



# Fiscal Note

## Fiscal Services Division



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[HF 2542](#) – Sentencing Enhancements, Repeat Offenders (LSB6837HV)  
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### Description

[House File 2542](#) establishes that a habitual offender is a person who has been convicted of an offense, who has been convicted of an offense committed in another jurisdiction that would constitute an equivalent offense, or who has any combination of level one or level two offenses resulting in the accumulation of three or more points.

The Bill defines a level one offense as all Class A, B, C, and D felonies and all aggravated misdemeanors that involve sexual abuse under Iowa Code chapter [709](#), domestic abuse assault under Iowa Code section [708.2A](#), assault with the intent to inflict a serious injury or while using or displaying a dangerous weapon under Iowa Code section [708.2](#)(1) and [708.2](#)(3), organized retail theft under Iowa Code section [714.2B](#)(3)(c), theft, and possession of a controlled substance. For purposes of determining habitual offender status, each conviction of a level one offense is worth one point.

The Bill defines a level two offense as all aggravated misdemeanors that are not classified as a level one offense under the Bill and serious misdemeanors that involve assault causing bodily injury or mental illness under Iowa Code section [708.2](#)(2), domestic abuse assault causing bodily injury or mental illness under Iowa Code section [708.2A](#)(2)(b), harassment under Iowa Code section [708.7](#)(3), unlawful possession of a controlled substance under Iowa Code section [124.401](#)(3) and [124.401](#)(5), theft in the fourth degree under Iowa Code section [714.2](#), and criminal mischief in the third degree under Iowa Code section [716.4](#). For purposes of determining habitual offender status, each conviction of a level two offense is worth one-half point.

Under the Bill, a person sentenced as a habitual offender is not eligible for parole or work release until the person has served a minimum term of 20 years of confinement. If the person is convicted of a current level one offense with a higher minimum sentence, that will be considered the minimum sentence.

### Background

Under current law, a habitual offender is any person convicted of a Class C or a Class D felony who has twice before been convicted of any felony. A person sentenced as a habitual offender is not eligible for parole until the person has served the minimum sentence of three years. The maximum for a habitual offender convicted of felony, other than a Class A felony, is 15 years.

From FY 2023 through FY 2025, there was an average of 14,897 convictions per year for all level one offenses and an average of 21,731 convictions per year for all level two offenses, with a total of 109,886 convictions from all level one and level two offenses from those years. In FY 2025, there was a total of 29,438 individuals convicted and 37,075 convictions from level one and level two offenses.

According to the Division of Data, Planning, and Improvement (DPI), Department of Management (DOM), from FY 2020 through FY 2025, 5,373 individuals would be considered habitual offenders under the Bill. These would include the following:

- Level one, Class B felony: 61 offenders
- Level one, Class C felony: 414 offenders
- Level one, Class D felony: 2,879 offenders
- Level one, aggravated misdemeanors: 1,290 offenders
- Level two, aggravated misdemeanors: 712 offenders
- Level two, serious misdemeanors: 17 offenders

The length of stay (LOS) would increase for each habitual offender as follows:

- Level one, Class B felony: 2,455 days (81 months) added to LOS
- Level one, Class C felony: 5,682 days (187 months) added to LOS
- Level one, Class D felony: 6,668 days (219 months) added to LOS
- Level one, aggravated misdemeanors: 6,933 days (228 months) added to LOS
- Level two, aggravated misdemeanors: 7,018 days (231 months) added to LOS
- Level two, serious misdemeanors: 7,079 days (233 months) added to LOS

Currently, a serious misdemeanor is punishable by confinement for up to one year or a fine of at least \$430 but not more than \$2,560. An aggravated misdemeanor is punishable by confinement for up to two years and a fine of at least \$855 but not more than \$8,540. A Class D felony is punishable by confinement for up to five years and a fine of at least \$1,025 but not more than \$10,245. A Class C felony is punishable by confinement for up to 10 years and a fine of at least \$1,370 but not more than \$13,660. A Class B felony is punishable by confinement for up to 25 years and a fine of at least \$5,000 but not more than \$100,000.

2008 Iowa Acts, chapter [1179](#) (FY 2009 Infrastructure Appropriations Act), appropriated \$131.0 million for the construction of the Iowa State Penitentiary (ISP). The ISP is a maximum-security prison with a capacity of approximately 760 inmates.

On September 23, 2025, South Dakota enacted [SB 2](#), which appropriated \$650.0 million to the South Dakota Department of Corrections (SDDOC) for the construction of a new prison facility. The cost includes the construction of a men's correctional facility located on 176 acres of land in Sioux Falls, South Dakota, approximately 10 miles from the Iowa border. The prison is estimated to be 546,000 square feet, approximately 40 square feet per inmate, with a housing capacity of approximately 1,500 beds with 1,200 beds built to house medium/maximum-security inmates and 300 beds built to house medium-security inmates (dorms). The prison has an estimated lifespan of 100 years. In FY 2025, the SDDOC was 35.0% over capacity with a population of 3,750 and stated capacity of 2,775.

According to the DOC, as of March 1, 2026, the DOC prisons are 24.8% over capacity with a total prison population of 8,722 and a stated prison capacity of 6,990. An increase of approximately 70 prisoners is an estimated increase of 1.0% in prison population.

### **Assumptions**

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner LOS; revocation rates; plea bargaining; and other criminal justice system policies and practices.
- County jail data is unavailable. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.

- Conviction data reflects the total number of convictions in adult court, which may include multiple convictions per individual. Not all convictions lead to incarceration, and there may be a delay between conviction and prison admission, which can contribute to differences in totals.
- A six-month delay is assumed from the effective date of the Bill to the date the first offender will enter the correctional system.
- Offender-based convictions are a count of individuals convicted of the same offense. Each offender is counted only once per Iowa Code section, regardless of the number of individual convictions.
- Admissions are a count of individuals newly admitted to the Department of Corrections (DOC) for supervision during a selected time period, based on the most serious offense committed.
- Defendants with longer sentences are more likely to go to trial.
- A new maximum/medium-security prison may need to be built.
- Over a five-year period, there will be approximately 5,373 offenders that would be considered habitual offenders under the new law.
- The number of three-point convictions will steadily increase from FY 2027 through FY 2031 with an average of 1,074 three-point convictions per year starting in FY 2031. It may take five full years for all 1,074 offenders to reach habitual offender status.

The LOS for a level one habitual offender will increase for offense classes as follows:

- Class B will increase by 2,455 days
- Class C will increase by 5,682 days
- Class D will increase by 6,668 days
- Aggravated misdemeanor will increase by 6,933 days

The LOS for a level two habitual offender will increase for offense classes as follows:

- Aggravated misdemeanor will increase by 7,018 days
- Serious misdemeanor will increase by 7,079 days

By FY 2031, average convictions of level one habitual offenders per offense class will be as follows:

- 12 offenders for Class B
- 83 offenders for Class C
- 576 offenders for Class D
- 258 offenders for aggravated misdemeanor

By FY 2031, average convictions of level two habitual offenders per offense class will be as follows:

- 142 offenders for aggravated misdemeanor
- 3 offenders for serious misdemeanor

### **Correctional Impact**

The correctional impact of HF 2542 is unknown, but will be significant with increases to the prison population over time due to increased LOS.

The Legislative Services Agency (LSA) has not received a response to multiple requests for information from the DOC. Without additional information, the LSA cannot estimate the correctional impact of the Bill.

**Figure 1** shows estimates for sentencing to State prison, parole, probation, or Community-Based Corrections (CBC) residential facilities; LOS in months under those supervisions; and supervision marginal costs per day for a serious misdemeanor, aggravated misdemeanor, Class D felony, Class C felony, and Class B felony.

**Figure 1 — Sentencing Estimates and Length of Stay (LOS) in Months**

Conviction Offense Class	Percent Ordered to State Prison	FY 2025 Avg LOS in Prison (All Releases)	Marginal Cost Per Day Prison	Percent Ordered to Probation	FY 2025 Field Avg LOS on Probation	Avg Cost Per Day Probation	Marginal Cost Per Day CBC	Marginal Cost Per Day Jail	FY 2025 Field Avg LOS on Parole	Marginal Cost Per Day Parole
Serious Misdemeanor	2.3%	7.3	\$23.07	44.8%	21.0	\$8.00	\$16.35	\$50.00	N/A	\$8.00
Aggravated Misdemeanor Sex	67.8%	12.1	\$23.07	55.4%	26.1	\$8.00	\$16.35	\$50.00	N/A	\$8.00
Aggravated Misdemeanor Non-Persons	31.1%	9.3	\$23.07	37.1%	28.4	\$8.00	\$16.35	\$50.00	11.2	\$8.00
Aggravated Misdemeanor Persons	45.4%	9.8	\$23.07	62.1%	27.6	\$8.00	\$16.35	\$50.00	9.4	\$8.00
Other Felony Sex	N/A	N/A	\$23.07	N/A	26.0	\$8.00	\$16.35	\$50.00	20.1	\$8.00
Other Felony Persons	N/A	N/A	\$23.07	N/A	48.3	\$8.00	\$16.35	\$50.00	16.2	\$8.00
Other Felony Non-Persons	1.1%	N/A	\$23.07	2.8%	47.6	\$8.00	\$16.35	\$50.00	23.1	\$8.00
D Felony Sex	91.2%	20.8	\$23.07	54.4%	30.8	\$8.00	\$16.35	\$50.00	5.0	\$8.00
D Felony Non-Persons	84.2%	12.5	\$23.07	69.4%	41.4	\$8.00	\$16.35	\$50.00	15.5	\$8.00
D Felony Persons	79.7%	18.1	\$23.07	57.6%	40.0	\$8.00	\$16.35	\$50.00	16.8	\$8.00
C Felony Sex	92.9%	53.2	\$23.07	24.6%	52.5	\$8.00	\$16.35	\$50.00	15.7	\$8.00
C Felony Non-Persons	84.0%	16.8	\$23.07	66.4%	51.4	\$8.00	\$16.35	\$50.00	24.3	\$8.00
C Felony Persons	89.1%	39.1	\$23.07	30.1%	42.8	\$8.00	\$16.35	\$50.00	27.2	\$8.00
B Felony Sex	100.0%	159.3	\$23.07	14.8%	N/A	\$8.00	\$16.35	\$50.00	19.7	\$8.00
B Felony Non-Persons	95.4%	24.1	\$23.07	22.1%	48.6	\$8.00	\$16.35	\$50.00	28.9	\$8.00
B Felony Persons	96.6%	104.7	\$23.07	9.2%	20.9	\$8.00	\$16.35	\$50.00	26.8	\$8.00
Habitual, 902.8 (No Parole)	N/A	22.2	\$23.07	N/A	N/A	\$8.00	\$16.35	\$50.00	N/A	\$8.00
Other Class C (No Parole)	84.6%	29.2	\$23.07	N/A	N/A	\$8.00	\$16.35	\$50.00	N/A	\$8.00
Other Class B (No Parole)	98.6%	18.6	\$23.07	N/A	N/A	\$8.00	\$16.35	\$50.00	N/A	\$8.00
Murder 2nd, 707.3 (no Parole)	100.0%	25.1	\$23.07	N/A	N/A	\$8.00	\$16.35	\$50.00	N/A	\$8.00

Refer to the LSA memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 12, 2026, for information related to the correctional system.

### Minority Impact

House File 2542 enhances penalties related to habitual offenders and may disproportionately impact Black individuals if trends remain constant. Of the 29,438 individuals convicted in FY 2025 of level one felonies and aggravated misdemeanors, 69.7% of offenders were White, 21.6% were Black, and 8.7% were other races. Iowa’s population is 83.2% White, 4.2% Black, and 12.6% other races. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statements](#), dated January 12, 2026, for information related to minorities in the criminal justice system.

### Fiscal Impact

The fiscal impact of HF 2542 is unknown, but will be significant.

The LSA has not received a response to multiple requests for information from the DOC. Without additional information, the LSA cannot estimate the total fiscal impact of the Bill.

However, based on the projected number of habitual offenders per year and the marginal cost per day for prisons, a portion of the fiscal impact to the DOC for additional LOS in prison will be approximately \$164.9 million per fiscal year starting in FY 2031.

**Figure 2** shows these costs by offense class. If the number of three-point convictions increases at an average percentage rate, the fiscal impact per year will be as follows:

- FY 2027: \$33.0 million
- FY 2028: \$66.0 million
- FY 2029: \$99.0 million
- FY 2030: \$132.0 million
- FY 2031: \$164.9 million

**Figure 2 — DOC Ongoing Fiscal Impact by FY 2031**

Offense Level	Average Number of Habitual Offenders Per Fiscal Year	Days added to LOS/person	Marginal Cost Per Day Prison	Total
Level One: B Felony	12	2,455	\$23.07	\$679,642
Level One: C Felony	83	5,682	\$23.07	\$10,879,950
Level One: D Felony	576	6,668	\$23.07	\$88,606,518
Level One: Aggravated Misdemeanor	258	6,933	\$23.07	\$41,265,632
Level Two: Aggravated Misdemeanor	142	7,018	\$23.07	\$22,990,547
Level Two: Serious Misdemeanor	3	7,079	\$23.07	\$489,938
<b>Total:</b>				<b>\$164,912,227</b>

The DOC may incur additional costs due to prison overcrowding and the need to house an increased prison population. An increase in the prison population due to increased LOS will require the DOC to build additional prison(s). The size, security, and other features that a future prison may require cannot be determined, but costs would be significant. Additional costs would include staffing and operational requirements. Prison construction will take multiple years to complete, which may create unexpected costs for county jails.

Due to an anticipated increased number of trials, the projected cost to the Indigent Defense Fund and the Office of the State Public Defender is approximately \$1.6 million per year. The fiscal impact to the Judicial Branch is unknown.

**Figure 3** shows the average State cost per relevant offense. The estimated impact to the General Fund includes operating costs incurred by the Judicial Branch, the Indigent Defense Fund, and the DOC. The costs would be incurred across multiple fiscal years for prison and parole supervision.

**Figure 3 — Average State Cost Per Offense**

Offense Class	Average Cost
Serious Misdemeanor	\$350 to \$6,200
Aggravated Misdemeanor	\$8,300 to \$12,200
Class D Felony	\$13,000 to \$18,100
Class C Felony	\$15,000 to \$25,200
Class B Felony	\$18,400 to \$39,600

**Sources**

Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)  
Office of the State Public Defender

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/s/ Jennifer Acton

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The Fiscal Note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this Fiscal Note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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