal regulation or where the provision or rule would jeopardize the receipt of federal funds.

2. If it is determined by the attorney general that any provision of [this chapter](#) would cause

denial of funds or services from the United States government which would otherwise be available to an agency of this state, such provision shall be suspended as to such agency, but only to the extent necessary to prevent denial of such funds or services.

[2013 Acts, ch 129, §11](#)

C2014, §8B.7

[2024 Acts, ch 1185, §85](#)

C2025, §8.7A

8.8 Special olympics appropriation.

There is appropriated annually from the general fund of the state to the department of management one hundred thousand dollars for distribution to one or more organizations which administer special olympics programs benefiting the citizens of Iowa with disabilities.

[94 Acts, ch 1199, §1](#); [99 Acts, ch 208, §15](#); [2005 Acts, ch 179, §5](#); [2013 Acts, ch 140, §7](#); [2024 Acts, ch 1185, §6](#)

8.9 Grants enterprise management office.

1. The office of grants enterprise management is established in the department of management. The function of the office is to develop and administer a process to track and coordinate block grants and categorical grants. Staffing for the office of grants enterprise management shall be provided by a facilitator appointed by the director of the department of management. Additional staff may be hired, subject to the availability of funding.

2. *a.* All grant applications submitted and grant moneys received by a department on behalf of the state shall be reported to the office of grants enterprise management. The office shall by January 31 of each year submit to the fiscal services division of the legislative services agency a written report listing all grants received during the previous calendar year with a value over one thousand dollars and the funding entity and purpose for each grant. However, the reports on grants filed by the state board of regents pursuant to [section 8.44](#) shall be deemed sufficient to comply with the requirements of [this subsection](#).

b. The office of grants enterprise management shall submit by July 1 and January 1 of each year to the general assembly's standing committees on government oversight a written report summarizing departmental compliance with the requirements of [this subsection](#).

[2003 Acts, ch 99, §1](#); [2008 Acts, ch 1191, §26](#); [2010 Acts, ch 1069, §2](#); [2011 Acts, ch 34, §1](#); [2024 Acts, ch 1185, §7](#)

8.10 Facilitator's duties.

The specific duties of the facilitator of the office of grants enterprise management may include the following:

1. Coordinate a grants network representing all state agencies to assist the grants enterprise management office in an advisory capacity.

2. Establish an automated information process database for grants applied for and received.

3. Monitor the federal register and other federal or state publications to identify funding opportunities.

[2003 Acts, ch 99, §2](#); [2024 Acts, ch 1185, §8](#)

8.11 Grant applications — minority impact statements.

1. Each application for a grant from a state agency shall include a minority impact statement that contains the following information:

a. Any disproportionate or unique impact of proposed policies or programs on minority persons in this state.

b. A rationale for the existence of programs or policies having an impact on minority persons in this state.

c. Evidence of consultation of representatives of minority persons in cases where a policy or program has an identifiable impact on minority persons in this state.

2. For the purposes of [this section](#), the following definitions shall apply:

a. "Disability" means the same as defined in [section 15.102](#).

b. “*Minority persons*” includes individuals who are women, persons with a disability, African Americans, Latinos, Asians or Pacific Islanders, American Indians, and Alaskan Native Americans.

c. “*State agency*” means a department, board, bureau, commission, or other agency or authority of the state of Iowa.

3. The office of grants enterprise management shall create and distribute a minority impact statement form for state agencies and ensure its inclusion with applications for grants.

4. The directives of [this section](#) shall be carried out to the extent consistent with federal law.

5. The minority impact statement shall be used for informational purposes.

[2008 Acts, ch 1095, §3, 4](#); [2009 Acts, ch 41, §6](#); [2019 Acts, ch 139, §1](#)

8.12 Acceptance of funds.

The department of management may receive and accept donations, grants, gifts, and contributions in the form of moneys, services, materials, or otherwise, from the United States or any of its agencies, from this state or any of its agencies, or from any other person, and expend such moneys, services, materials, or other contributions, or issue grants, in carrying out the operations of the department. All federal grants to and the federal receipts of the department are appropriated for the purpose set forth in such federal grants or receipts. The department shall report annually to the general assembly on or before September 1 the donations, grants, gifts, and contributions with a monetary value of one thousand dollars or more that were received during the most recently concluded fiscal year.

[2013 Acts, ch 129, §10](#)

C2014, §8B.6

[2024 Acts, ch 1185, §58, 85](#)

C2025, §8.12

8.13 through 8.20 Reserved.

SUBCHAPTER III

THE BUDGET

8.21 Budget transmitted.

1. Not later than February 1 of each regular session of the general assembly, the governor shall transmit to the general assembly a document to be known as a budget, setting forth the governor’s financial program for the ensuing fiscal year and having the character and scope set forth in [this subchapter](#).

2. If the governor is required to use a lesser amount in the budget process because of a later meeting of the state revenue estimating conference under [section 8.22A, subsection 3](#), the governor shall transmit recommendations for a budget in conformance with that requirement within fourteen days of the later meeting of the state revenue estimating conference.

[SS15, §191-b; C24, 27, 31, §334; C35, §84-e14; C39, §84.14; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.21]

[86 Acts, ch 1245, §2015](#); [92 Acts, ch 1227, §1](#); [2001 Acts, 2nd Ex, ch 2, §4, 13](#); [2019 Acts, ch 24, §104](#); [2024 Acts, ch 1185, §9](#)

Referred to in [§8.27, 8.54, 257.8](#)

8.22 Nature and contents of budget.

The budget shall consist of four parts, the nature and contents of which shall be as follows:

1. *Part I — Governor’s budget message.* Part I shall consist of the governor’s budget message, in which the governor shall set forth all of the following:

a. The governor’s program for meeting all the expenditure needs of the government for the fiscal year, indicating the classes of funds, general or special, from which appropriations are to be made and the means through which the expenditures shall be financed. The

governor's program shall include a single budget request for all capital projects proposed by the governor. The request shall include but is not limited to all of the following:

(1) The purpose and need for each capital project.
(2) A priority listing of capital projects.
(3) The costs of acquisition, lease, construction, renovation, or demolition of each capital project.

(4) The identification of the means and source of funding each capital project.
(5) The estimated operating costs of each capital project after completion.
(6) The estimated maintenance costs of each capital project after completion.
(7) The consequences of delaying or abandoning each capital project.
(8) Alternative approaches to meeting the purpose or need for each capital project.
(9) Alternative financing mechanisms.
(10) A cost-benefit analysis or economic impact of each capital project.

b. (1) Financial statements giving in summary form:

(a) The condition of the treasury at the end of the last completed fiscal year, the estimated condition of the treasury at the end of the year in progress, and the estimated condition of the treasury at the end of the following fiscal year if the governor's budget proposals are put into effect.

(b) Statements showing the bonded indebtedness of the government, debt authorized and unissued, debt redemption and interest requirements, and condition of the sinking funds, if any.

(c) A summary of appropriations recommended for the following fiscal year for each department and establishment and for the government as a whole, in comparison with the actual expenditures for the last completed fiscal year and the estimated expenditures for the year in progress.

(d) A summary of the revenue, estimated to be received by the government during the following fiscal year, classified according to sources, in comparison with the actual revenue received by the government during the last completed fiscal year and estimated income during the year in progress.

(e) A statement of federal funds received in the form of block or categorical grants which were not included in the governor's budget for the previous fiscal year and a statement of anticipated block grants and categorical grants. The budget shall indicate how the federal funds will be used and the programs to which they will be allocated. The amount of government funds required to implement the programs to which the federal funds will apply shall also be indicated. The departments and establishments shall provide information to the director on the anticipated federal block grants and categorical grants to be received on or before November 1 of each year. The director shall use this information to develop an annual update of the statement of federal funds received which shall be provided to the general assembly.

(f) Other financial statements, data, and comments as in the governor's opinion are necessary or desirable in order to make known in all practicable detail the financial condition and operation of the government and the effect that the budget as proposed by the governor will have on the financial condition and operation.

(g) A separate report containing a complete list of all standing appropriations showing the amount or estimated amount of each appropriation and the purpose for which the appropriation is made.

(2) If the estimated revenues of the government for the ensuing fiscal year as set forth in the budget on the basis of existing laws, plus the estimated amounts in the treasury at the close of the year in progress, available for expenditure in the ensuing fiscal year are less than the aggregate recommended for the ensuing fiscal year as contained in the budget, the governor shall make recommendations to the legislature in respect to the manner in which the deficit shall be met, whether by an increase in the state tax or the imposition of new taxes, increased rates on existing taxes, or otherwise, and if the aggregate of the estimated revenues, plus estimated balances in the treasury, is greater than the recommended appropriations for the ensuing fiscal year, the governor shall make recommendations in reference to the application

of the surplus to the reduction of debt or otherwise, to the reduction in taxation, or to such other action as in the governor's opinion is in the interest of the public welfare.

c. Supplemental estimates for such appropriations as in the governor's judgment may be necessary on account of laws enacted after transmission of the budget, or as the governor deems otherwise in the public interest. The governor shall accompany such estimates with a statement of the reasons therefor, including the reasons for their omission from the budget. Whenever such supplemental estimates amount to an aggregate which, if they had been contained in the budget, would have required the governor to make a recommendation for the raising of additional revenue, the governor shall make such recommendation.

2. *Part II — Recommended appropriations.*

a. Part II shall present in detail for the ensuing fiscal year the governor's recommendations for appropriations to meet the expenditure needs of the government from each general class of funds, in comparison with actual expenditures for each of the purposes during the last completed fiscal year and estimated expenditures for the year in progress, classified by departments and establishments and indicating for each the appropriations recommended for:

(1) Meeting the cost of administration, operation, and maintenance of the departments and establishments.

(2) Appropriations for meeting the cost of land, public improvements, and other capital outlays in connection with the departments and establishments.

b. Each item of expenditure, actual or estimated, and appropriations recommended for administration, operation, and maintenance of each department or establishment shall be supported by detailed statements showing the actual and estimated expenditures and appropriations classified by objects according to a standard scheme of classification to be prescribed by the director.

3. *Part III — Appropriation bills.* Part III shall include a draft or drafts of appropriation bills having for their purpose to give legal sanction to the appropriations recommended to be made in parts I and II. The appropriation bills shall indicate the funds, general or special, from which the appropriations shall be paid, but the appropriations need not be in greater detail than to indicate the total appropriation to be made for:

a. Administration, operation, and maintenance of each department and establishment for the fiscal year.

b. The cost of land, public improvements, and other capital outlays for each department and establishment, itemized by specific projects or classes of projects of the same general character.

4. *Part IV — Strategic plan.* Part IV shall include an explanation that correlates the budget with the enterprise priorities established pursuant to [section 8E.205](#). The budget shall provide an explanation of appropriations recommended for the administration and maintenance of an agency as defined in [section 8E.103](#) with the general evaluation of the agency in meeting enterprise priorities, including identifying goals that require legislation.

[SS15, §191-b; C24, 27, 31, §332, 333, 335; C35, §84-e15; C39, §84.15; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.22; [81 Acts, ch 17, §2](#)]

[84 Acts, ch 1231, §2](#); [86 Acts, ch 1245, §2016](#); [89 Acts, ch 298, §6](#); [90 Acts, ch 1168, §5](#); [2001 Acts, ch 169, §1, 2](#); [2008 Acts, ch 1032, §201](#); [2024 Acts, ch 1082, §1](#); [2024 Acts, ch 1185, §10](#)

Referred to in [§8.5, 8.22A, 8.27, 8.41, 8.54](#)

8.22A Revenue estimating conference.

1. The state revenue estimating conference is created consisting of the governor or the governor's designee, the director of the legislative services agency or the director's designee, and a third member agreed to by the other two.

2. The conference shall meet as often as deemed necessary, but shall meet at least three times per year with at least one meeting taking place each year in March. The conference may use sources of information deemed appropriate. At each meeting, the conference shall agree to estimates for the current fiscal year and the following fiscal year for the general fund of the state, lottery revenues to be available for disbursement, and from gambling revenues and from interest earned on the cash reserve fund and the economic emergency fund to be

deposited in the rebuild Iowa infrastructure fund. At the meeting taking place each year in March, in addition to agreeing to estimates for the current fiscal year and the following fiscal year, the conference shall agree to estimates for the fiscal year beginning July 1 of the following calendar year. Only an estimate for the following fiscal year agreed to by the conference pursuant to [subsection 3, 4, or 5](#), shall be used for purposes of calculating the state general fund expenditure limitation under [section 8.54](#), and any other estimate agreed to shall be considered a preliminary estimate that shall not be used for purposes of calculating the state general fund expenditure limitation.

3. By December 15 of each fiscal year the conference shall agree to a revenue estimate for the fiscal year beginning the following July 1. That estimate shall be used by the governor in the preparation of the budget message under [section 8.22](#) and by the general assembly in the budget process. If the conference agrees to a different estimate at a later meeting which projects a greater amount of revenue than the initial estimate amount agreed to by December 15, the governor and the general assembly shall continue to use the initial estimate amount in the budget process for that fiscal year. However, if the conference agrees to a different estimate at a later meeting which projects a lesser amount of revenue than the initial estimate amount, the governor and the general assembly shall use the lesser amount in the budget process for that fiscal year. As used in [this subsection](#), “later meeting” means only those later meetings which are held prior to the conclusion of the regular session of the general assembly and, if the general assembly holds an extraordinary session prior to the commencement of the fiscal year to which the estimate applies, those later meetings which are held before or during the extraordinary session.

4. At the meeting in which the conference agrees to the revenue estimate for the following fiscal year in accordance with the provisions of [subsection 3](#), the conference shall agree to an estimate for tax refunds payable from that estimated revenue. The estimates required by [this subsection](#) shall be used in determining the adjusted revenue estimate under [section 8.54](#).

5. At the meeting in which the conference agrees to the revenue estimate for the succeeding fiscal year in accordance with the provisions of [subsection 3](#), the conference shall also agree to the following estimates which shall be used by the governor in preparation of the budget message under [section 8.22](#) and the general assembly in the budget process for the succeeding fiscal year:

a. The amount of lottery revenues for the following fiscal year to be available for disbursement following the deductions made pursuant to [section 99G.39, subsection 1](#).

b. The amount of revenue for the following fiscal year from gambling revenues and from interest earned on the cash reserve fund and the economic emergency fund to be deposited in the rebuild Iowa infrastructure fund under [section 8.57, subsection 3](#), paragraph “d”.

c. The amount of accruals of those revenues collected by or due from entities other than the state on or before June 30 of the fiscal year but not remitted to the state until after June 30.

d. The amount of accrued lottery revenues collected on or before June 30 of the fiscal year but not transferred to the general fund of the state until after June 30.

[86 Acts, ch 1245, §2045; 92 Acts, ch 1227, §2; 94 Acts, ch 1181, §4; 95 Acts, ch 214, §5; 96 Acts, ch 1218, §24; 2001 Acts, 2nd Ex, ch 2, §5, 13; 2003 Acts, ch 35, §23, 49; 2003 Acts, ch 178, §98, 121; 2003 Acts, ch 179, §142; 2004 Acts, ch 1175, §214, 287; 2011 Acts, ch 117, §1, 4; 2012 Acts, ch 1021, §125; 2015 Acts, ch 138, §10, 161, 162; 2024 Acts, ch 1185, §11](#)

Referred to in [§8.21, 8.54, 99G.39](#)

8.23 Annual departmental estimates.

1. On or before October 1, prior to each regular session of the general assembly, all departments and establishments of the government shall transmit to the director of the department of management, in a format designated by the director, estimates of their expenditure requirements for the ensuing fiscal year, together with supporting data and explanations as called for by the director after consultation with the legislative services agency.

a. The estimates of expenditure requirements shall include all proposed expenditures and shall be prioritized by program or the results to be achieved. The estimates shall be

accompanied by performance measures for evaluating the effectiveness of the programs or results.

b. The budget estimates for an agency as defined in [section 8E.103](#) shall be based on achieving goals contained in the enterprise priorities and the agency's strategic plan as provided for in [chapter 8E](#). The estimates shall be accompanied by a description of the measurable and other results to be achieved by the agency. Performance measures shall be based on the goals developed pursuant to [sections 8E.204, 8E.205, and 8E.208](#). The estimates shall be accompanied by an explanation of the manner in which appropriations requested for the administration and maintenance of the agency meet goals contained in the enterprise priorities and the agency's strategic plan, including identifying goals that require legislation.

c. If a department or establishment fails to submit estimates within the time specified, the legislative services agency shall use the amounts of the appropriations to the department or establishment for the fiscal year in process at the time the estimates are required to be submitted as the amounts for the department's or establishment's request in the documents submitted to the general assembly for the ensuing fiscal year and the governor shall cause estimates to be prepared for that department or establishment as in the governor's opinion are reasonable and proper.

d. The director shall designate standard budget request formats to each department or establishment of state government.

2. On or before November 15 all departments and establishments of government and the judicial branch shall transmit to the department of management and the legislative services agency estimates of their receipts and expenditure requirements from federal or other nonstate grants, receipts, and funds for the ensuing fiscal year. The transmittal shall include the names of the grantor and the grant or the source of the funds, the estimated amount of the funds, and the planned expenditures and use of the funds. The format of the transmittal shall be specified by the legislative services agency.

[S13, §163-a; SS15, §191-a; C24, 27, 31, §327, 328; C35, §84-e16; C39, §84.16; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.23]

[86 Acts, ch 1245, §2017](#); [90 Acts, ch 1252, §1](#); [90 Acts, ch 1263, §53](#); [91 Acts, ch 263, §31](#); [95 Acts, ch 214, §20](#); [98 Acts, ch 1047, §2](#); [2001 Acts, ch 169, §3](#); [2003 Acts, ch 35, §45, 49](#); [2003 Acts, ch 179, §88, 159](#); [2019 Acts, ch 89, §32, 33](#); [2024 Acts, ch 1082, §2](#); [2024 Acts, ch 1185, §12, 13](#)

Referred to in [§7E.5A, 8.26, 8.35A, 35A.10, 97B.4, 218.58, 237.14, 421.17, 455A.4, 602.1301](#)

8.24 Annual estimate of income. Repealed by [2001 Acts, 2nd Ex, ch 2, §12, 13](#).

8.25 Tentative budget. Repealed by [2024 Acts, ch 1185, §83](#).

8.26 Hearings.

The governor shall make provision for public hearings on the estimates of expenditure requirements required by [section 8.23](#), at which the governor may require the attendance of the heads and other officers of all departments, establishments, and other persons receiving or requesting the grant of government funds and the giving by them of such explanations and suggestions as they may be called upon to give or as they may desire to offer in respect to items of requested appropriations in which they are interested. The governor shall also extend invitations to the governor-elect and the director of the department of management to be present at such hearings and to participate in the hearings through the asking of questions or the expression of opinion in regard to the items of the estimates.

[C24, 27, 31, §331; C35, §84-e19; C39, §84.19; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.26]

[2024 Acts, ch 1185, §14](#)

Referred to in [§2A.4](#)

8.27 Preparation of budget.

Following the inauguration, the governor shall proceed to the formulation of the budget provided for by [sections 8.21 and 8.22](#).

[C35, §84-e20; C39, §84.20; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.27]

8.28 Supplemental estimates. Repealed by 2024 Acts, ch 1185, §83. See [§8.22\(1\)\(c\)](#).

8.29 Regents universities — uniform accounting system.

The state board of regents, with the approval of the director of the department of management, shall establish a uniform budgeting and accounting system for the institutions of higher education under its control, and shall require each of the institutions of higher education to operate under the uniform system.

[C71, 73, 75, 77, 79, 81, §8.29]

[92 Acts, ch 1246, §23](#); [2001 Acts, 2nd Ex, ch 2, §7, 13](#); [2024 Acts, ch 1185, §15](#)

SUBCHAPTER IV

EXECUTION OF THE BUDGET

Referred to in [§15H.9](#)

8.30 Availability of appropriations.

The appropriations made are not available for expenditure until allotted as provided for in [section 8.31](#). All appropriations are declared to be maximum and proportionate appropriations, the purpose being to make the appropriations payable in full in the amounts named if the estimated budget resources during the fiscal year for which the appropriations are made, are sufficient to pay all of the appropriations in full. The governor shall restrict allotments only to prevent an overdraft or deficit in any fiscal year for which appropriations are made.

[C35, §84-e23; C39, §84.23; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.30]

[86 Acts, ch 1245, §2019](#)

8.31 Allotments of appropriations — exceptions — modifications.

1. *a.* Before an appropriation of any department or establishment becomes available, the department or establishment shall submit to the director of the department of management a requisition for allotment of the appropriation according to dates identified in the requisition during the fiscal year by which portions of the appropriation will be needed. The department or establishment shall submit the requisition by June 1, prior to the start of a fiscal year or by another date identified by the director. The requisition shall contain details of proposed expenditures as may be required by the director subject to review by the governor.

b. The director of the department of management shall approve the allotments subject to review by the governor, unless it is found that the estimated budget resources during the fiscal year are insufficient to pay all appropriations in full, in which event such allotments may be modified to the extent the governor may deem necessary in order that there shall be no overdraft or deficit in the several funds of the state at the end of the fiscal year, and the director shall submit copies of the allotments thus approved or modified to the head of the department or establishment concerned, who shall set up such allotments on the books and be governed accordingly in the control of expenditures.

2. Allotments made in accordance with [subsection 1](#) may be subsequently modified by the director of the department of management at the direction of the governor either upon the written request of the head of the department or establishment concerned, or in the event the governor finds that the estimated budget resources during the fiscal year are insufficient to pay all appropriations in full, upon the governor's own initiative to the extent the governor may deem necessary in order that there shall be no overdraft or deficit in the several funds of the state at the end of the fiscal year; and the head of the department or establishment shall be given notice of a modification in the same way as in the case of original allotments.

3. The allotment requests of all departments and establishments collecting governmental fees and other revenue which supplement a state appropriation shall attach to the summary of requests a statement showing how much of the proposed allotments are to be financed from state appropriations, stores, and appropriated receipts.

4. The procedure to be employed in controlling the expenditures and receipts of the state

fair board and the institutions under the state board of regents, whose collections are not deposited in the state treasury, is that outlined in [section 8A.502, subsection 8](#).

5. If the governor determines that the estimated budget resources during the fiscal year are insufficient to pay all appropriations in full, the reductions shall be uniform and prorated between all departments and establishments upon the basis of their respective appropriations.

6. Allotments from appropriations for the foreign trade offices of the economic development authority, if the appropriations are described by line item in the authority's appropriation Act or another Act, may be made as is necessary to take advantage of the most favorable foreign currency exchange rates.

[C35, §84-e24; C39, §84.24; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.31; [81 Acts, ch 18, §1](#)]

[86 Acts, ch 1245, §1972](#); [87 Acts, ch 115, §4](#); [89 Acts, ch 309, §6](#); [94 Acts, ch 1063, §1](#); [2003 Acts, ch 145, §121](#); [2003 Acts, ch 179, §89, 159](#); [2011 Acts, ch 118, §85, 89](#); [2024 Acts, ch 1185, §16](#)

Referred to in [§8.30, 8.32, 97B.7, 257.16, 260C.18D, 284.3A, 284.15, 441.21A](#)

8.32 Conditional availability of appropriations — applicability of chapter.

1. All appropriations made to any department or establishment of the government as receivable or collectable moneys available for expenditure by them under law, are declared to be in addition to such appropriated receipts, and such appropriations are to be available as and to the extent that such receipts are insufficient to meet the costs of administration, operation, maintenance, and public improvements of such departments or establishments, provided all of the following conditions are met:

a. Such receipts or collections are deposited in the state treasury as part of the general fund or special revenue funds in all cases, except those collections made by the state fair board, the institutions under the state board of regents, and the natural resource commission.

b. Appropriated receipts are not available for expenditures until allotted as provided in [section 8.31](#).

c. The collection of appropriated receipts by the state fair board and the institutions under the state board of regents are deposited in a bank or banks duly designated and qualified as state depositories, in the name of the state of Iowa, for the use of such boards and institutions, and such funds are available only on the check of such boards or institutions depositing them, which are hereby authorized to withdraw such funds, but only after allotment by the governor as provided in [section 8.31](#).

2. a. [This chapter](#) does not apply to endowment or private purpose trust funds or to gifts to institutions owned or controlled by the state or to the income from such endowment or private purpose trust funds, or to custodial funds belonging to students or inmates of state institutions.

b. [This chapter](#) shall not be construed to prohibit the state fair board from creating an emergency or sinking fund out of the receipts of the state fair and state appropriation for the purpose of taking care of any emergency that might arise beyond the control of the board of not to exceed three hundred thousand dollars.

c. [This chapter](#) shall not be construed to prohibit the state fair board from retaining an additional sum of not to exceed three hundred fifty thousand dollars to be used in carrying out the provisions of [chapter 173](#).

[C35, §84-e25; C39, §84.25; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.32]

[86 Acts, ch 1244, §4](#); [2013 Acts, ch 30, §2](#); [2024 Acts, ch 1185, §17](#)

8.33 Time limit on obligations — reversion.

1. No obligation of any kind shall be incurred or created subsequent to the last day of the fiscal year for which an appropriation is made, except when specific provision otherwise is made in the Act making the appropriation. On August 31, or as otherwise provided in an appropriation Act, following the close of each fiscal year, all unencumbered or unobligated balances of appropriations made for that fiscal term revert to the state treasury and to the credit of the funds from which the appropriations were made, except that capital expenditures

for the purchase of land or the erection of buildings or new construction continue in force until the attainment of the object or the completion of the work for which the appropriations were made unless the Act making an appropriation for the capital expenditure contains a specific provision relating to a time limit for incurring an obligation or reversion of funds. [This section](#) does not repeal [sections 7D.11 through 7D.14](#).

2. A payment of an obligation for goods and services shall not be charged to an appropriation subsequent to the last day of the fiscal year for which the appropriation is made unless the goods or services are received on or before the last day of the fiscal year, except that repair projects, purchase of specialized equipment and furnishings, and other contracts for services and capital expenditures for the purchase of land or the erection of buildings or new construction or remodeling, which were committed and in progress prior to the end of the fiscal year are excluded from [this subsection](#).

[C35, §84-e26; C39, §84.26; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.33]

[83 Acts, ch 172, §1](#); [84 Acts, ch 1091, §1](#); [84 Acts, ch 1305, §17](#); [86 Acts, ch 1245, §2020](#); [86 Acts, ch 1246, §770](#); [89 Acts, ch 284, §2](#); [2019 Acts, ch 59, §2](#)

Referred to in §12.1B, 8.55, 8.56, 8.57, 8.57B, 8.57D, 8.57E, 8.57F, 8.57G, 8.57H, 8.57I, 8.57J, 8.62, 8.90, 8.91, 8.92, 8A.123, 8A.204, 8A.321, 8A.328, 8A.330, 8A.431, 8A.432, 8A.434, 8A.436, 8A.437, 8A.438, 8A.457, 8A.460, 8A.502, 8A.708, 8D.14, 9.8, 9.13, 10A.507, 11.6, 12.51, 12.72, 12.79, 12.82, 12.88, 12.88A, 12.89, 12.91, 12A.6, 12L.4, 15.106A, 15.111, 15.231, 15.261, 15.262, 15.281, 15.313, 15.338, 15.371, 15.412, 15.421, 15.436, 15.517, 15E.311, 15E.363, 15E.370, 15F.107, 15F.204, 15F.205, 15F.404, 15G.104, 15H.5, 15H.10, 16.5, 16.40, 16.41, 16.45, 16.46, 16.47, 16.48, 16.49, 16.57B, 16.134, 16.134A, 16.141, 16.153, 16.181, 25.2, 29C.17A, 29D.4, 34A.7A, 35A.5, 35A.16, 35D.18, 47.11, 80.42, 80.43, 80.44, 80.46, 80.47, 80.48, 80A.14, 80B.16, 80B.19, 80E.4, 84A.13, 84A.13A, 84A.20, 84A.21, 84E.3, 84F.1, 84G.4, 90A.10, 99B.58, 99D.9B, 99D.13, 99D.27A, 99D.27B, 99F.20, 100B.4, 100B.12, 100B.13, 100B.52, 100C.9, 100D.7, 123.183, 124.557, 124E.10, 135.25, 135.39A, 135.175, 135.180, 135.181, 135.190A, 135.193, 135A.8, 136C.10, 142C.15, 144.13A, 144.46A, 147A.6, 159.21, 159A.7, 159A.16, 161A.80A, 161D.2, 161D.12, 161G.2, 162.2C, 163.3B, 165.18, 165B.2, 169A.13A, 170.3C, 173.22, 187.201, 190A.5, 190B.201, 216B.3, 217.25, 218.94, 222.92, 225A.7, 225D.2, 231.23, 231E.4, 232.188, 234.45, 235A.2, 249A.13, 249A.33, 249A.50, 249L.4, 249M.4, 252B.13A, 256.25, 256.34, 256.36, 256.39, 256.44, 256.87, 256.155, 256.189, 256.191, 256.192, 256.198, 256.204, 256.205, 256.210, 256.212, 256.218, 256.222, 256.226, 256.228, 256.229, 256.230, 256.231, 256I.11, 257.16A, 257.16C, 257.16D, 257.51, 260C.18A, 260H.2, 260L.2, 261B.8, 261E.13, 279.51, 284.6A, 284.13, 284.14, 307.20, 307.46, 312.2, 312A.2, 314.28, 321.34, 321G.7, 321I.8, 324A.6A, 327G.29, 327H.20A, 327J.2, 331.604, 418.10, 418.16, 426B.1, 452A.79A, 453A.2, 453A.35A, 453E.6, 455A.18, 455A.19, 455B.112A, 455B.133B, 455B.133C, 455B.183A, 455B.196, 455B.265A, 455C.12D, 455D.11C, 455D.15, 455E.11, 455H.401, 456A.17, 456A.21, 459.401, 459.501, 460.303, 461.31, 466.9, 466B.45, 466B.46, 476.46, 476.46A, 483A.3B, 502.601, 514I.11, 521J.12, 523C.24, 524.207, 533C.1002, 537.6203, 541A.7, 546.12, 553.19, 602.1302, 602.8108, 691.6, 692.2A, 692A.119, 714.16A, 714.16C, 714.23, 717F.9, 724.11, 904.117, 904.118, 904.118A, 904.303A, 904.311, 904.311A, 904.317, 904.321, 904.703, 904.706, 915.94, 915.95

8.34 Charging off unexpended appropriations.

Except as otherwise provided by law, the director of the department of administrative services shall transfer to the fund from which an appropriation was made, any unexpended or unencumbered balance of that appropriation remaining at the expiration of two months after the close of the fiscal term for which the appropriation was made. At the time the transfer is made on the books of the department of administrative services, the director shall certify that fact to the treasurer of state, who shall make corresponding entries on the books of the treasurer's office.

[C27, 31, §130-a1; C35, §84-a1; C39, §84.27; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.34]

[88 Acts, ch 1134, §3](#); [89 Acts, ch 284, §3](#); [2003 Acts, ch 145, §286](#)

8.35 General supervisory control.

The governor and the director of the department of management and any officer of the department of management, when authorized by the governor, are hereby authorized to make such inquiries regarding the receipts, custody, and application of government funds, existing organization, activities, and methods of business of the departments and establishments, assignments of particular activities to particular services and regrouping of such services, as in the opinion of the governor, will enable the governor to make recommendations to the general assembly, and, within the scope of the powers possessed by the governor, to order action to be taken, having for their purpose to bring about increased economy and efficiency in the conduct of the affairs of government.

[C35, §84-e27; C39, §84.28; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.35]

[2020 Acts, ch 1063, §3](#); [2024 Acts, ch 1185, §18](#)

8.35A Information to be given to legislative services agency.

1. By July 1, the director of the department of management, in conjunction with the director of the department of administrative services, shall provide a projected expenditure

breakdown of each appropriation for the beginning fiscal year to the legislative services agency in the form and level of detail requested by the legislative services agency. By the fifteenth of each month, the director, in conjunction with the director of the department of administrative services, shall transmit to the legislative services agency a record for each appropriation of actual expenditures for the prior month of the fiscal year and the fiscal year to date in the form and level of detail as requested by the legislative services agency. By October 1, the director, in conjunction with the director of the department of administrative services, shall transmit the total record of an appropriation, including reversions and transfers for the prior fiscal year ending June 30, to the legislative services agency.

2. Commencing October 1, the director shall provide weekly budget data files in the form and level of detail requested by the legislative services agency reflecting finalized agency budget requests for the following fiscal year as submitted to the governor. The director shall transmit all agency requests in final form to the legislative services agency by November 15. Final budget records containing the governor's recommendation and final agency requests shall be transmitted to the legislative services agency by January 1 or no later than the date the governor's budget document is delivered to the printer. The governor's recommendation included on this record shall be considered confidential by the legislative services agency until it is made public by the governor. The legislative services agency shall use this data in the preparation of information for the legislative appropriation process.

3. The director shall communicate any changes or anticipated changes to the budgeting system or the accounting system in writing to the legislative services agency prior to implementation.

4. A government agency which receives government funds directly from the state or indirectly through a political subdivision as directed by statute and which is not a city, county, or school district is subject to [this subsection](#). A government agency which is subject to [this subsection](#) shall submit a copy of its budget to the legislative services agency, identifying it as being submitted under [this subsection](#), when the budget of that government agency has received approval from the governing head or body of that agency. The copy of the budget submitted to the legislative services agency shall be in the format designated by the department of management under [section 8.23](#). The government agency shall also submit a statement identifying any funds available to the agency which are not included in the budget.

5. The department shall transmit the enterprise priorities and related information and an agency shall transmit its agency strategic plan, performance report, and related information as required by [chapter 8E](#) to the legislative services agency.

[86 Acts, ch 1245, §2013; 89 Acts, ch 284, §4; 95 Acts, ch 214, §21; 2001 Acts, ch 169, §4; 2001 Acts, 2nd Ex, ch 2, §8, 13; 2003 Acts, ch 35, §45, 46, 49; 2003 Acts, ch 145, §286; 2019 Acts, ch 59, §3; 2024 Acts, ch 1082, §3; 2024 Acts, ch 1185, §19](#)

Referred to in [§602.1301](#)

8.36 Fiscal year.

The fiscal year of the government shall commence on the first day of July and end on the thirtieth day of June. This fiscal year shall be used for purposes of making appropriations and of financial reporting and shall be uniformly adopted by all departments and establishments of the government. However, the department of workforce development may use the federal fiscal year instead of the fiscal year commencing on July 1.

[C35, §84-e28; C39, [§84.29](#); C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, [§8.36](#); [81 Acts, ch 19, §1](#)]

[96 Acts, ch 1186, §23; 2017 Acts, ch 54, §6](#)

Referred to in [§455A.19, 904.706](#)

8.36A Full-time equivalent positions.

1. For purposes of making appropriations and financial reports and as used in appropriations statutes, “*full-time equivalent position*” means a budgeting and monitoring unit that equates the aggregate of full-time positions, part-time positions, a vacancy and turnover factor, and other adjustments. One full-time equivalent position represents two thousand eighty working hours, which is the regular number of hours one full-time person

works in one fiscal year. The number of full-time equivalent positions shall be calculated by totaling the regular number of hours that could be annually worked by persons in all authorized positions, reducing those hours by a vacancy and turnover factor and dividing that amount by two thousand eighty hours. In order to achieve the full-time equivalent position level, the number of filled positions may exceed the number of full-time equivalent positions during parts of the fiscal year to compensate for time periods when the number of filled positions is below the authorized number of full-time equivalent positions.

2. a. If a department or establishment has reached or anticipates reaching the full-time equivalent position level authorized for the department but determines that conversion of a contract position to a full-time equivalent position would result in cost savings while providing comparable or better services, the department or establishment may request the director of the department of management to approve the conversion and addition of the full-time equivalent position. The request shall be accompanied by evidence demonstrating how the cost savings and service quality will be achieved through the conversion. If approved by the director of the department of management, the department's or establishment's authorized full-time equivalent position level shall be increased accordingly and the revised level shall be reported to the fiscal committee of the legislative council and the legislative services agency.

b. A department or establishment shall not convert a full-time equivalent position authorized for the department or establishment to a contract position and shall not use appropriated moneys for such a contract position unless the department or establishment receives approval from the director of the department of management to convert the full-time equivalent position to a contract position. The director of the department of management shall not approve the conversion unless the department or establishment submits sufficient evidence that the conversion would result in cost savings while providing comparable or better services.

[90 Acts, ch 1247, §1](#); [2003 Acts, ch 35, §46, 49](#); [2003 Acts, ch 145, §122](#); [2010 Acts, ch 1031, §59](#)

Referred to in [§455B.183C](#)

8.37 Fiscal term. Repealed by [2001 Acts, 2nd Ex, ch 2, §12, 13](#).

8.38 Misuse of appropriations.

A state department, institution, or agency, or any board member, commissioner, director, manager, or other person connected with any such department, institution, or agency, shall not expend funds or approve claims in excess of the appropriations made thereto, nor expend funds for any purpose other than that for which the money was appropriated, except as otherwise provided by law. A violation of [this section](#) shall make any person committing or consenting to the violation liable to the state for the sum expended together with interest and costs, which shall be recoverable in an action to be instituted by the attorney general for the use of the state. The action may be brought in any county of the state.

[[C35, §84-e29](#); [C39, §84.31](#); [C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.38](#)]

[2019 Acts, ch 59, §4](#)

8.39 Use of appropriations — transfer.

1. Except as otherwise provided by law, an appropriation or any part of it shall not be used for any other purpose than that for which it was made. However, with the prior written consent and approval of the governor and the director of the department of management, the governing board or head of any state department, institution, or agency may, at any time during the fiscal year, make a whole or partial intradepartmental transfer of its unexpended appropriations for purposes within the scope of such department, institution, or agency. Such transfer shall be to an appropriation made from the same funding source and within the same fiscal year. The amount of a transfer made from an appropriation under [this subsection](#) shall be limited to not more than one-tenth of one percent of the total of all appropriations made from the funding source of the transferred appropriation for the fiscal year in which the transfer is made.

2. If the appropriation of a department, institution, or agency is insufficient to properly

meet the legitimate expenses of the department, institution, or agency, the director, with the approval of the governor, may make an interdepartmental transfer from any other department, institution, or agency of the state having an appropriation in excess of its needs, of sufficient funds to meet that deficiency. Such transfer shall be to an appropriation made from the same funding source and within the same fiscal year. The amount of a transfer made from an appropriation under [this subsection](#) shall be limited to not more than one-tenth of one percent of the total of all appropriations made from the funding source of the transferred appropriation for the fiscal year in which the transfer is made. An interdepartmental transfer to an appropriation which is not an entitlement appropriation is not authorized when the general assembly is in regular session and, in addition, the sum of interdepartmental transfers in a fiscal year to an appropriation which is not an entitlement appropriation shall not exceed fifty percent of the amount of the appropriation as enacted by the general assembly. For the purposes of [this subsection](#), an entitlement appropriation is a line item appropriation to the state public defender for indigent defense or to the department of health and human services for foster care, state supplementary assistance, medical assistance, or for the family investment program.

3. The aggregate amount of intradepartmental and interdepartmental transfers made from all appropriations for a fiscal year pursuant to [this section](#) is limited to not more than five-tenths of one percent of the total amount of the appropriations made from the general fund of the state for the fiscal year. The aggregate amount of the intradepartmental and interdepartmental transfers made from an appropriation for a fiscal year is limited to fifty percent of the appropriation.

4. Prior to any transfer of funds pursuant to [subsection 1 or 2 of this section](#) or a transfer of an allocation from a subunit of a department which statutorily has independent budgeting authority, the director shall notify the chairpersons of the standing committees on appropriations of the senate and the house of representatives and the chairpersons of subcommittees of such committees of the proposed transfer. The notice from the director shall include information concerning the amount of the proposed transfer, the departments, institutions, or agencies affected by the proposed transfer and the reasons for the proposed transfer. Chairpersons notified shall be given at least two weeks to review and comment on the proposed transfer before the transfer of funds is made.

5. *a.* Any transfer made under the provisions of [this section](#) shall be reported to the legislative fiscal committee on a monthly basis. The report shall cover each calendar month and shall be due the tenth day of the following month. The report shall contain the following:

- (1) The amount of each transfer.
- (2) The date of each transfer.
- (3) The departments and funds affected.
- (4) A brief explanation of the reason for the transfer.
- (5) Such other information as may be required by the committee.

b. A summary of all transfers made under the provisions of [this section](#) shall be included in the annual report of the legislative fiscal committee.

[C97, §187; SS15, §170-q; C24, 27, 31, §345; C35, §84-a3; C39, §84.32; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.39]

[86 Acts, ch 1245, §2022; 87 Acts, ch 115, §5; 94 Acts, ch 1181, §6; 94 Acts, ch 1199, §44; 2011 Acts, ch 117, §2 – 4; 2017 Acts, ch 54, §7; 2023 Acts, ch 19, §6; 2023 Acts, ch 64, §3](#)

Referred to in [§8.55, 8.62, 16.57A, 24.24, 80.42, 125.44, 218.6, 249A.26, 261E.13, 284.13, 307.46, 313.5](#)

8.39A Transfer of moneys or positions — changes in tables of organization — notification. Repealed by [2001 Acts, 2nd Ex, ch 2, §12, 13.](#)

8.40 Penalty — removal — impeachment.

A refusal to perform any of the requirements of [this chapter](#), or a refusal to perform a rule or requirement or request of the governor or the director of the department of management made pursuant to [this chapter](#), by a board member, commissioner, director, manager, building committee, other officer or person connected with any institution, or other state department or establishment, subjects the offender to a penalty of two hundred fifty dollars,

to be recovered in an action instituted in the district court of Polk county by the attorney general for the use of the state. If the offender is not an officer elected by vote of the people, the offense is sufficient cause for removal from office or dismissal from employment by the governor upon thirty days' notice in writing to the offender; and if the offender is an officer elected by vote of the people, the offense is sufficient cause to subject the offender to impeachment.

[S13, §163-a; C24, 27, 31, §330; C35, §84-e30; C39, §84.33; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §8.40]

[88 Acts, ch 1134, §4](#)

8.41 Federal funds — deposit — block grant plans — affected political subdivisions.

1. Commencing with the fiscal year beginning July 1, 1981, federal funds received in the form of block grants shall be deposited in a special fund in the state treasury and are subject to appropriation by the general assembly upon a recommendation by the governor. In determining a general fund balance, the federal funds deposited in the special fund shall not be included, but shall remain segregated in the special fund until appropriated by the general assembly.

2. Federal funds deposited in the state treasury as provided in [subsection 1](#) shall either be included as part of the governor's budget required by [section 8.22](#) or shall be included in a separate recommendation made by the governor to the general assembly. If federal funds received in the form of block grants or categorical grants have not been included in the governor's budget for the current fiscal year because of time constraints or because a budget is not being submitted for the next fiscal year, the governor shall submit a supplemental statement to the general assembly listing the federal funds received and including the same information for the federal funds required by [section 8.22, subsection 1](#), paragraph "b", subparagraph (1), subparagraph division (e), for the statement of federal funds in the governor's budget.

3. a. If, in any federal fiscal year, the federal government provides for a block grant which requires a new or revised program than was required in the prior fiscal year, each state agency required to administer the block grant program shall develop a block grant plan detailing program changes.

b. To the extent allowed by federal law, the block grant plan shall be developed in accordance with the following:

(1) The primary goal of the plan shall be to attain savings for taxpayers and to avoid shifting costs from the federal government to state and local governments.

(2) State agency planning meetings shall be held jointly with officials of the affected political subdivision and affected members of the public.

(3) The plan shall address proposed expenditures and accountability measures and shall be published so as to provide reasonable opportunity for public review and comment.

(4) (a) Preference shall be given to any existing service delivery system capable of delivering the required service. If an existing service delivery system is not used, the plan shall identify those existing delivery systems which were considered and the reasons those systems were rejected. This subparagraph division applies to any service delivered pursuant to a federal block grant, including but not limited to any of the following block grant areas: health, human services, education, employment, community and economic development, and criminal justice.

(b) If a service delivered pursuant to a federal block grant and implemented by a political subdivision was previously provided for by a categorical grant, the state agency shall allow the political subdivision adequate transition time to accommodate related changes in federal and state policy. Transition activities may include, but are not limited to, revision of the political subdivision's laws, budgets, and administrative procedures.

(c) The state agency shall allow the political subdivision the flexibility to implement a service in a manner so as to address identifiable needs within the context of meeting broad national objectives.

(5) State administrative costs shall not exceed the limits allowed for under the federal law enacting the block grant.

(6) A federal mandate that is eliminated or waived for the state shall be eliminated or waived for a political subdivision.

(7) Federal block grants shall not be used to supplant existing funding efforts by the state.

c. The state agency shall send copies of the proposed block grant plan to the legislative fiscal committee and to the appropriate appropriations subcommittee chairpersons and ranking members of the general assembly. The plan and any program changes contained within the plan shall be adopted as rules in accordance with [chapter 17A](#).

[[81 Acts, ch 17, §3](#)]

[84 Acts, ch 1067, §4](#); [86 Acts, ch 1245, §2023](#); [96 Acts, ch 1105, §1](#); [2008 Acts, ch 1032, §201](#); [2009 Acts, ch 41, §263](#)

Referred to in [§15.108](#), [256.10A](#), [2561.11](#), [904.118](#)

8.41A Federal recovery and reinvestment fund. Repealed by 2015 Acts, ch 141, §36, 67, 68.

8.42 Payroll accrual account. Repealed by [2001 Acts, 2nd Ex, ch 2, §12, 13](#).

8.43 Salary adjustment fund. Repealed by 2024 Acts, ch 1185, §83.

8.44 Reporting additional funds received.

1. a. Upon receiving federal funds or any other funds from any public or private sources, except gifts or donations made to institutions for the personal use or for the benefit of members, patients, or inmates and receipts from the gift shop of merchandise manufactured by members, patients, or inmates, the state departments, agencies, boards, and institutions receiving the funds shall submit a written report within thirty days after receipt of the funds to the director of the department of management. The report shall state the source of the funds that supplement or replace state appropriations for institutional operations, the amount received, and the terms under which the funds are received.

b. Notwithstanding paragraph “a”, the state board of regents shall submit the written report required under paragraph “a” on a quarterly basis in the format specified by the director of the department of management.

2. All departments and establishments of government and the judicial branch shall notify the department of management and the legislative services agency of any change in the receipt of federal or other nonstate grants, receipts, and funds from the funding levels on which appropriations for the current or ensuing fiscal year were or are based. Changes which must be reported include but are not limited to any request, approval, award, or loss changes affecting federal or other nonstate grants, receipts, or funds. The notifications shall be made on a quarterly basis. The format of the notifications shall be specified by the legislative services agency.

[[C71, 73, 75, 77, 79, 81, §8.44](#)]

[88 Acts, ch 1134, §7](#); [90 Acts, ch 1263, §54](#); [98 Acts, ch 1047, §3](#); [2003 Acts, ch 35, §45, 49](#); [2019 Acts, ch 24, §104](#); [2020 Acts, ch 1045, §1](#); [2021 Acts, ch 76, §1](#)

Referred to in [§8.9](#), [68B.22A](#)

8.45 Purchase of real estate by state departments.

Purchases of real estate as provided by law may be made by a state department on written contracts providing for payment over a period of years but the obligations thereon shall not constitute a debt or charge against the state of Iowa nor against the funds of the department for which said purchases are made. Purchase payments shall be made from only capital funds appropriated for that purpose. All state-appropriated capital funds used for any one purchase contract shall be taken entirely from a single capital appropriation and shall be set aside for that purpose. In event of default, the only remedy of the seller shall be against the property itself in rem, pursuant to [chapter 654](#). In no event shall a deficiency judgment be entered or enforced against the state or the department making the purchase. The provisions of [chapter 656](#) prescribing how a real estate contract may be forfeited shall, in no event, be applicable. In a foreclosure proceeding pursuant to [this section](#) and [chapter 654](#), the department making the purchase and the attorney general shall be the only defendants who need be named and such

department and the attorney general may be served personally or by restricted certified mail. The department and the attorney general shall have thirty days from the date of completed service in which to appear.

[C71, 73, 75, 77, 79, 81, §8.45]

8.46 Lease-purchase — reporting.

1. For the purposes of [this section](#), unless the context otherwise requires:

a. “*Installment acquisition*” includes, but is not limited to, an arrangement in which title of ownership passes when the first installment payment is made.

b. “*Lease-purchase arrangement*” includes, but is not limited to, an arrangement in which title of ownership passes when the final installment payment is made.

c. “*State agency*” means any executive, judicial, or legislative department, commission, board, institution, division, bureau, office, agency, or other entity of state government.

2. At least thirty days prior to entering into a contract involving a lease-purchase or installment acquisition arrangement in which any part or the total amount of the contract is at least fifty thousand dollars, a state agency shall notify the legislative services agency concerning the contract. The legislative services agency shall compile the notifications for submission to the legislative fiscal committee of the legislative council. The notification is required regardless of the source of payment for the lease-purchase or installment acquisition arrangement. The notification shall include all of the following information:

a. A description of the object of the lease-purchase or installment acquisition arrangement.

b. The proposed terms of the contract.

c. The cost of the contract, including principal and interest costs. If the actual cost of a contract is not known at least thirty days prior to entering into the contract, the state agency shall estimate the principal and interest costs for the contract.

d. An identification of the means and source of payment of the contract.

e. An analysis of consequences of delaying or abandoning the commencement of the contract.

3. The legislative fiscal committee shall report to the legislative council concerning the notifications it receives pursuant to [this section](#).

4. A contract for construction by a private party of property to be lease-purchased by a state agency is a contract for a public improvement as defined in [section 26.2](#) and is a lease-purchase arrangement for purposes of [this section](#). If the estimated cost of the property to be lease-purchased that is renovated, repaired, or involves new construction exceeds the competitive bid threshold in [section 26.3](#), the state agency shall comply with the competitive bidding requirements of [section 26.3](#).

[91 Acts, ch 268, §606; 95 Acts, ch 214, §2; 2003 Acts, ch 35, §45, 49; 2018 Acts, ch 1075, §1, 12, 13; 2018 Acts, ch 1172, §71, 72; 2019 Acts, ch 59, §5](#)

Referred to in [§12.28](#)

8.47 Service contracts.

1. The department of administrative services, in cooperation with the office of attorney general and the department of management, shall adopt uniform terms and conditions for service contracts executed by a department or establishment benefiting from service contracts. The terms and conditions shall include but are not limited to all of the following:

a. The amount or basis for paying consideration to the party based on the party’s performance under the service contract.

b. Methods to effectively oversee the party’s compliance with the service contract by the department or establishment receiving the services during performance, including the delivery of invoices itemizing work performed under the service contract prior to payment.

c. Methods to effectively review performance of a service contract, including but not limited to performance measurements developed pursuant to [chapter 8E](#).

2. Departments or establishments, with the approval of the department of management acting in cooperation with the office of attorney general and the department of administrative

services, may adopt special terms and conditions for use by the departments or establishments in their service contracts.

3. The state board of regents shall establish terms and conditions for service contracts executed by institutions governed by the state board of regents.

4. [This section](#) does not apply to service contracts or other agreements for services by the department of public defense that are funded with at least seventy-five percent federal moneys. The department of public defense shall establish terms and conditions for service contracts and other agreements for services that comply with [this section](#) to the greatest extent possible.

[2001 Acts, ch 169, §5; 2002 Acts, ch 1117, §1, 23; 2003 Acts, ch 145, §123, 124](#)

Government accountability and service contracts, see [chapter 8F](#)

8.48 Local budgets — forms and procedures.

1. The director of the department of management shall consult with all state officers and agencies which receive reports and forms from county officers, in order to devise standardized reports and forms which will permit computer processing of the information submitted by county officers, and prescribe forms on which each municipality, at the time of preparing estimates required under [section 24.3](#), shall be required to compile in parallel columns all of the following data and estimates for immediate availability to any taxpayer upon request:

a. For the immediate prior fiscal year, revenue from all sources, other than revenue received from property taxation, allocated to each of the several funds and separately stated as to each such source, and for each fund the unencumbered cash balance thereof at the beginning and end of the year, the amount received by property taxation allocated to each fund, and the amount of actual expenditure for each fund.

b. For the current fiscal year, actual and estimated revenue, from all sources, other than revenue received from property taxation, and separately stated as to each such source, allocated to each of the several funds, and for each fund the actual unencumbered cash balance available at the beginning of the year, the amount to be received from property taxation allocated to each fund, and the amount of actual and estimated expenditures, whichever is applicable.

c. For the proposed budget year, an estimate of revenue from all sources, other than revenue to be received from property taxation, separately stated as to each such source, to be allocated to each of the several funds, and for each fund the actual or estimated unencumbered cash balance, whichever is applicable, to be available at the beginning of the year, the amount proposed to be received from property taxation allocated to each fund, and the amount proposed to be expended during the year plus the amount of cash reserve, based on actual experience of prior years, which shall be the necessary cash reserve of the budget adopted exclusive of capital outlay items. The estimated expenditures plus the required cash reserve for the ensuing fiscal year less all estimated or actual unencumbered balances at the beginning of the year and less the estimated income from all sources other than property taxation shall equal the amount to be received from property taxes, and such amount shall be shown on the proposed budget estimate.

2. To ensure uniformity, accuracy, and efficiency in the preparation of budget estimates by municipalities subject to [chapter 24](#), the director shall prescribe the procedures to be used and instruct the appropriate officials of the various municipalities on implementation of the procedures.

[2024 Acts, ch 1185, §20](#)

8.49 and 8.50 Reserved.

8.51 Political subdivisions — fiscal year — unexpended funds.

1. The fiscal year of cities, counties, and other political subdivisions of the state shall begin July 1 and end the following June 30. For the purpose of [this section](#), the term “*political subdivision*” includes school districts.

2. Each department that provides state funding to a political subdivision of the state

shall annually review the statutory and regulatory requirements applicable to the political subdivision's receipt of the funding. The purpose of the review is to identify any barrier in statute or departmental rule or policy that would prevent recovery of any such state funding provided to a political subdivision that remains unencumbered or unobligated and the political subdivision no longer complies with requirements to receive the state funding. If an identified barrier exists in state law, the department shall propose legislation to the governor and general assembly to remove the barrier. If an identified barrier is in departmental rule or policy, the department shall amend the rule or policy to remove the barrier.

[C75, 77, 79, 81, §8.51]

2011 Acts, ch 122, §37, 38

8.52 Planning responsibility.

The department of management shall:

1. Provide coordination of state planning, performance measurement, and management of interagency programs of the state, and recommend policies to the governor and the general assembly.

2. Maintain and make available demographic and other information useful for state and local planning.

3. Prepare and submit economic reports appraising the economic condition, growth, and development of the state.

4. Analyze the quality and quantity of services required for the orderly growth of the state, taking into consideration the relationship of activities, capabilities, and future plans of private enterprise, the local, state, and federal governments, and regional units established under state or federal legislation, and shall make recommendations to the governor and the general assembly for the establishment and improvement of such services.

5. Inquire into methods of planning, performance measurement, and program development and the conduct of affairs of state government; prescribe adequate systems of records for planning, performance measurement, and programming; establish standards for effective planning, performance measurement, and programming in consultation with affected state agencies; and exercise all other powers necessary in discharging the powers and duties of [this chapter](#).

6. Administer the accountable government Act as provided in [chapter 8E](#).

86 Acts, ch 1245, §106; 2001 Acts, ch 169, §6, 7

8.53 GAAP deficit — GAAP implementation. Repealed by 2024 Acts, ch 1185, §83.

8.54 General fund expenditure limitation.

1. For the purposes of [section 8.22A](#), [this section](#), and [sections 8.55 through 8.57](#):

a. “*Adjusted revenue estimate*” means the appropriate revenue estimate for the general fund for the following fiscal year as determined by the revenue estimating conference under [section 8.22A, subsection 3](#), adjusted by subtracting estimated tax refunds payable from that estimated revenue and as determined by the conference, adding any new revenues which may be considered to be eligible for deposit in the general fund.

b. “*New revenues*” means moneys which are received by the state due to increased tax rates and fees or newly created taxes and fees over and above those moneys which are received due to state taxes and fees which are in effect as of January 1 following the December state revenue estimating conference. “*New revenues*” also includes moneys received by the general fund of the state due to new transfers over and above those moneys received by the general fund of the state due to transfers which are in effect as of January 1 following the December state revenue estimating conference. The department of management shall obtain concurrence from the revenue estimating conference on the eligibility of transfers to the general fund of the state which are to be considered as new revenue in determining the state general fund expenditure limitation.

2. There is created a state general fund expenditure limitation for each fiscal year calculated as provided in [this section](#). An expenditure limitation shall be used for the portion of the budget process commencing on the date the revenue estimating conference agrees to

a revenue estimate for the following fiscal year in accordance with [section 8.22A, subsection 3](#), and ending with the governor's final approval or disapproval of the appropriations bills applicable to that fiscal year that were passed prior to July 1 of that fiscal year in a regular or extraordinary legislative session.

3. Except as otherwise provided in [this section](#), the state general fund expenditure limitation for a fiscal year shall be ninety-nine percent of the adjusted revenue estimate.

4. The state general fund expenditure limitation amount provided for in [this section](#) shall be used by the governor in the preparation of the budget under [section 8.22](#) and approval of the budget and by the general assembly in the budget process. If a source for new revenues is proposed, the budget revenue projection used for that new revenue source for the period beginning on the effective date of the new revenue source and ending in the fiscal year in which the source is included in the revenue base shall be an amount determined by subtracting estimated tax refunds payable from the projected revenue from that new revenue source, multiplied by ninety-five percent. If a new revenue source is established and implemented, the original state general fund expenditure limitation amount provided for in [subsection 3](#) shall be readjusted to include ninety-five percent of the estimated revenue from the new revenue source.

5. *a.* For fiscal years in which it is anticipated that the distribution of moneys from the Iowa economic emergency fund in accordance with [section 8.55, subsection 2](#), will result in moneys being transferred to the general fund of the state, the original state general fund expenditure limitation amount provided for in [subsection 3](#) shall be readjusted to include the amount of moneys anticipated to be so transferred.

b. For fiscal years in which it is anticipated that moneys will be transferred from the taxpayer relief fund to the general fund of the state in accordance with [section 8.57E, subsection 2](#), paragraph “b”, the original state general fund expenditure limitation amount provided for in [subsection 3](#) shall not be readjusted to include the amount of moneys anticipated to be so transferred. This paragraph is repealed July 1, 2029.

6. The scope of the expenditure limitation under [subsection 3](#) shall not encompass federal funds, donations, constitutionally dedicated moneys, and moneys in expenditures from state retirement system moneys.

7. The governor shall transmit to the general assembly, in accordance with [section 8.21](#), a budget which does not exceed the state general fund expenditure limitation. The general assembly shall pass a budget which does not exceed the state general fund expenditure limitation. The governor shall not transmit a budget with recommended appropriations in excess of the state general fund expenditure limitation and the general assembly shall not pass a budget with appropriations in excess of the state general fund expenditure limitation. The governor shall not approve or disapprove appropriation bills or items of appropriation bills passed by the general assembly in a manner that would cause the final budget approved by the governor to exceed the state general fund expenditure limitation. In complying with the requirements of [this subsection](#), the governor and the general assembly shall not rely on any anticipated reversion of appropriations in order to meet the state general fund expenditure limitation.

92 Acts, ch 1227, §4; 92 Acts, 2nd Ex, ch 1001, §228; 94 Acts, ch 1181, §1, 5; 2001 Acts, 2nd Ex, ch 2, §10, 11, 13; 2004 Acts, ch 1175, §215, 287; 2011 Acts, ch 123, §28, 32; 2022 Acts, ch 1002, §64; 2024 Acts, ch 1094, §62

Referred to in §8.22A, 9.8, 80.43, 99F.20, 521J.12, 546.12

SUBCHAPTER V

SPECIAL PURPOSE FUNDS

8.55 Iowa economic emergency fund.

1. The Iowa economic emergency fund is created. The fund shall be separate from the general fund of the state and the balance in the fund shall not be considered part of the balance of the general fund of the state. The moneys credited to the fund are not subject to [section](#)

8.33 and shall not be transferred, used, obligated, appropriated, or otherwise encumbered except as provided in [this section](#).

2. The maximum balance of the fund is the amount equal to two and one-half percent of the adjusted revenue estimate for the fiscal year. If the amount of moneys in the Iowa economic emergency fund is equal to the maximum balance, moneys in excess of this amount shall be distributed as follows:

a. 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 shall be transferred to the taxpayer relief fund created in [section 8.57E](#).

b. The remainder of the excess, if any, shall be transferred to the general fund of the state.

3. a. Except as provided in paragraphs “b”, “c”, “d”, and “f”, the moneys in the Iowa economic emergency fund shall only be used pursuant to an appropriation made by the general assembly. An appropriation shall only be made for the fiscal year in which the appropriation is made. The moneys shall only be appropriated by the general assembly for emergency expenditures.

b. Moneys in the fund may be used for cash flow purposes during a fiscal year provided that any moneys so allocated are returned to the fund by the end of that fiscal year.

c. There is appropriated from the Iowa economic emergency fund to the general fund of the state for the fiscal year in which moneys in the fund were used for cash flow purposes, for the purposes of reducing or preventing any overdraft on or deficit in the general fund of the state, the amount from the Iowa economic emergency fund that was used for cash flow purposes pursuant to paragraph “b” and that was not returned to the Iowa economic emergency fund by June 30 of the fiscal year. The appropriation in this paragraph shall not exceed one percent of the adjusted revenue estimate for the fiscal year for which the appropriation is made and is contingent upon all of the following having occurred:

(1) Prior to an appropriation being made pursuant to this paragraph, the balance of the general fund of the state at the end of the fiscal year for which the appropriation is made is negative.

(2) The governor issues an official proclamation and notifies the legislative fiscal committee and the legislative services agency that the balance of the general fund is negative and that an appropriation made pursuant to this paragraph brings the general fund of the state into balance.

d. There is appropriated from the Iowa economic emergency fund to the executive council an amount sufficient to pay the expenses authorized by the executive council, as addressed in [section 7D.29](#).

e. If an appropriation is made pursuant to paragraph “c” for a fiscal year, there is appropriated from the general fund of the state to the Iowa economic emergency fund for the following fiscal year, the amount of the appropriation made pursuant to paragraph “c”.

f. (1) It is the intent of the general assembly for this paragraph to enable the executive branch to react to disasters impacting this state, including the ability to protect citizens, safeguard property, ensure safety, and provide for economic stability during disaster emergencies.

(2) For the fiscal year beginning July 1, 2025, and each fiscal year thereafter, there is appropriated from the Iowa economic emergency fund to the department of management ten percent of the maximum balance of the Iowa economic emergency fund as calculated for the immediately preceding fiscal year, to be used for disaster response, disaster recovery activities, or disaster aid to citizens. For purposes of this subparagraph, “*disaster response, disaster recovery activities, or disaster aid to citizens*” includes any of the following:

(a) Disaster aid provided to businesses engaged in disaster recovery as described in [section 15.111](#), and housing businesses engaged in disaster recovery housing projects as defined in [section 15.354, subsection 6](#).

(b) Disaster recovery housing assistance provided under [chapter 16, subchapter VII, part 6](#).

(c) Support for programs under [chapter 29C](#), including support for the director of the department of homeland security and emergency management in executing the director’s powers and duties under [section 29C.8](#).

(d) Support for any other program through which disaster response, recovery activities, or aid is effected, provided the program is not inconsistent with the intent set forth in this paragraph.

(3) The department of management's disbursements of moneys appropriated to the department under this paragraph are contingent upon all of the following:

(a) The issuance of a proclamation of disaster emergency by the governor under [section 29C.6](#), which proclamation covers the disaster for which the moneys will be used.

(b) The disbursement occurs at the direction of the governor, with the approval of the executive council, pursuant to [section 29C.6, subsection 18](#).

(4) Subject to the approval of the governor, the department of management may provide for an interdepartmental transfer of moneys appropriated in this paragraph to another department or establishment for the purposes specified in this paragraph, subject to the notification and reporting requirements set forth in [section 8.39, subsections 4 and 5](#), but notwithstanding the other limitations and requirements of [section 8.39](#). Disbursements by the department of management under this paragraph to another department or establishment shall not be counted in calculating the aggregate amount of intradepartmental and interdepartmental transfers under [section 8.39, subsection 3](#).

(5) Moneys appropriated in this paragraph shall not supplant other appropriated moneys.

(6) (a) Notwithstanding [section 8.33](#), moneys disbursed by the department of management under this paragraph to another department or establishment shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year, at which time the moneys shall revert to the Iowa economic emergency fund.

(b) Moneys not disbursed as described in subparagraph division (a) shall revert to the Iowa economic emergency fund at the close of the fiscal year for which the moneys were appropriated, as required under [section 8.33](#).

4. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys deposited in the Iowa economic emergency fund shall be credited to the rebuild Iowa infrastructure fund.

[84 Acts, ch 1305, §21; 92 Acts, ch 1227, §5; 94 Acts, ch 1181, §8; 95 Acts, ch 214, §13; 2001 Acts, 2nd Ex, ch 6, §27, 28, 37; 2002 Acts, ch 1169, §1; 2002 Acts, ch 1175, §73; 2002 Acts, 2nd Ex, ch 1001, §25, 26, 33, 52; 2003 Acts, ch 35, §45, 49; 2003 Acts, ch 179, §29, 30, 40; 2004 Acts, ch 1175, §216; 2005 Acts, ch 179, §24, 25; 2006 Acts, ch 1173, §1, 3; 2011 Acts, ch 123, §29, 32; 2011 Acts, ch 131, §14, 15, 158; 2012 Acts, ch 1021, §1; 2016 Acts, ch 1011, §1; 2018 Acts, ch 1028, §10, 13; 2018 Acts, ch 1161, §47, 53, 55 – 57; 2024 Acts, ch 1185, §21; 2025 Acts, ch 28, §81, 82; 2025 Acts, ch 136, §134](#)

Referred to in [§7D.29, 8.54, 8.58, 29C.6](#)

Subsection 3, paragraph a amended

Subsection 3, NEW paragraph f

8.56 Cash reserve fund.

1. A cash reserve fund is created in the state treasury. The cash reserve fund shall be separate from the general fund of the state and shall not be considered part of the general fund of the state. The moneys in the cash reserve fund are not subject to [section 8.33](#) and shall not be transferred, used, obligated, appropriated, or otherwise encumbered except as provided in [this section](#). Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys deposited in the cash reserve fund shall be credited to the rebuild Iowa infrastructure fund created in [section 8.57](#). Moneys in the cash reserve fund may be used for cash flow purposes during a fiscal year provided that any moneys so allocated are returned to the cash reserve fund by the end of that fiscal year.

2. The maximum balance of the cash reserve fund is the amount equal to the cash reserve goal percentage, as defined in [section 8.57](#), multiplied by the adjusted revenue estimate for the general fund of the state for the current fiscal year.

3. The moneys in the cash reserve fund shall only be used pursuant to an appropriation made by the general assembly. An appropriation shall be made in accordance with [subsection 4](#) only for the fiscal year in which the appropriation is made. The moneys shall only be appropriated by the general assembly for nonrecurring emergency expenditures and shall not

be appropriated for payment of any collective bargaining agreement or arbitrator's decision negotiated or awarded under [chapter 20](#).

4. a. Except as provided in [subsection 1](#), an appropriation shall not be made from the cash reserve fund unless the appropriation is in accordance with all of the following:

(1) The appropriation is contained in a bill or joint resolution in which the appropriation is the only subject matter of the bill or joint resolution.

(2) The bill or joint resolution states the reasons the appropriation is necessary.

b. In addition to the requirements of paragraph "a", an appropriation shall not be made from the cash reserve fund which would cause the fund's balance to be less than three and three-fourths percent of the adjusted revenue estimate for the year for which the appropriation is made unless the bill or joint resolution is approved by vote of at least three-fifths of the members of both chambers of the general assembly and is signed by the governor.

[92 Acts, ch 1227, §6](#); [94 Acts, ch 1181, §9](#); [95 Acts, ch 214, §14](#); [2001 Acts, 2nd Ex, ch 6, §29 - 31](#); [2002 Acts, 2nd Ex, ch 1001, §27, 33](#); [2003 Acts, ch 179, §40](#); [2024 Acts, ch 1185, §22](#)

Referred to in [§8.54, 8.62](#)

8.57 Surplus transferred to cash reserve fund and Iowa economic emergency fund — rebuild Iowa infrastructure fund created.

1. a. The "cash reserve goal percentage" for fiscal years beginning on or after July 1, 2004, is seven and one-half percent of the adjusted revenue estimate. For each fiscal year in which the transfer of the surplus existing in the general fund of the state at the conclusion of the prior fiscal year pursuant to paragraph "b" was not sufficient for the cash reserve fund to reach the cash reserve goal percentage for the current fiscal year, there is transferred from the general fund of the state an amount to be determined as follows:

(1) If the balance of the cash reserve fund in the current fiscal year is not more than six and one-half percent of the adjusted revenue estimate for the current fiscal year, the amount of the transfer under this paragraph is one percent of the adjusted revenue estimate for the current fiscal year.

(2) If the balance of the cash reserve fund in the current fiscal year is more than six and one-half percent but less than seven and one-half percent of the adjusted revenue estimate for that fiscal year, the amount of the transfer under this paragraph is the amount necessary for the cash reserve fund to reach seven and one-half percent of the adjusted revenue estimate for the current fiscal year.

(3) The moneys transferred under this paragraph shall be credited in equal and proportionate amounts in each quarter of the current fiscal year.

b. The surplus existing in the general fund of the state at the conclusion of the fiscal year is transferred to the cash reserve fund, not to exceed the amount necessary for the cash reserve fund to reach the cash reserve goal percentage for the succeeding fiscal year. As used in this paragraph, "surplus" means the excess of revenues and other financing sources over expenditures and other financing uses for the general fund of the state in a fiscal year.

2. To the extent that moneys transferred under [subsection 1](#) exceed the amounts necessary for the cash reserve fund to reach its maximum balance, the moneys shall be transferred to the Iowa economic emergency fund.

3. a. A rebuild Iowa infrastructure fund is created under the authority of the department of management. The fund shall consist of appropriations made to the fund and transfers of interest, earnings, and moneys from other funds as provided by law. The rebuild Iowa infrastructure fund shall be separate from the general fund of the state and the balance in the rebuild Iowa infrastructure fund shall not be considered part of the balance of the general fund of the state.

b. Moneys in the rebuild Iowa infrastructure fund are not subject to [section 8.33](#). Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the rebuild Iowa infrastructure fund shall be credited to the fund. Moneys in the rebuild Iowa infrastructure fund may be used for cash flow purposes during a fiscal year provided that any moneys so allocated are returned to the fund by the end of that fiscal year.

c. Moneys in the rebuild Iowa infrastructure fund in a fiscal year shall be used as directed

by the general assembly for public vertical infrastructure projects. For the purposes of [this subsection](#), “vertical infrastructure” includes only land acquisition and construction; major renovation and major repair of buildings; routine, recurring maintenance; all appurtenant structures; utilities; site development; recreational trails; renewable fuel infrastructure programs; and debt service payments on academic revenue bonds issued in accordance with [chapter 262A](#) for capital projects at board of regents institutions. “Vertical infrastructure” does not include operational expenses or leasing of a building, appurtenant structure, or utility without a lease-purchase agreement.

d. (1) (a) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter until the principal and interest on all bonds issued by the treasurer of state pursuant to [section 12.87](#) are paid, as determined by the treasurer of state, of the wagering tax receipts received pursuant to sections [99D.17](#) and [99F.11](#), the first fifty-five million dollars shall be deposited in the revenue bonds debt service fund created in [section 12.89](#), and the next three million seven hundred fifty thousand dollars shall be deposited in the revenue bonds federal subsidy holdback fund created in [section 12.89A](#).

(b) (i) For each fiscal year of the period beginning July 1, 2020, and ending June 30, 2039, of the wagering tax receipts received pursuant to sections [99D.17](#) and [99F.11](#), the next fifteen million dollars shall be deposited in the water quality infrastructure fund created in [section 8.57B](#).

(ii) Notwithstanding subparagraph subdivision (i), this subparagraph division (b) is repealed on one of the following dates, whichever is earlier:

(A) On July 1 following the enactment date that the tax rate for the sales tax imposed upon the retail sales price of tangible personal property and the furnishing of enumerated services sold in this state in effect on July 1, 2016, is increased.

(B) On July 1, 2039.

(c) For the fiscal year beginning July 1, 2018, and for each fiscal year thereafter, of the wagering tax receipts received pursuant to sections [99D.17](#) and [99F.11](#), the next sixty-three million seven hundred fifty thousand dollars shall be deposited in the Iowa skilled worker and job creation fund created in [section 8.57J](#).

(d) (i) For the fiscal year beginning July 1, 2023, and for each fiscal year thereafter through the fiscal year beginning July 1, 2027, of the wagering tax receipts received pursuant to sections [99D.17](#) and [99F.11](#), the next five million dollars shall be deposited in the levee improvement fund created in [section 8.57D](#).

(ii) This subparagraph division is repealed July 1, 2028.

(e) For the fiscal year beginning July 1, 2018, and for each fiscal year thereafter, of the wagering tax receipts received pursuant to sections [99D.17](#) and [99F.11](#), the next two million two hundred fifty thousand dollars shall be deposited in the general fund of the state.

(f) For the fiscal year beginning July 1, 2018, and for each fiscal year thereafter, the remaining wagering tax receipts received pursuant to sections [99D.17](#) and [99F.11](#) not otherwise deposited under this paragraph “d” shall be deposited in the rebuild Iowa infrastructure fund and shall be used as provided in [this subsection](#).

(2) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, if the total amount of the wagering tax receipts received pursuant to sections [99D.17](#) and [99F.11](#), and to be deposited pursuant to subparagraph (1), subparagraph division (a), is less than the total amount of moneys directed to be deposited in the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund in the fiscal year pursuant to subparagraph (1), subparagraph division (a), the difference shall be paid from moneys deposited in the beer and liquor control fund created in [section 123.17](#) in the manner provided in [section 123.17, subsection 3](#).

e. Annually, on or before January 15 of each year, a state agency that received an appropriation from the rebuild Iowa infrastructure fund shall report to the legislative services agency and the department of management the status of all projects completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

f. Annually, on or before December 31 of each year, a recipient of moneys from the rebuild Iowa infrastructure fund for any purpose shall report to the state agency to which the moneys are appropriated the status of all projects completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

92 Acts, ch 1227, §7; 92 Acts, 2nd Ex, ch 1001, §229, 230; 94 Acts, ch 1181, §10,11; 95 Acts, ch 209, §11, 12; 95 Acts, ch 214, §15, 16; 96 Acts, ch 1218, §25, 26, 71; 2000 Acts, ch 1225, §30, 38, 39; 2001 Acts, ch 185, §33, 49; 2002 Acts, 2nd Ex, ch 1001, §28, 29, 33, 52; 2003 Acts, ch 178, §99, 121; 2003 Acts, ch 179, §31, 40, 90, 142, 159; 2003 Acts, 1st Ex, ch 2, §91, 209; 2004 Acts, ch 1101, §100, 102; 2004 Acts, ch 1170, §3; 2004 Acts, ch 1175, §321; 2006 Acts, ch 1173, §2, 3; 2006 Acts, ch 1179, §33; 2007 Acts, ch 22, §114, 116; 2007 Acts, ch 219, §27; 2008 Acts, ch 1134, §37; 2008 Acts, ch 1179, §37; 2009 Acts, ch 173, §26, 36; 2009 Acts, ch 179, §29; 2009 Acts, ch 182, §100; 2009 Acts, ch 184, §29; 2010 Acts, ch 1184, §75, 76; 2011 Acts, ch 25, §1; 2011 Acts, ch 133, §18, 19, 50; 2012 Acts, ch 1021, §2; 2012 Acts, ch 1140, §21; 2013 Acts, ch 142, §29, 30; 2014 Acts, ch 1026, §143; 2014 Acts, ch 1136, §15, 16; 2015 Acts, ch 141, §31, 67, 68; 2017 Acts, ch 173, §16; 2018 Acts, ch 1001, §1, 2; 2018 Acts, ch 1169, §18 – 20; 2019 Acts, ch 132, §47, 52; 2021 Acts, ch 143, §33, 34; 2023 Acts, ch 163, §1, 10; 2024 Acts, ch 1185, §23 – 30; 2025 Acts, ch 167, §3, 4

Referred to in §7E.5A, 8.22A, 8.54, 8.56, 8.57A, 8.57B, 8.57C, 8.57D, 8.58, 12.72, 12.82, 12.87, 12.89, 12.89A, 12E.12, 15.261, 15.262, 16.193, 99D.17, 99D.27B, 99F.4A, 99F.10, 99F.11, 99G.39, 123.17, 260G.6, 324A.6A

For temporary exceptions to appropriations contained in this section, see appropriations and other noncodified enactments in annual Acts of the general assembly

Subsection 3, paragraph d, subparagraph (1), subparagraph division (f) amended

Subsection 3, paragraph d, subparagraph (3) stricken

8.57A Environment first fund.

1. An environment first fund is created under the authority of the department of management. The fund shall consist of appropriations made to the fund and transfers of interest, earnings, and moneys from other funds as provided by law. The fund shall be separate from the general fund of the state and the balance in the fund shall not be considered part of the balance of the general fund of the state.

2. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the environment first fund shall be credited to the rebuild Iowa infrastructure fund.

3. Moneys in the fund in a fiscal year shall be used as appropriated by the general assembly for the protection, conservation, enhancement, or improvement of natural resources or the environment.

4. a. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, the sum of forty-two million dollars to the environment first fund, notwithstanding [section 8.57, subsection 3](#), paragraph “c”.

b. There is appropriated from the rebuild Iowa infrastructure fund each fiscal year for the period beginning July 1, 2010, and ending June 30, 2012, the sum of thirty-three million dollars to the environment first fund, notwithstanding [section 8.57, subsection 3](#), paragraph “c”.

c. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the sum of thirty-five million dollars to the environment first fund, notwithstanding [section 8.57, subsection 3](#), paragraph “c”.

5. Annually, on or before January 15 of each year, a state agency that received an appropriation from the environment first fund shall report to the legislative services agency and the department of management the status of all projects completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

2000 Acts, ch 1225, §22; 2006 Acts, ch 1179, §34; 2007 Acts, ch 215, §8; 2007 Acts, ch 219, §28; 2008 Acts, ch 1179, §38; 2010 Acts, ch 1184, §77; 2011 Acts, ch 133, §20, 50; 2012 Acts, ch 1021, §126; 2024 Acts, ch 1185, §31

8.57B Water quality infrastructure fund — creation — appropriations.

1. A water quality infrastructure fund is created within the division of soil conservation and water quality of the department of agriculture and land stewardship. The fund shall consist of moneys deposited in the fund pursuant to [section 8.57, subsection 3](#), paragraph “d”, subparagraph (1), subparagraph division (b), moneys transferred to the fund pursuant to [section 423G.6](#), and appropriations made to the fund and transfers of interest, earnings, and moneys from other funds as provided by law.

2. The fund shall be separate from the general fund of the state and the balance in the fund shall not be considered part of the balance of the general fund of the state.

3. Moneys in the fund are appropriated to the division of soil conservation and water quality of the department of agriculture and land stewardship for the exclusive purpose of supporting water quality agriculture infrastructure programs created in [section 466B.43](#).

4. Notwithstanding [section 8.33](#), moneys in the fund that remain unencumbered or unobligated at the close of a fiscal year shall not revert but shall remain available for expenditure for the purposes designated. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the fund shall be credited to the fund.

[2018 Acts, ch 1001, §3; 2019 Acts, ch 59, §6; 2024 Acts, ch 1185, §32](#)

Referred to in [§8.57, 423G.6](#)

8.57C Technology reinvestment fund.

1. A technology reinvestment fund is created under the authority of the department of management. The fund shall consist of appropriations made to the fund and transfers of interest, earnings, and moneys from other funds as provided by law. The fund shall be separate from the general fund of the state and the balance in the fund shall not be considered part of the balance of the general fund of the state.

2. Moneys in the fund in a fiscal year shall be used as appropriated by the general assembly for the acquisition of computer hardware and software, software development, telecommunications equipment, and maintenance and lease agreements associated with technology components and for the purchase of equipment intended to provide an uninterruptible power supply.

3. *a.* There is appropriated from the general fund of the state to the technology reinvestment fund for the fiscal year beginning July 1, 2026, and for each fiscal year thereafter, the sum of seventeen million five hundred thousand dollars.

b. There is appropriated from the rebuild Iowa infrastructure fund for the fiscal year beginning July 1, 2025, and ending June 30, 2026, the sum of eighteen million two hundred sixty-nine thousand two hundred seventeen dollars to the technology reinvestment fund, notwithstanding [section 8.57, subsection 3](#), paragraph “c”.

4. Annually, on or before January 15 of each year, a state agency that received an appropriation from this fund shall report to the legislative services agency and the department of management the status of all projects completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

[2006 Acts, ch 1179, §23; 2007 Acts, ch 219, §30; 2008 Acts, ch 1179, §40; 2009 Acts, ch 184, §30; 2010 Acts, ch 1184, §78; 2011 Acts, ch 133, §21, 22, 50; 2012 Acts, ch 1021, §127; 2012 Acts, ch 1140, §22; 2013 Acts, ch 142, §31; 2015 Acts, ch 139, §12 – 14; 2016 Acts, ch 1133, §20; 2017 Acts, ch 173, §17, 18; 2018 Acts, ch 1162, §14, 15; 2019 Acts, ch 137, §11, 12; 2020 Acts, ch 1120, §12, 13; 2021 Acts, ch 167, §10; 2022 Acts, ch 1150, §13, 14; 2023 Acts, ch 118, §8, 9; 2024 Acts, ch 1155, §11, 12; 2024 Acts, ch 1185, §33 – 35; 2025 Acts, ch 167, §11](#)

Subsection 3 amended

8.57D Levee improvement fund — creation — appropriations.

1. A levee improvement fund is created within the department of homeland security and emergency management created pursuant to [section 29C.5](#) which shall be under the control of that department.

2. The levee improvement fund shall consist of moneys deposited in the fund pursuant to [section 8.57, subsection 3](#), paragraph “d”, subparagraph (1), subparagraph division (d); appropriations made to the fund; and transfers of interest, earnings, and moneys from other funds as provided by law.

3. The levee improvement fund shall be separate from the general fund of the state and the balance in the fund shall not be considered part of the balance of the general fund of the state.

4. a. Moneys in the levee improvement fund are appropriated to the department of homeland security and emergency management for the exclusive purpose of supporting all of the following:

(1) The office of levee safety, including to conduct a statewide analysis of the condition of the state’s levees as provided in [section 418A.4](#).

(2) The flood mitigation board, including to award cost-share moneys to levee districts pursuant to the levee improvement program as provided in [section 418A.5](#).

b. Not more than five percent of moneys in the levee improvement fund shall be available to defray expenses incurred in administering [chapter 418A](#) by the department, including the office of levee safety and flood mitigation board.

5. a. Notwithstanding [section 8.33](#), moneys in the levee improvement fund that remain unencumbered or unobligated at the close of a fiscal year shall not revert but shall remain available for the expenditure for the purposes designated.

b. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the fund shall be credited to the fund.

6. [This section](#) is repealed July 1, 2028.

[2023 Acts, ch 163, §2, 10; 2024 Acts, ch 1185, §36](#)

Referred to in [§8.57](#)

8.57E Taxpayer relief fund.

1. A taxpayer relief fund is created. The fund shall be separate from the general fund of the state and the balance in the fund shall not be considered part of the balance of the general fund of the state. The moneys credited to the fund are not subject to [section 8.33](#) and shall not be transferred, used, obligated, appropriated, or otherwise encumbered except as provided in [this section](#).

2. a. Except as otherwise provided in [this section](#), moneys in the taxpayer relief fund shall only be used pursuant to appropriations or transfers made by the general assembly for tax relief or reductions in income tax rates.

b. (1) For the fiscal year beginning July 1, 2024, and for each fiscal year thereafter, if the actual net revenue for the general fund of the state for the fiscal year is less than the net general fund appropriation for the fiscal year, there is transferred from the taxpayer relief fund to the general fund of the state an amount equal to fifty percent of the difference or the remaining balance of the taxpayer relief fund, whichever is lower.

(2) For purposes of this paragraph, “*net general fund appropriation*” means the total appropriations from the general fund of the state enacted by the general assembly and approved by the governor or otherwise provided by law for the fiscal year, minus reversions to the general fund of the state.

(3) [This paragraph](#) is repealed July 1, 2029.

3. Moneys in the taxpayer relief fund may be used for cash flow purposes during a fiscal year provided that any moneys so allocated are returned to the fund by the end of that fiscal year.

4. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys deposited in the taxpayer relief fund shall be credited to the fund.

[2011 Acts, ch 123, §30; 2011 Acts, ch 131, §50, 158; 2013 Acts, ch 123, §41, 45, 46; 2018 Acts, ch 1161, §48, 53; 2022 Acts, ch 1002, §65; 2024 Acts, ch 1094, §63; 2024 Acts, ch 1185, §37](#)

Referred to in [§8.54, 8.55](#)

8.57F State bond repayment fund.

1. a. The state bond repayment fund is created. The fund shall be separate from the

general fund of the state and the balance in the fund shall not be considered part of the balance of the general fund of the state. The moneys credited to the fund are not subject to [section 8.33](#) and shall not be transferred, used, obligated, appropriated, or otherwise encumbered except as provided in [this section](#).

b. Moneys in the fund shall only be used for the defeasance or redemption of outstanding obligations issued by the state or an authority of the state that have debt service paid by a dedicated revenue source and for payment of costs relating to the defeasance or redemption.

c. Moneys in the fund may be used for cash flow purposes during a fiscal year provided that any moneys so allocated are returned to the fund by the end of that fiscal year.

2. The moneys credited to the fund for the fiscal year beginning July 1, 2013, are appropriated to the treasurer of state to defease or redeem the following bonds and to pay the costs relating to the defeasance or redemption, to the extent the bonds can be defeased or redeemed and costs paid within the amount appropriated. The bonds shall be defeased or redeemed in the following order of priority:

a. In conjunction with the Iowa finance authority, the prison infrastructure revenue bonds issued pursuant to [section 16.177](#).

b. The Iowa jobs program bonds issued pursuant to [section 12.87, subsection 1](#), paragraph “b”, subparagraph (3), on which the interest is subject to federal income tax.

c. The school infrastructure program bonds issued pursuant to [sections 12.81 through 12.86](#).

3. Any bonds listed in [subsection 2](#) that are not defeased or redeemed in accordance with [this section](#) shall continue to be payable from their original payment source.

[2013 Acts, ch 143, §2, 4; 2019 Acts, ch 46, §1; 2024 Acts, ch 1185, §38](#)

8.57G Iowa coronavirus fiscal recovery fund.

1. An Iowa coronavirus fiscal recovery fund is created in the state treasury under the authority of the office of the governor. The fund shall be separate from the general fund of the state and the balance in the fund shall not be considered part of the balance of the general fund of the state. The fund shall consist of moneys received by the state from the coronavirus state fiscal recovery fund pursuant to the American Rescue Plan Act of 2021, Pub. L. No. 117-2, and any other moneys appropriated to or deposited in the fund.

2. Moneys in the fund are appropriated to the office of the governor to be used, expended, granted, or transferred as determined by the governor for any of the following purposes:

a. To respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality.

b. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the state that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work.

c. For the provision of government services to the extent of the reduction in state revenue due to the COVID-19 public health emergency relative to revenues collected in the fiscal year beginning July 1, 2018.

d. To make necessary investments in water, sewer, or broadband infrastructure.

3. Notwithstanding [section 8.33](#), moneys in the fund that remain unencumbered or unobligated at the close of a fiscal year shall not revert but shall remain available for expenditure for the purposes designated. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the fund shall be credited to the fund.

4. [This section](#) is repealed July 1, 2027.

[2021 Acts, ch 172, §24, 29; 2024 Acts, ch 1185, §39](#)

8.57H Iowa coronavirus capital projects fund.

1. An Iowa coronavirus capital projects fund is created in the state treasury under the authority of the office of the governor. The fund shall be separate from the general fund of the state and the balance in the fund shall not be considered part of the balance of the general fund of the state. The fund shall consist of moneys received by the state from the coronavirus

capital projects fund pursuant to the American Rescue Plan Act of 2021, Pub. L. No. 117-2, and any other moneys appropriated to or deposited in the fund.

2. Moneys in the fund are appropriated to the office of the governor to be used, expended, granted, or transferred as determined by the governor to carry out critical capital projects directly enabling work, education, and health monitoring, including remote options, in response to the public health emergency with respect to COVID-19.

3. Notwithstanding [section 8.33](#), moneys in the fund that remain unencumbered or unobligated at the close of a fiscal year shall not revert but shall remain available for expenditure for the purposes designated. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the fund shall be credited to the fund.

4. [This section](#) is repealed July 1, 2027.

[2021 Acts, ch 172, §25, 29; 2024 Acts, ch 1185, §40](#)

8.57I Sports wagering receipts fund.

1. A sports wagering receipts fund is created in the state treasury under the authority of the department of management. The fund shall consist of appropriations made to the fund and transfers of interest, earnings, and moneys from other funds or sources as provided by law. The sports wagering receipts fund shall be separate from the general fund of the state and the balance in the sports wagering receipts fund shall not be considered part of the balance of the general fund of the state.

2. Moneys in the sports wagering receipts fund are not subject to [section 8.33](#). Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the sports wagering receipts fund shall be credited to the fund. Moneys in the sports wagering receipts fund may be used for cash flow purposes during a fiscal year provided that any moneys so allocated are returned to the fund by the end of that fiscal year.

3. *a.* Moneys in the sports wagering receipts fund in a fiscal year shall be used as directed by the general assembly.

b. For the fiscal year beginning July 1, 2025, and each fiscal year thereafter, there is appropriated from the sports wagering receipts fund to the public safety equipment fund created in [section 80.48](#) eight million dollars. [Subsections 5 and 6](#) do not apply to moneys appropriated under this paragraph.

4. For the fiscal year beginning July 1, 2026, and for each fiscal year thereafter, an amount necessary to bring the unencumbered and unobligated balance in the length of service award program grant fund created in [section 100B.52](#) to one million five hundred thousand dollars as of July 1 of the fiscal year shall be transferred from the sports wagering receipts fund to the length of service award program grant fund. Moneys received from the sports wagering receipts fund pursuant to [this subsection](#) are not subject to the reporting requirements provided in [subsection 5 or 6](#). [This subsection](#) is repealed July 1, 2030.

5. Annually, on or before January 15 of each year, a state agency that received an appropriation from the sports wagering receipts fund shall report to the legislative services agency and the department of management the status of all projects completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

6. Annually, on or before December 31 of each year, a recipient of moneys from the sports wagering receipts fund for any purpose shall report to the state agency to which the moneys are appropriated the status of all projects completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

[2024 Acts, ch 1185, §41; 2025 Acts, ch 160, §1, 2, 8](#)

Referred to in [§15E.311, 99E.6, 99F.11](#)

Subsection 3 amended

NEW subsection 4 and former subsections 4 and 5 renumbered as 5 and 6

8.57J Iowa skilled worker and job creation fund.

1. An Iowa skilled worker and job creation fund is created in the state treasury. The fund shall consist of appropriations made to the fund, moneys transferred to the fund, and moneys deposited in the fund as provided by law.

2. The Iowa skilled worker and job creation fund shall be separate from the general fund of the state and the balance in the Iowa skilled worker and job creation fund shall not be considered part of the balance of the general fund of the state. Moneys in the fund may be used for cash flow purposes during a fiscal year provided that any moneys so allocated are returned to the fund by the end of that fiscal year. Notwithstanding [section 8.33](#), moneys in the fund at the end of each fiscal year shall not revert to any other fund but shall remain in the fund for expenditure in subsequent fiscal years.

[2013 Acts, ch 141, §31](#)

C2014, §8.75

[2024 Acts, ch 1185, §44, 85](#)

C2025, §8.57J

Referred to in [§8.57](#)

8.58 Exemption from automatic application.

1. To the extent that moneys transferred under [section 8.57](#) do not result in moneys being credited to the general fund of the state under [section 8.55, subsection 2](#), moneys transferred under [section 8.57](#) and moneys contained in the cash reserve fund, rebuild Iowa infrastructure fund, environment first fund, Iowa economic emergency fund, taxpayer relief fund, state bond repayment fund, Iowa coronavirus fiscal recovery fund, Iowa coronavirus capital projects fund, sports wagering receipts fund, and Iowa skilled worker and job creation fund shall not be considered in the application of any formula, index, or other statutory triggering mechanism which would affect appropriations, payments, or taxation rates, contrary provisions of law notwithstanding.

2. To the extent that moneys transferred under [section 8.57](#) do not result in moneys being credited to the general fund of the state under [section 8.55, subsection 2](#), moneys transferred under [section 8.57](#) and moneys contained in the cash reserve fund, rebuild Iowa infrastructure fund, environment first fund, Iowa economic emergency fund, taxpayer relief fund, state bond repayment fund, Iowa coronavirus fiscal recovery fund, Iowa coronavirus capital projects fund, sports wagering receipts fund, and Iowa skilled worker and job creation fund shall not be considered by an arbitrator or in negotiations under [chapter 20](#).

[92 Acts, ch 1227, §8; 95 Acts, ch 214, §17; 2000 Acts, ch 1225, §23; 2011 Acts, ch 123, §31; 2013 Acts, ch 143, §3, 4; 2018 Acts, ch 1161, §49, 53; 2021 Acts, ch 172, §26, 29; 2024 Acts, ch 1185, §42](#)

For future repeal of 2021 amendment to this section on July 1, 2027, see [2021 Acts, ch 172, §28; 2024 Acts, ch 1185, §81](#)

SUBCHAPTER VI

APPROPRIATIONS FREEZE — USE OF DESIGNATED MONEYS

8.59 Appropriations freeze. Repealed by 2024 Acts, ch 1185, §83.

8.60 Use of designated moneys. Repealed by 2024 Acts, ch 1185, §83.

8.61 Trust fund information. Repealed by 2024 Acts, ch 1185, §83.

SUBCHAPTER VII

USE OF REVERSIONS — INNOVATIONS FUND

8.62 Use of reversions.

1. For the purposes of [this section](#), “operational appropriation” means an appropriation

from the general fund of the state providing for salary, support, administrative expenses, or other personnel-related costs.

2. Notwithstanding the provisions of [section 8.33](#) or any other provision of law to the contrary, if on June 30 of a fiscal year, a balance of an operational appropriation remains unexpended or unencumbered, not more than fifty percent of the balance may be encumbered by the agency to which the appropriation was made and used as provided in [this section](#) and the remaining balance shall be deposited in the cash reserve fund created in [section 8.56](#). Moneys encumbered under [this section](#) shall only be used by the agency during the succeeding fiscal year for internet-based employee training, technology enhancement, or purchases of goods and services from Iowa prison industries. Unused moneys encumbered under [this section](#) shall be deposited in the cash reserve fund on June 30 of the succeeding fiscal year.

3. On or before June 30 of the fiscal year following the fiscal year in which funds were encumbered under [this section](#), an agency encumbering funds under [this section](#) shall report to the joint appropriations subcommittee which recommends funding for the agency, the legislative services agency, the department of management, and the legislative fiscal committee of the legislative council detailing how the moneys were expended. Moneys shall not be encumbered under [this section](#) from an appropriation which received a transfer from another appropriation pursuant to [section 8.39](#).

[94 Acts, ch 1181, §2; 96 Acts, ch 1219, §1; 99 Acts, ch 182, §1, 2; 2003 Acts, ch 35, §45, 49; 2010 Acts, ch 1031, §60](#)

8.63 Innovations fund. Repealed by 2009 Acts, ch 170, §48, 50.

SUBCHAPTER VIII

LOCAL GOVERNMENT INNOVATION COMMISSION AND FUND AND CENTER FOR GOVERNING EXCELLENCE

8.64 through 8.68 Repealed by 2009 Acts, ch 170, §46, 50.

8.69 Tim Shields center for governing excellence in Iowa. Repealed by 2009 Acts, ch 170, §48, 50.

SUBCHAPTER IX

OFFICE OF LEAN ENTERPRISE AND CHANGE MANAGEMENT

8.70 Lean enterprise and change management office.

1. For purposes of [this section](#):

a. “*Change management*” means the application of a structured approach to the transition of an organization and its workforce from a current state to a future state to achieve expected benefits. “*Change management*” includes preparing and supporting employees, establishing the necessary steps for change, and monitoring activities to ensure successful implementation.

b. “*Lean*” means a business-oriented system for organizing and managing product development, operations, suppliers, and customer relations to create precise customer value, expressed as providing goods and services with higher quality and fewer defects and errors, with less human effort, less space, less capital, and less time than more traditional systems.

2. The office of lean enterprise and change management is established in the department of management. The function of the office is to ensure implementation of lean tools and change management as components of a performance management system for all executive branch agencies. Staffing for the office shall be provided by an administrator appointed by the director of the department of management.

3. The duties of the office may include the following:

a. Create a standardized approach to change that achieves expected benefits and organizational goals.

b. Create strategic and tactical approaches for lean implementation, including integration into state governance and operational systems.

c. Lead and develop state government's capacity to implement lean and change management tools and structures, including design and development of instructional materials as needed with the goal of integrating continuous improvement and change management into the organizational culture.

d. (1) Create demand for lean and change management tools and initiatives in departments and establishments.

(2) Communicate with agency directors, boards, commissions, and senior management to create interest and organizational will to implement lean and change management tools and enterprises to improve agency results.

(3) Provide direction and advice to department heads and senior management to plan and implement departmental lean and change management programs.

(4) Direct and review plans for leadership and assist with identifying and selecting process improvement projects of key importance to agency goals, programs, and missions.

e. Continuously evaluate organizational performance in meeting objectives, identify and structure the direction that change management and lean implementation should take to provide greatest effectiveness, and justify critical and far-reaching changes.

f. (1) Lead the collection and reporting of data and learning related to lean and change management accomplishments.

(2) Widely disseminate lean and change management results and learning with Iowans, stakeholders, and other members of the public to demonstrate the benefits and return on investment.

g. (1) Evaluate the effect of unforeseen developments on plans and programs and present to agency directors, boards, commissions, and senior management suggested changes in overall direction.

(2) Provide input related to proposals regarding new or revised legislation, regulations, and related changes which have a direct impact over the implementation.

h. Lead the development of alliances and partnerships with the business community, associations, consultants, and other stakeholders to enhance external support and advance the implementation of lean and change management tools and enterprises in state government.

i. Lead relations with the general assembly and staff to build support for and understanding of lean and change management work in state government.

[2009 Acts, ch 13, §1](#); [2024 Acts, ch 1185, §43](#)

8.71 through 8.74 Reserved.

SUBCHAPTER X

IOWA SKILLED WORKER AND JOB CREATION FUND

8.75 Iowa skilled worker and job creation fund. Transferred to [§8.57J](#); [2024 Acts, ch 1185, §85](#).

SUBCHAPTER XI

INFORMATION TECHNOLOGY

Referred to in [§8.5, 427.1\(40\)\(a\)](#)

8.76 Definitions.

As used in [this subchapter](#), unless the context otherwise requires:

1. “*Broadband*” means a high-speed, high-capacity electronic transmission medium,

including fixed wireless and mobile wireless mediums, that can carry data signals from independent network sources by establishing different bandwidth channels and that is commonly used to deliver internet services to the public.

2. “*Broadband infrastructure*” means the physical infrastructure used for the transmission of data that provides broadband services. “*Broadband infrastructure*” does not include land, buildings, structures, improvements, or equipment not directly used in the transmission of data via broadband.

3. “*Communications service provider*” means a service provider that provides broadband service.

4. “*Crop operation*” means the same as defined in [section 717A.1](#).

5. “*Department*” means the department of management.

6. “*Director*” means the director of the department of management.

7. “*Facilitate*” means a communication service provider’s ability to provide broadband service at or above the download and upload speeds specified in the definition of targeted service area in [this section](#) to a home, farm, school, or business within a commercially reasonable time and at a commercially reasonable price upon request by a consumer.

8. “*Information technology*” means computing and electronics applications used to process and distribute information in digital and other forms and includes information technology devices, information technology services, infrastructure services, broadband and broadband infrastructure, and value-added services.

9. “*Information technology device*” means equipment or associated software, including programs, languages, procedures, or associated documentation, used in operating the equipment which is designed for utilizing information stored in an electronic format. “*Information technology device*” includes but is not limited to computer systems, computer networks, and equipment used for input, output, processing, storage, display, scanning, and printing.

10. “*Information technology services*” means services designed to do any of the following:

a. Provide functions, maintenance, and support of information technology devices.

b. Provide services including but not limited to any of the following:

(1) Computer systems application development and maintenance.

(2) Systems integration and interoperability.

(3) Operating systems maintenance and design.

(4) Computer systems programming.

(5) Computer systems software support.

(6) Planning and security relating to information technology devices.

(7) Data management consultation.

(8) Information technology education and consulting.

(9) Information technology planning and policies.

(10) Establishment of local area network and workstation management policies.

11. “*Information technology staff*” includes any employees performing information technology services, including but not limited to department or establishment employees in information technology classifications, contractors, temporary workers, and any other employees providing information technology services.

12. “*Infrastructure services*” includes all of the following:

a. Data centers used to support mainframe and other computers and their associated components including servers, information networks, storage systems, redundant or backup power systems, redundant data communications connections, environmental controls, and security devices.

b. Servers, mainframes, or other centralized processing systems.

c. Storage systems, including but not limited to disk, tape, optical, and other structured repositories for storing digital information.

d. Computer networks commonly referred to as local area networks.

e. Network services, including equipment and software which support local area networks, campus area networks, wide area networks, and metro area networks. Network services also include data network services such as routers, switches, firewalls, virtual private networks, intrusion detection systems, access control, internet protocol load

balancers, event logging and correlation, and content caching. Network services also include cybersecurity support and information technology support for the public broadcasting division of the department of education. “*Network services*” does not extend to control of the federally licensed television airwaves.

f. Groupware applications used to facilitate collaboration, communication, and workflow, including electronic mail, directory services, calendaring and scheduling, and imaging systems.

g. Information technology help desk services.

h. Cyber security functions and equipment.

i. Digital printing and printing procurement services.

j. Data warehouses, including services that assist in managing and locating digital information.

k. Disaster recovery technology and services.

l. Cloud computing solutions including but not limited to solutions based on software as a service, platform as a service, and infrastructure as a service.

m. Other similar or related services as determined by the director.

13. “*Supported entity*” means a unit of state government, which is an authority, board, commission, committee, council, department, or independent agency as defined in [section 7E.4](#), including but not limited to each principal central department enumerated in [section 7E.5](#). However, “*supported entity*” does not mean any of the following:

a. The office of the governor or the office of an elective constitutional or statutory officer.

b. The general assembly, or any office or unit under its administrative authority.

c. The judicial branch, as provided in [section 602.1102](#).

d. A political subdivision of the state or its offices or units, including but not limited to a county, city, or community college.

e. The state board of regents and institutions operated under its authority.

14. “*Targeted service area*” means any of the following:

a. A United States census bureau census block located in this state, including any crop operation located within the census block, or other geographic unit the department sets by rule, within which no communications service provider offers or facilitates broadband service at or above the tier 1, tier 2, or tier 3 download and upload speeds. As used in [this subsection](#):

(1) “*Tier 1*” means a maximum download speed of less than twenty-five megabits per second and a maximum upload speed of less than three megabits per second.

(2) “*Tier 2*” means a minimum download speed of greater than or equal to twenty-five megabits per second but less than fifty megabits per second.

(3) “*Tier 3*” means a minimum download speed of greater than or equal to fifty megabits per second but less than eighty megabits per second.

b. Any geographic area, as the department sets by rule, that is materially underserved by broadband service such that tier 1, tier 2, and tier 3 download and upload speeds are not meaningfully available. The department’s power to determine the geographic area by rule under this paragraph includes the power to define and interpret policies as to whether a geographic area is materially underserved and broadband service is meaningfully available.

15. “*Underserved area*” means any portion of a targeted service area within which no communications service provider facilitates broadband service meeting the tier 1 download and upload speeds specified in the definition of targeted service area in [this section](#).

16. “*Value-added services*” means services that offer or provide unique, special, or enhanced value, benefits, or features to the customer or user including but not limited to services in which information technology is specially designed, modified, or adapted to meet the special or requested needs of the user or customer; services involving the delivery, provision, or transmission of information or data that require or involve additional processing, formatting, enhancement, compilation, or security; services that provide the customer or user with enhanced accessibility, security, or convenience; research and development services; and services that are provided to support technological or statutory requirements imposed on supported entities and other governmental entities, businesses, and the public.

[2013 Acts, ch 129, §5](#)

C2014, §8B.1

2015 Acts, ch 120, §26, 27; 2018 Acts, ch 1123, §1, 7; 2019 Acts, ch 159, §2 – 4; 2020 Acts, ch 1078, §1, 17; 2021 Acts, ch 47, §1, 5, 6; 2024 Acts, ch 1185, §46 – 56, 85

C2025, §8.76

2025 Acts, ch 30, §1

Referred to in §8.3A, 8.5, 8.85, 15E.167, 422.7(10)(b), 422.35, 427.1(40)(a), 427.1(40)(b), 427.1(40)(f), 524.901
Unnumbered paragraph 1 amended

8.77 Information technology services — chief information officer powers and duties — responsibilities.

1. *Powers and duties of the chief information officer.* The powers and duties of the chief information officer as it relates to information technology services include but are not limited to all of the following:

a. Approving information technology for use by supported entities and other governmental entities.

b. Directing, developing, and implementing policies, procedures, and organization measures designed to ensure the efficient administration of information technology.

c. Implementing the strategic information technology plan.

d. Prescribing and adopting information technology policies, procedures, and rules that are binding on all supported entities and that represent best practices for other governmental entities in the state that are not supported entities.

e. Developing and implementing a business continuity plan, as the director determines is appropriate, to be used if a disruption occurs in the provision of information technology to supported entities and other governmental entities.

f. Prescribing policies and adopting rules relating to cybersecurity, geospatial systems, application development, and information technology and procurement, including but not limited to system design and systems integration, and interoperability, which are binding on all supported entities except as otherwise provided in [this subchapter](#), and which represent best practices for other governmental entities in the state that are not supported entities. The department shall implement information technology policies as established pursuant to [this subchapter](#) that are applicable to information technology procurements for supported entities.

g. Providing continuous monitoring through a security operations center for supported entities, which the department may also make available to other governmental entities.

h. Establishing an enterprise strategic and project management function for oversight of all information technology-related projects and resources of supported entities that require prior approval by rule.

i. (1) Developing and maintaining security policies and systems to ensure the integrity of the state's information resources and to prevent the disclosure of confidential records. The department shall ensure that the security policies and systems be consistent with the state's data transparency efforts by developing and implementing policies and systems for the sharing of data and information by supported entities.

(2) Establishing statewide policies, to include periodic review and compliance measures, for information technology security to maximize the functionality, security, and interoperability of the state's distributed information technology assets, including but not limited to communications and encryption technologies.

(3) Requiring all information technology security services, solutions, hardware, and software purchased or used by a supported entity to be subject to approval by the department in accordance with security policies.

j. Developing and implementing effective and efficient strategies for the use and provision of information technology for supported entities and other governmental entities.

k. Coordinating and managing the acquisition of information technology goods and services by supported entities in furtherance of the purposes of [this subchapter](#). The department shall institute procedures to ensure effective and efficient compliance with the applicable policies established pursuant to [this subchapter](#).

l. Selecting the chief information security officer in consultation with the director, and

selecting other information technology staff deemed necessary for the administration of the department's information technology functions as provided in [this chapter](#).

m. Determining and implementing statewide efforts to standardize data elements, determine data ownership assignments, and implement the sharing of data.

n. Requiring that a supported entity provide such information as is necessary to establish and maintain an inventory of information technology used by supported entities. A supported entity shall provide such information to the department in a timely manner, in a form and containing information as determined by the department.

o. Requiring supported entities to provide the full details of the entity's information technology and operational requirements upon request, report information technology security incidents to the department in a timely manner, provide comprehensive information concerning the information technology security employed by the entity to protect the entity's information technology, and forecast the parameters of the entity's projected future information technology security needs and capabilities.

p. Charging reasonable fees, costs, expenses, charges, or other amounts to an agency, governmental entity, public official, or person or entity related to the provision, sale, use, or utilization of, or cost sharing with respect to, information technology and any intellectual property interests related thereto; research and development; proprietary hardware, software, and applications; and information technology architecture and design. The department may enter into nondisclosure agreements and take any other legal action reasonably necessary to secure a right to an interest in information technology development by or on behalf of the state of Iowa and to protect the state of Iowa's proprietary information technology and intellectual property interests. The provisions of [chapter 23A](#) relating to noncompetition by state agencies and political subdivisions with private enterprise do not apply to department activities authorized under this paragraph.

q. Charging reasonable fees, costs, expenses, charges, or other amounts to an agency, governmental entity, public official, or other person or entity to or for whom information technology or other services have been provided by or on behalf of, or otherwise made available through, the department.

r. Providing, selling, leasing, licensing, transferring, or otherwise conveying or disposing of information technology, or any intellectual property or other rights with respect thereto, to agencies, governmental entities, public officials, or other persons or entities.

s. Entering into partnerships, contracts, leases, or other agreements with public and private entities for the evaluation and development of information technology pilot projects.

t. Initiating and supporting the development of electronic commerce, electronic government, and internet applications across supported entities and in cooperation with other governmental entities. The department shall foster joint development of electronic commerce and electronic government involving the public and private sectors, develop customer surveys and citizen outreach and education programs and material, and provide for citizen input regarding the state's electronic commerce and electronic government applications.

u. Working with all governmental entities in an effort to achieve information technology goals.

v. Developing systems and methodologies to review, evaluate, and prioritize information technology projects.

w. Streamlining, consolidating, and coordinating the access to and availability of broadband and broadband infrastructure throughout the state, including but not limited to facilitating public-private partnerships, ensuring that all departments' and establishments' broadband and broadband infrastructure policies are aligned, resolving issues that arise with regard to implementation efforts, and collecting data and developing metrics or policies against which the data may be measured and evaluated regarding broadband infrastructure installation and deployment.

x. Administering the broadband grant program pursuant to [section 8.91](#), and providing technical assistance to communications service providers related to grant applications under [section 8.91](#).

y. Coordinating the fiberoptic network conduit installation program established in [section 8.86](#).

2. *Responsibilities.* The responsibilities of the chief information officer as it relates to information technology services include all of the following:

a. Promote, integrate, and support information technology in all business aspects of state government.

b. Provide for server systems, including mainframe and other server operations, desktop support, and applications integration.

c. Provide applications development, support, and training, and advice and assistance in developing and supporting business applications throughout state government.

3. *Information technology charges.* The department shall render a statement to an agency, governmental entity, public official, or other person or entity to or for whom information technology, value-added services, or other items or services have been provided by or on behalf of, or otherwise made available through, the department. Such an agency, governmental entity, public official, or other person or entity shall pay an amount indicated on such statement in a manner determined by the department.

4. *Exclusion.* The department of public defense is not required to obtain any information technology services pursuant to [this subchapter](#) where such services involve or impact interconnections with federal networks and systems.

[2013 Acts, ch 129, §18](#); [2013 Acts, ch 140, §51](#)

C2014, §8B.21

[2018 Acts, ch 1026, §5](#); [2024 Acts, ch 1185, §65 – 67, 85](#)

C2025, §8.77

Referred to in [§23A.2](#)

8.78 Background checks.

An applicant for employment with the department, or an applicant for employment with a supported entity for a position as information technology staff, may be subject to a background investigation by the department. The background investigation may include, without limitation, a work history, financial review, request for criminal history data, and national criminal history check through the federal bureau of investigation. In addition, a contractor, vendor, employee, or any other individual performing work for the department, or an individual on the information technology staff of a supported entity, may be subject to a national criminal history check through the federal bureau of investigation at least once every ten years, including, without limitation, any time the department or supported entity has reason to believe an individual has been convicted of a crime. The department may request the national criminal history check and, if requested, shall provide the individual's fingerprints to the department of public safety for submission through the state criminal history repository to the federal bureau of investigation. The individual shall authorize release of the results of the national criminal history check to the department and the applicable supported entity. The department shall pay the actual cost of the fingerprinting and national criminal history check, if any, unless otherwise agreed as part of a contract between the department or supported entity and a vendor or contractor performing work for the department or supported entity. The results of a criminal history check conducted pursuant to [this section](#) shall not be considered a public record under [chapter 22](#).

[2018 Acts, ch 1123, §2, 7](#)

C2019, §8B.4A

[2024 Acts, ch 1185, §57, 85](#)

C2025, §8.78

8.79 Targeted service areas — determination — criteria.

1. The determination of whether a communications service provider facilitates broadband service meeting the tier 1, tier 2, or tier 3 download and upload speeds specified in the definition of targeted service area shall be determined or ascertained by reference to broadband availability maps or data sources that are identified by the department by rule. The department shall periodically make renewed determinations of whether a

communications service provider facilitates broadband service at or above the tier 1, tier 2, or tier 3 download and upload speeds specified in the definition of targeted service area, which shall, to the extent updated maps and data sources are available at the time, include making such determinations prior to each round of grant applications solicited by the department pursuant to [section 8.91](#). The department is not required to make renewed determinations of whether a communications service provider facilitates broadband service at or above the tier 1, tier 2, or tier 3 download and upload speeds specified in the definition of targeted service area more frequently than once in any calendar year.

2. The department shall establish procedures to allow challenges to the department's finding on whether an area meets the definition of targeted service area.

3. All findings and determinations made pursuant to [this section](#) shall exclude mobile wireless or satellite data, capabilities, and delivery mediums.

[2015 Acts, ch 120, §31](#)

[C2016, §8B.10](#)

[2019 Acts, ch 159, §5](#); [2020 Acts, ch 1078, §4, 5, 17](#); [2021 Acts, ch 47, §2, 5, 6](#); [2024 Acts, ch 1185, §59, 85](#)

[C2025, §8.79](#)

8.80 Services to governmental entities and nonprofit organizations.

1. The director shall enter into agreements with supported entities, and may enter into agreements with any other governmental entity, including a local governmental entity or entity created pursuant to [chapter 28E](#), or with a nonprofit organization, to furnish services and facilities of the department to the applicable governmental entity or nonprofit organization under [this subchapter](#). The agreement must provide for the reimbursement to the department of the reasonable cost of the services and facilities furnished. All governmental entities of this state may enter into such agreements. For purposes of [this subsection](#), “nonprofit organization” means a nonprofit entity which is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal Revenue Code and which is funded in whole or in part by public funds, and also includes the Iowa state association of counties, the Iowa league of cities, and the Iowa association of school boards.

2. [This chapter](#) does not affect any city civil service programs established under [chapter 400](#).

3. The state board of regents shall not be required to obtain any service for the state board of regents or any institution under the control of the state board of regents that is provided by the department pursuant to [this subchapter](#) without the consent of the state board of regents.

[2013 Acts, ch 129, §14](#)

[C2014, §8B.12](#)

[2024 Acts, ch 1185, §61, 85](#)

[C2025, §8.80](#)

8.81 Billing — credit card payments.

1. The director may bill a governmental entity for services rendered by the department in accordance with the duties of the department as provided in [this subchapter](#). Bills may include direct, indirect, and developmental costs which have not been funded by an appropriation to the department. The department shall periodically render a billing statement to a governmental entity outlining the cost of services provided to the governmental entity. The amount indicated on the statement shall be paid by the governmental entity and amounts received by the department shall be considered appropriated receipts and deposited into the accounts of the department.

2. In addition to other forms of payment, a person may pay by credit card for services provided by the department, according to rules adopted by the treasurer of state. The credit card fees to be charged shall not exceed those permitted by statute. A governmental entity may adjust its payment to reflect the costs of processing as determined by the treasurer of state. The discount charged by the credit card issuer may be included in determining the fees

to be paid for completing a financial transaction under [this section](#) by using a credit card. All credit card payments shall be credited to the fund used to account for the services provided.

[2013 Acts, ch 129, §16](#)

C2014, §8B.15

[2024 Acts, ch 1185, §63, 85](#)

C2025, §8.81

Referred to in [§8.89, 8.92](#)

8.82 Department debts and liabilities — appropriation request.

If a service provided by the department and funded from an internal service fund established under [section 8.92](#) ceases to be provided and insufficient funds remain in the fund to pay any outstanding debts and liabilities relating to that service, the director shall notify the general assembly and request that moneys be appropriated from the general fund of the state to pay such debts and liabilities.

[2013 Acts, ch 129, §17](#)

C2014, §8B.16

[2024 Acts, ch 1185, §64, 85](#)

C2025, §8.82

8.83 Digital government.

1. The department is responsible for initiating and supporting the development of electronic commerce, electronic government, mobile applications, and internet applications across supported entities and in cooperation with other governmental entities.

2. In developing the concept of digital government, the department shall do all of the following:

a. Establish policies, consistent with other state law, for the implementation of electronic commerce, including policies for the technical implementation of electronic signatures pursuant to [chapter 554D](#), electronic currency, and other items associated with electronic commerce.

b. Establish guidelines for the appearance and functioning of applications.

c. Establish policies for the integration of electronic data across state agencies.

d. Foster joint development of electronic commerce and electronic government involving the public and private sectors.

e. Develop customer surveys and citizen outreach and education programs and material, and provide for citizen input regarding the state's electronic commerce and electronic government applications.

f. Assist supported entities in converting printed government materials to electronic materials which can be accessed through an internet searchable database.

g. Encourage supported entities to utilize duplex printing and a print on demand strategy to reduce printing costs, publication overruns, excessive inventory, and obsolete printed materials.

[2013 Acts, ch 129, §19](#)

C2014, §8B.22

[2024 Acts, ch 1185, §68, 85](#)

C2025, §8.83

8.84 Information technology policies.

1. The department shall develop and adopt information technology policies applicable to the procurement of information technology by all supported entities. Such policies, unless waived by the department, apply to all information technology procurements for supported entities.

2. The office of the governor or the office of an elective constitutional or statutory officer shall consult with the department prior to procuring information technology and consider the information technology policies adopted by the department, and provide a written report to the department relating to the office's decision regarding such acquisitions.

[2013 Acts, ch 129, §20](#)

C2014, §8B.23

2024 Acts, ch 1185, §69, 85

C2025, §8.84

8.85 Procurement of information technology.

1. Policies established by the department, unless waived by the department, apply to all information technology procurements for supported entities.

2. The department shall institute procedures to ensure effective and efficient compliance with policies established by the department.

3. The department shall develop policies and procedures that apply to all information technology goods and services acquisitions, and shall ensure the compliance of all supported entities. The department shall also be the sole provider of information technology goods and services for supported entities, the sole authority in state government for the procurement of information technology goods and services for supported entities, the sole authority in state government for the establishment of master agreements for information technology goods and services, and the sole authority in state government for determining whether any particular procurement is an information technology procurement.

4. The department, by rule, may implement a prequalification procedure for contractors with which the department has entered or intends to enter into agreements regarding the procurement of information technology.

5. Notwithstanding the provisions governing purchasing as provided in [chapter 8A, subchapter III](#), the department may procure information technology as provided in [this section](#). The department may cooperate with other governmental entities in the procurement of information technology in an effort to make such procurements in a cost-effective, efficient manner as provided in [this section](#). The department, as deemed appropriate and cost effective, may procure information technology using any of the following methods:

a. Cooperative procurement agreement. The department may enter into a cooperative procurement agreement with another governmental entity relating to the procurement of information technology, whether such information technology is for the use of the department or other governmental entities. The cooperative procurement agreement must clearly specify the purpose of the agreement and the method by which such purpose will be accomplished. Any power exercised under such agreement shall not exceed the power granted to any party to the agreement.

b. Negotiated contract. The department may enter into an agreement for the purchase of information technology if any of the following apply:

(1) The contract price, terms, and conditions are pursuant to the current federal supply contract, and the purchase order adequately identifies the federal supply contract under which the procurement is to be made.

(2) The contract price, terms, and conditions are no less favorable than the contractor's current federal supply contract price, terms, and conditions; the contractor has indicated in writing a willingness to extend such price, terms, and conditions to the department; and the purchase order adequately identifies the contract relied upon.

(3) The contract is with a vendor who has a current exclusive or nonexclusive price agreement with the state for the information technology to be procured, and such information technology meets the same standards and specifications as the items to be procured and all of the following apply:

(a) The quantity purchased does not exceed the quantity which may be purchased under the applicable price agreement.

(b) The purchase order adequately identifies the price agreement relied upon.

c. Contracts let by another entity. The department may contract for information technology by leveraging an existing, competitively procured contract established by any other governmental entity or cooperative purchasing organization.

d. Reverse auction.

(1) The department may enter into an agreement for the purchase of information technology utilizing a reverse auction process. Such process shall result in the purchase of information technology from the vendor submitting the lowest responsible bid amount

for the information technology to be acquired. The department, in establishing a reverse auction process, shall do all of the following:

(a) Determine the specifications and requirements of the information technology to be acquired.

(b) Identify and provide notice to potential vendors concerning the proposed acquisition.

(c) Establish prequalification requirements to be met by a vendor to be eligible to participate in the reverse auction.

(d) Conduct the reverse auction in a manner as deemed appropriate by the department and consistent with rules adopted by the department.

(2) Prior to conducting a reverse auction, the department shall establish a threshold amount which shall be the maximum amount that the department is willing to pay for the information technology to be acquired.

(3) The department shall enter into an agreement with a vendor who is the lowest responsible bidder which meets the specifications or description of the information technology to be procured, or the department may reject all bids and begin the process again. In determining the lowest responsible bidder, the department may consider various factors including but not limited to the past performance of the vendor relative to quality of product or service, the past experience of the department in relation to the product or service, the relative quality of products or services, the proposed terms of delivery, and the best interest of the state.

e. Competitive bidding. The department may enter into an agreement for the procurement or acquisition of information technology in the same manner as provided under [chapter 8A, subchapter III](#), for the purchasing of service. The department may also contract for the purchase of information technology goods or services using a competitive bidding process that includes a vendor selection process that focuses on realized, efficiency-based competition models.

f. Other agreement. In addition to the competitive bidding procedure provided for under paragraph “e”, the department may enter into an agreement for the purchase, disposal, or other disposition of information technology in the same manner and subject to the same limitations as otherwise provided in [this subchapter](#).

6. *a.* The department shall, when feasible, prioritize the procurement of cloud computing solutions and other information technology and related services that are not hosted on premises by the state. The department may contract for multiple cloud computing solutions. The ownership of state data stored within cloud computing solutions shall remain with the state.

b. The department shall make reasonable efforts to ensure the portability of state data stored within cloud computing solutions. The department shall develop contractual terms and conditions for cloud computing solutions to ensure the confidentiality, integrity, and availability of state data and to maximize cybersecurity protections.

c. For purposes of [this subsection](#), “cloud computing solutions” means the same as described in [section 8.76, subsection 12](#), paragraph “l”.

7. The department shall adopt rules pursuant to [chapter 17A](#) to implement the procurement methods and procedures provided for in [subsections 2 through 6](#).

8. The department may establish and collect administrative fees associated with purchases made from department information technology agreements. The department may retain fees collected under [this subsection](#) in a fund created pursuant to [section 8.92](#).

[2013 Acts, ch 129, §21](#)

[C2014, §8B.24](#)

[2024 Acts, ch 1185, §70, 85](#)

[C2025, §8.85](#)

[2025 Acts, ch 30, §2](#)

Referred to in [§8.92](#)

Subsection 6, paragraph c amended

8.86 Fiberoptic network conduit installation program.

1. For purposes of [this section](#):

a. “Fiberoptic network conduit” means a pipe, vault, or duct used to enclose fiberoptic cable facilities buried alongside a roadway or surface mounted on a bridge, overpass, or other facility where placement below ground is impossible or impractical. “Fiberoptic network conduit” does not include electronics or cable.

b. “Public funding” does not include a tax exemption authorized under [section 427.1, subsection 40](#).

c. “Where such conduit does not exist” means that private or publicly owned fiberoptic cable is not currently within a linear range of five hundred feet or less in any one direction.

2. The department shall lead and coordinate a program to provide for the installation of fiberoptic network conduit where such conduit does not exist. The director shall consult and coordinate with applicable agencies and entities, including public utilities as defined in [section 476.1](#), the state department of transportation, the economic development authority, county boards of supervisors, municipal governing bodies, the farm-to-market review board, county conservation boards, and the boards, commissions, or agencies in control of state parks, as determined appropriate to ensure that the opportunity is provided to lay or install fiberoptic network conduit wherever a state-funded construction project involves trenching, boring, a bridge, a roadway, or opening of the ground, or alongside any state-owned infrastructure.

3. Contingent upon the provision of funding for such purposes by the general assembly, the department may contract with a nongovernmental third party to manage, lease, install, or otherwise provide fiberoptic network conduit access for projects described in [this section](#). [This section](#) does not require coordination with or approval from the department pursuant to this program or installation of fiberoptic conduit as required by [this section](#) for construction projects not using public funding.

[2015 Acts, ch 120, §33](#)

C2016, §8B.25

[2021 Acts, ch 171, §21](#); [2024 Acts, ch 1185, §71, 85](#)

C2025, §8.86

Referred to in [§8.77, 8.91](#)

8.87 Broadband permitting process — expeditious response.

Notwithstanding any other provision to the contrary and in compliance with applicable federal laws and regulations, a political subdivision vested with permitting authority shall approve, approve with modification, or disapprove nonwireless, broadband-related permits within sixty business days following the submission of the necessary application requirements. In the event that no action is taken during the sixty-day period, the application shall be deemed approved.

[2015 Acts, ch 120, §34](#)

C2016, §8B.26

[2024 Acts, ch 1185, §85](#)

C2025, §8.87

8.88 IowaAccess — office duties and responsibilities.

1. *IowaAccess*. The department shall establish IowaAccess as a service to the citizens of this state that is the gateway for one-stop electronic access to government information and transactions, whether federal, state, or local. Except as provided in [this section](#), IowaAccess shall be a state-funded service providing access to government information and transactions. The department, in establishing the fees for value-added services, shall consider the reasonable cost of creating and organizing such government information through IowaAccess.

2. *Duties*. The department shall do all of the following:

a. Establish rates to be charged for access to and for value-added services performed through IowaAccess.

b. Approve and establish the priority of projects associated with IowaAccess. The determination may also include requirements concerning funding for a project proposed by a political subdivision of the state or an association, the membership of which is comprised

solely of political subdivisions of the state. Prior to approving a project proposed by a political subdivision, the department shall verify that all of the following conditions are met:

- (1) The proposed project provides a benefit to the state.
 - (2) The proposed project, once completed, can be shared with and used by other political subdivisions of the state, as appropriate.
 - (3) The state retains ownership of any final product or is granted a permanent license to the use of the product.
 - c. Establish expected outcomes and effects of the use of IowAccess and determine the manner in which such outcomes are to be measured and evaluated.
 - d. Establish the IowAccess total budget request and ensure that such request reflects the priorities and goals of IowAccess as established by the department.
 - e. Advocate for access to government information and services through IowAccess and for data privacy protection, information ethics, accuracy, and security in IowAccess programs and services.
 - f. Receive status and operations reports associated with IowAccess.
3. *Data purchasing.* [This section](#) shall not be construed to impair the right of a person to contract to purchase information or data from the Iowa court information system or any other governmental entity. [This section](#) shall not be construed to affect a data purchase agreement or contract in existence on April 25, 2000.

[2013 Acts, ch 129, §22](#)

C2014, §8B.31

[2024 Acts, ch 1185, §72 – 75, 85](#)

C2025, §8.88

8.89 Financial transactions.

1. Moneys paid to a supported entity from persons who complete an electronic financial transaction with the entity by accessing IowAccess shall be transferred to the treasurer of state for deposit in the general fund of the state, unless the disposition of the moneys is specifically provided for under other law. The moneys may include all of the following:

- a. Fees required to obtain an electronic public record as provided in [section 22.3A](#).
- b. Fees required to process an application or file a document, including but not limited to fees required to obtain a license issued by a licensing authority.
- c. Moneys owed to a governmental entity by a person accessing IowAccess in order to satisfy a liability arising from the operation of law, including the payment of assessments, taxes, fines, and civil penalties.

2. Moneys transferred using IowAccess may include amounts owed by a governmental entity to a person accessing IowAccess in order to satisfy a liability of the governmental entity. The moneys may include the payment of tax refunds, and the disbursement of support payments as defined in [section 252D.16](#) or [598.1](#) as required for orders issued pursuant to [section 252B.14](#).

3. In addition to other forms of payment, credit cards shall be accepted in payment for moneys owed to or fees imposed by a governmental entity in the same manner as provided in [section 8.81](#).

[2013 Acts, ch 129, §23](#)

C2014, §8B.32

[2024 Acts, ch 1185, §76, 85](#)

C2025, §8.89

Referred to in [§12C.1, 12C.4](#)

8.90 IowAccess revolving fund.

1. An IowAccess revolving fund is created in the state treasury. The revolving fund shall be administered by the department and shall consist of moneys collected by the department as fees, moneys appropriated by the general assembly, and any other moneys obtained or accepted by the department for deposit in the revolving fund. The proceeds of the revolving fund are appropriated to and shall be used by the department to maintain, develop, operate, and expand IowAccess consistent with [this subchapter](#).

2. The department shall submit an annual report not later than January 31 to the general assembly of the activities funded by and expenditures made from the revolving fund during the preceding fiscal year. [Section 8.33](#) does not apply to any moneys in the revolving fund, and, notwithstanding [section 12C.7, subsection 2](#), earnings or interest on moneys deposited in the revolving fund shall be credited to the revolving fund.

[2013 Acts, ch 129, §24](#)

C2014, §8B.33

[2018 Acts, ch 1123, §3, 7](#); [2024 Acts, ch 1185, §77, 85](#)

C2025, §8.90

See annual Iowa Acts for provisions relating to the transfer of a portion of the fees collected for furnishing a certified abstract of a vehicle operating record in a fiscal year to the lowAccess revolving fund

8.91 Empower rural Iowa — broadband grants — fund.

1. The department shall administer a broadband grant program designed to reduce or eliminate unserved and underserved areas in the state, leveraging federal funds and public and private partnerships where possible, by awarding grants to communications service providers that reduce or eliminate targeted service areas by installing broadband infrastructure that facilitates broadband service in accordance with the following:

a. The broadband infrastructure facilitates broadband service that provides a minimum download speed of one hundred megabits per second and a minimum upload speed of one hundred megabits per second in a targeted service area within which no communications service provider offers or facilitates broadband service that provides download and upload speeds less than or equal to the tier 1 download and upload speeds specified in the definition of targeted service area.

b. The broadband infrastructure facilitates broadband service that provides a minimum download speed of one hundred megabits per second and a minimum upload speed of one hundred megabits per second in a targeted service area within which no communications service provider offers or facilitates broadband service that provides any of the following:

(1) Download speeds less than or equal to the tier 2 download speed specified in the definition of targeted service area.

(2) Download speeds less than or equal to the tier 3 download speed specified in the definition of targeted service area.

2. a. An empower rural Iowa broadband grant fund is established in the state treasury under the authority of the department. The fund shall consist of moneys available to and obtained or accepted by the department. Moneys in the fund are appropriated to the department to be used for the grant program, including for broadband mapping and the administration and operation of the grant program, and for the fiberoptic network conduit installation program established in [section 8.86](#).

b. The department shall use moneys in the fund to provide grants to communications service providers pursuant to [this section](#) and to lead and coordinate the fiberoptic network conduit installation program pursuant to [section 8.86](#). The department may use not more than two and one-half percent of the moneys in the fund at the beginning of the fiscal year to pay the costs and expenses associated with the administration and operation of the grant program and the fiberoptic network conduit installation program. The department shall use moneys in the fund to leverage available federal moneys if possible.

c. Notwithstanding [section 8.33](#), moneys in the fund that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until three years following the last day of the fiscal year in which the funds were originally appropriated.

d. Notwithstanding paragraph “c” or any provision to the contrary, moneys in the fund that have been awarded but not paid to a communications service provider shall not revert but shall remain available to the department for purposes of administering the award in a manner consistent with the terms and conditions of any corresponding contract or grant agreement governing the administration of the award.

3. Communications service providers may apply to the department for a grant pursuant to [this section](#) for the installation of broadband infrastructure that facilitates broadband

service in targeted service areas. The department shall make available a public internet site identifying all publicly available information contained in the applications and any results of performance testing conducted after the project is completed. The department shall devote one full-time equivalent position to evaluate applications submitted under [this section](#) and provide technical assistance to communications service providers in completing applications for federal funds, or any other funds from any public or private sources, related to improving broadband infrastructure.

4. a. The department shall award grants on a competitive basis for the installation of broadband infrastructure that facilitates broadband service as provided in [subsection 3](#) in targeted service areas after considering the following:

(1) The relative need for broadband infrastructure in the area and the existing broadband service speeds, including whether the project serves a rural area or areas.

(2) The applicant's total proposed budget for the project, including all of the following:

(a) The amount or percentage of local or federal matching funds, if any, and any funding obligations shared between public and private entities.

(b) The percentage of funding provided directly from the applicant, including whether the applicant requested from the department an amount less than the maximum amount the department could award pursuant to [subsection 5](#) and, if so, the percentage of the project cost that the applicant is requesting.

(3) The relative download and upload speeds of proposed projects for all applicants.

(4) The specific product attributes resulting from the proposed project, including technologies that provide higher qualities of service, such as service levels, latency, and other service attributes as determined by the department.

(5) The percentage of the homes, farms, schools, and businesses in the targeted service area that will be provided access to broadband service.

(6) The proportion of proposed projects that will result in the installation of broadband infrastructure in a targeted service area within which the only broadband service available provides the tier 1 download and upload speeds specified in the definition of targeted service area.

(7) Other factors the department deems relevant.

b. In considering the factors listed in paragraph "a" for awarding grants pursuant to [this section](#), the department shall afford the greatest weight to the factors described in paragraph "a", subparagraphs (1) through (3), and subparagraph (6).

5. The total amount of the grants the department awards from the empower rural Iowa broadband grant fund pursuant to [this section](#) shall not exceed any of the following amounts:

a. Seventy-five percent of a communications service provider's project costs for projects that will result in the installation of broadband infrastructure in a targeted service area within which no communications service provider offers or facilitates broadband service that provides download and upload speeds less than or equal to the tier 1 download and upload speeds specified in the definition of targeted service area.

b. Fifty percent of a communications service provider's project costs for projects that will result in the installation of broadband infrastructure in a targeted service area within which no communications service provider offers or facilitates broadband service that provides download speeds less than or equal to the tier 2 download speeds specified in the definition of targeted service area.

c. Thirty-five percent of a communications service provider's project costs for projects that will result in the installation of broadband infrastructure in a targeted service area within which no communications service provider offers or facilitates broadband service that provides download speeds less than or equal to the tier 3 download speed specified in the definition of targeted service area.

6. Notwithstanding [subsections 3 and 5](#), communications service providers may apply to the department for a grant pursuant to [this section](#) for the installation of broadband infrastructure that facilitates broadband service providing a minimum download speed of one hundred megabits per second and a minimum upload speed of twenty megabits per second in targeted service areas pursuant to [this subsection](#). The department shall make

available a public internet site identifying all publicly available information contained in the applications and any results of performance testing conducted after the project is completed.

a. The department shall award grants under [this subsection](#) on a competitive basis after considering the factors provided in [subsection 4](#) and affording weight to the factors pursuant to [subsection 4](#), paragraph “b”.

b. The total amount of the grants the department shall award pursuant to [this subsection](#) shall not exceed fifty percent of a communications service provider’s project costs for projects that will result in the installation of broadband infrastructure in a targeted service area within which no communications service provider offers or facilitates broadband service that provides download and upload speeds less than or equal to the tier 1 download and upload speeds specified in the definition of targeted service area.

7. Notwithstanding [subsections 5 and 6](#), at least twenty percent of the total amount of the grants the department awards from the empower rural Iowa broadband grant fund pursuant to [this section](#) shall be allocated to projects that will result in the installation of broadband infrastructure in difficult to serve targeted service areas within which no communications service provider offers or facilitates broadband service that provides download and upload speeds less than or equal to the tier 1 download and upload speeds specified in the definition of targeted service area. For purposes of [this subsection](#), a targeted service area is difficult to serve if the soil conditions, topography, or other local conditions make the installation of broadband infrastructure in the targeted service area more time-consuming or labor-intensive compared to other areas of the state.

8. The department shall provide public notice regarding the application process and receipt of funding.

9. The department may adopt rules pursuant to [chapter 17A](#) interpreting [this subchapter](#) or necessary for administering [this subchapter](#), including but not limited to rules relating to the broadband grant program process, management, and measurements as deemed necessary by the department.

10. The department shall adopt rules establishing procedures to allow aggrieved applicants an opportunity to challenge the department’s award of grants under [this section](#).

[2015 Acts, ch 120, §32](#)

[C2016, §8B.11](#)

[2019 Acts, ch 159, §6 – 11](#); [2020 Acts, ch 1078, §6 – 12, 17, 18](#); [2021 Acts, ch 47, §3, 5, 6](#); [2022 Acts, ch 1021, §1](#); [2024 Acts, ch 1185, §60, 85](#)

[C2025, §8.91](#)

Referred to in [§8.77, 8.79](#)

8.92 Department internal service funds — information technology.

1. The department may establish and maintain internal service funds in accordance with generally accepted accounting principles for activities of the department which are primarily funded from billings to governmental entities for services rendered by the department under [this subchapter](#). The establishment of an internal service fund is subject to the approval of the director and the concurrence of the auditor of state. At least ninety days prior to the establishment of an internal service fund pursuant to [this section](#), the department shall notify in writing the general assembly, including the legislative council, legislative fiscal committee, and the legislative services agency.

2. Internal service funds shall be administered by the department and shall consist of moneys collected by the department from billings issued in accordance with [section 8.81](#), fees collected under [section 8.85](#), and any other moneys obtained or accepted by the department under [this subchapter](#), including but not limited to gifts, loans, donations, grants, and contributions, which are designated to support the activities of the individual internal service funds in accordance with [this subchapter](#).

3. The proceeds of an internal service fund established pursuant to [this section](#) shall be used by the department for the operations of the department pursuant to and consistent with [this subchapter](#). The director may appoint the personnel necessary to ensure the efficient provision of services funded pursuant to an internal service fund established under [this section](#). However, this usage requirement shall not limit or restrict the department from

using proceeds from gifts, loans, donations, grants, and contributions in conformance with any conditions, directions, limitations, or instructions attached or related thereto.

4. a. (1) [Section 8.33](#) does not apply to any moneys in internal service funds established pursuant to [this section](#).

(2) This paragraph does not apply to moneys annually appropriated to the department by the general assembly in an Act of the general assembly. Such moneys shall be subject to reversion as otherwise provided by law.

b. Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys deposited in these funds shall be credited to these funds.

5. The department shall submit an annual report not later than October 1 to the general assembly of the activities funded by and expenditures made from an internal service fund established pursuant to [this section](#) during the preceding fiscal year.

[2013 Acts, ch 129, §15](#)

[C2014, §8B.13](#)

[2014 Acts, ch 1036, §13](#); [2024 Acts, ch 1185, §62, 85](#)

[C2025, §8.92](#)

Referred to in [§8.82, 8.85, 8.93](#)

8.93 Cybersecurity.

1. It is the intent of the general assembly that state and local governmental entities work collaboratively in a whole-of-state approach to protect against cybersecurity risks and threats to information systems owned or operated by, or on behalf of, state and local governmental entities. State and local governmental entities shall take steps to modernize their approach to cybersecurity, including by adopting cybersecurity best practices wherever possible.

2. A state or local governmental entity that complies with [chapter 554G](#) by implementing a cybersecurity program, as described in [chapter 554G](#), shall be deemed a covered entity, as defined in [section 554G.1](#).

3. The department shall establish a cybersecurity reporting function for local governments. The cybersecurity reporting function must include but is not limited to all of the following capabilities:

a. A hotline available continuously for local government reporting of cybersecurity incidents resulting in system outages or data breaches.

b. A method for the reporting of local government cybersecurity protections including the presence of multifactor authentication, event logging, use of data encryption at rest and in transit, the ability to reconstitute systems in the event of data loss, use of the “.gov” internet domain, and related cybersecurity practices.

4. The department is authorized to provide support to all state and local governmental entities in furtherance of [this section](#), in accordance with fee schedules established by the department. The department may retain fees collected under [this subsection](#) in a fund created under [section 8.92](#).

5. The department is authorized to establish a grant program to support local governments and political subdivisions of the state in addressing cybersecurity for information systems owned or operated by, or on behalf of, state, local, or tribal governments. Contingent on a specific appropriation by the general assembly, the department may award grants to local governments and political subdivisions of the state under the program for such purposes. The department may establish criteria for grant program priorities, as well as policies and procedures relating to the program.

[2024 Acts, ch 1185, §45](#)