2026 SESSION
FISCAL REPORT

91st General Assembly
State of Iowa

Fiscal Services Division
Legislative Services Agency
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Members of the 91st General Assembly of Iowa and Other Interested Citizens:

The **2026 Session Fiscal Report**, issued by the Fiscal Services Division of the Legislative Services Agency, contains a summary of fiscal information and legislation enacted by the 2026 Session of the 91st General Assembly.

This Report is intended to provide interested persons with information on General Fund and non-General Fund appropriations, receipts, and legislation that has a significant fiscal impact on the State of Iowa.

Included in this Report is the following information: appropriations summary; General Fund balance sheet; balance sheets for various other funds; and bill summaries for subcommittee and other miscellaneous appropriation acts. Also included are the final action versions of the Fiscal Notes issued during the Legislative Session for all enacted legislation with a fiscal impact of $500,000 or more.

While the Report does contain some information related to COVID-19 such as information on appropriations or transfers made for COVID-19-related purposes and estimated federal funds received and awarded, more information on the impacts of COVID-19 and the federal funding received by Iowa can be found on the General Assembly website under Federal Funds Update.

Fiscal Services Division staff members are available to answer any questions concerning the contents of this document. A staff directory can be found on the following page.

Sincerely,



Jennifer Acton,
Fiscal Services Division Director

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BUDGET RECAP FOR FY 2025 – FY 2027

The 2026 General Assembly passed a balanced budget for FY 2027 and also revised the FY 2026 General Fund budget through the enactment of HF 2739 (Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act).

General Fund Summary

The following information provides a summary of the General Fund budgets for year-end FY 2025, revised FY 2026, and FY 2027.

Fiscal Year 2025.

The FY 2025 General Fund budget ended the fiscal year with total resources (receipts plus carryforward funds) of $10.831 billion. This was an increase of $218.2 million (2.1%) compared to FY 2024. Year-end net appropriations for FY 2025 totaled $8.949 billion. Net appropriations for FY 2025 represented an increase of $389.2 million (4.5%) compared to FY 2024. Fiscal year 2025 ended with a General Fund surplus of $1.882 billion. For additional information on the FY 2025 General Fund budget, see the following report: State of Iowa FY 2025 Year-End Report on General Fund Revenues and Appropriations.

Fiscal Year 2026.

The initial FY 2026 budget was enacted during the 2025 Legislative Session and was based on total available resources of $11.031 billion and total appropriations, after a line-item veto of $1.5 million and before estimated reversions, of $9.423 billion, resulting in an estimated ending balance of $1.613 billion.

During the 2026 Legislative Session, the estimate of available resources decreased to $11.014 billion. The net total decrease was $16.7 million, which was due to several factors. First, the October Revenue Estimating Conference (REC) revised its forecast downward in part due to the passage of the One Big Beautiful Bill Act (OBBBA). Revenue estimates were downwardly revised again at the March 2026 REC, and after the passage of several Acts, which were estimated to reduce General Fund revenue. Second, the amount transferred from the Taxpayer Relief Fund (TPRF) to the General Fund increased. This occurred because the transfer from the TPRF is based on the difference between actual net revenue (receipts subtotal) and net appropriations, and estimated revenue declined. Third, the General Assembly made an additional transfer of $347.0 million from the TPRF to the General Fund to offset revenues reduced due to the OBBBA. In addition, the General Assembly passed a supplemental appropriation of $89.0 million for Medical Assistance. The revised total net appropriations for FY 2026 are estimated to be $9.496 billion, resulting in an estimated General Fund surplus of $1.519 billion.

Fiscal Year 2027.

The FY 2027 General Fund budget, as passed by the 2026 General Assembly and prior to signature by the Governor, was based on total available resources of $10.510 billion. This includes the March 2026 REC revenue estimate of $8.472 billion, revenue adjustments enacted after the March REC meeting of $-67.1 million, a surplus carryforward of $1.488 billion, and a transfer from the TPRF of $617.8 million (**Figure 1**). The General Assembly appropriated $9.645 billion from the General Fund for FY 2027.

The Governor exercised a line-item veto on an appropriation in HF 2783 (FY 2027 Education Appropriations Act) for $500,000 to the Department of Education for School District Electronic Mail Security. The Governor also vetoed SF 2320 (Concurrent Enrollment, Course Delivery Methods Bill), which amended the standing appropriation for State Foundation School Aid. The Bill would have increased the estimated appropriation for State Foundation School Aid by $626,000 in FY 2027. These two vetoes reduced FY 2027 General Fund appropriations by $1.1 million and resulted in appropriations of $9.644 billion which is $163.8 million below the expenditure limitation of $9.808 billion. The Governor's veto also decreased the estimated FY 2027 transfer from the TPRF to the General Fund to $617.2 million, which is determined based upon the difference between actual net revenue (receipts subtotal in **Figure 1**) and net appropriations.

The FY 2027 total appropriations represent an increase of $134.5 million (1.4%) compared to the revised FY 2026 appropriations total. The General Fund surplus for FY 2027 is currently estimated at $870.8 million (**Figure 1**).

Figure 1

Projected Condition of the General Fund

In Millions

	Actual FY 2025	Revised FY 2026	Enacted FY 2027
Resources			
Net Receipts	$ 8,942.2	$ 8,111.1	$ 8,471.6
Revenue Adjustments	0.0	- 8.6	- 67.1
Receipts Subtotal	8,942.2	8,102.5	8,404.5
Surplus Carryforward	1,885.7	1,868.2	1,488.0
Transfer from the TPRF	3.3	696.7	617.2
Transfer from the TPRF – OBBBA		347.0	0.0
Total Available Resources	$ 10,831.1	$ 11,014.3	$ 10,509.7
Expenditure Limitation			***$ 9,807.8***
Estimated Appropriations			
Appropriations	$ 8,970.7	$ 9,420.4	$ 9,645.1
Supplemental/Deappropriations	- 2.0	89.0	0.0
Vetoes	0.0	0.0	- 1.1
Total Appropriations	$ 8,968.7	$ 9,509.4	$ 9,644.0
Reversions	- 20.0	- 13.6	- 5.0
Net Appropriations	$ 8,948.7	$ 9,495.8	$ 9,639.0
Ending Balance - Surplus	$ 1,882.4	$ 1,518.5	$ 870.8

NOTE: Vetoes reflect line-item vetoes and the veto of SF 2320 (Concurrent Enrollment, Course Delivery Methods Bill), which amended the standing appropriation for State Foundation School Aid.

Significant General Fund Appropriations.

Enacted appropriations totaled $9.644 billion from the General Fund for FY 2027. This represents an increase of $134.5 million (1.4%) compared to revised FY 2026 appropriations. The largest increase to General Fund appropriations was for State Foundation School Aid. Senate File 2201 (Supplemental State Aid Act) was signed into law on February 26, 2026. The Act increased funding for State Foundation School Aid by $75.2 million.

Estimated increases to standing appropriations also account for several changes. The standing appropriation for Education Savings Accounts increased by $21.8 million due to estimated enrollment increases. The standing appropriation for the Homestead Tax Credit is also estimated to increase to $11.6 million, and the appropriation for Commercial and Industrial Property Tax Replacement is estimated to decrease by $14.1 million as the appropriation is phased out.

Figure 2 lists changes to appropriations that significantly impacted total FY 2027 General Fund appropriations.

Figure 2

Significant Changes to General Fund Appropriations

Appropriation	Est. Net FY 2026	Enacted FY 2027	Change	Percent Change
Board of Regents	$ 586.9	$ 586.0	$ -1.0	-0.2%
Comm & Industrial Prop Tax Replacement	36.7	22.6	-14.1	-38.5%
Community Colleges General Aid	243.4	246.9	3.5	1.4%
Department of Corrections	449.9	455.7	5.8	1.3%
Charter Schools - Standing	12.3	19.1	6.8	55.4%
Education Savings Accounts - Standing	327.9	349.6	21.8	6.6%
Education Support Personnel Salary Supplement	0.0	7.0	7.0	N/A
Homestead Tax Credit Aid	162.5	174.1	11.6	7.1%
Judicial Branch	221.8	222.3	0.5	0.2%
Medical Assistance	1,992.6	1,992.6	0.0	0.0%
Public Defender	35.5	38.6	3.1	8.7%
Department of Public Safety	146.8	150.2	3.4	2.3%
Special Education Division	5.0	10.0	5.0	100.0%
State Foundation School Aid	3,882.8	3,958.0	75.2	1.9%
State-Operated Specialty Care	102.3	100.2	-2.1	-2.1%
Subtotal	$ 8,206.4	$ 8,332.9	$ 126.5	1.5%
All Other Net Appropriations	1,303.0	1,311.1	8.1	0.6%
Total	$ 9,509.4	$ 9,644.0	$ 134.5	1.4%

Note: Totals may not add due to rounding.

General Fund Revenue Adjustments.

The General Assembly passed 11 Acts that are estimated to reduce General Fund revenues over multiple fiscal years beginning in FY 2026 (**Figure 3**). The most significant of these were HF 2757 (Nuclear Electric Generation Facilities, Sales Tax Exemption Act) and HF 2739 (Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act). House File 2757 creates a sale and use tax exemption and refund for the construction and expansion of nuclear energy facilities. The Act is estimated to reduce General Fund revenue by $20.1 million in FY 2027, $13.8 million in FY 2028, and $7.0 million in FY 2029. House File 2739 requires Health Maintenance Organizations (HMOs) to pay a health care-related tax of 3.5% of taxable funds from January 1, 2026, through September 30, 2026. After that time, the tax rate will be 0.95%. The Act retroactively exempts HMOs from the insurance premium tax, which is deposited into the General Fund. As a result, the Act is estimated to decrease General Fund revenue by $6.6 million in FY 2026 and $13.2 million in FY 2027.

Figure 3

General Fund Revenue Adjustments by Act

In Millions

		Enacted	
Act No.	**Act Title**	**FY 2026**	**FY 2027**
HF 960	Communications Network Equipment Sales Tax Exemption Act	0.0	- 0.9
HF 990	Cannabidiol Dispensaries, Maximum Number of Licensees Act	0.0	0.2
HF 2739	Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act	- 6.6	- 13.2
HF 2757	Nuclear Electric Generation Facilities, Sales Tax Exemption Act	0.0	- 20.1
HF 2768	Administration and Regulation Appropriations Act	0.0	- 12.8
HF 2783	Education Appropriations Act	0.0	- 0.6
HF 2799	Economic Development, Tax Credit Programs and Load Forecasting Act	0.0	- 0.8
SF 2168	Reemployment Case Management and Unemployment Insurance Processing Act	0.0	- 1.5
SF 2231	Educational Programs, Eligibility of Sectarian Programs and Costs Act	0.0	- 0.5
SF 2289	Gambling, State Building Code, and Residential Care Facilities Act	0.0	- 7.8
SF 2492	Corporate Income Tax, Section 951A Income Act	- 2.1	- 9.2
Total Revenue Adjustments		$ - 8.6	$ - 67.1

State Reserve Funds and Taxpayer Relief Fund.

The combined balance in the State's reserve funds is estimated to total $840.4 million at the conclusion of FY 2027, which fills the reserves to the statutory maximum of 10.0% of the adjusted revenue estimate. The estimated balances of the Cash Reserve Fund and the Economic Emergency Fund are $630.3 million and $210.1 million, respectively.

The TPRF is estimated to have a balance totaling $2.574 billion at the conclusion of FY 2027. The Fund has an estimated beginning balance of $3.112 billion. As a result of enacted appropriations, $617.2 million is estimated to be transferred from the TPRF to the General Fund for FY 2027.

Medicaid and Health Maintenance Organization Taxes

House File 2739 (Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act) requires HMOs to pay a health care-related tax of 3.5% of taxable funds from January 1, 2026, through September 30, 2026. After that time, the tax rate will be 0.95%. The Act retroactively exempts HMOs from the insurance premium tax. This tax will be deposited into the Medicaid MCO Health Care Tax Fund, which was created by the Act. This Fund is required to be used by the Department of Health and Human Services (HHS) to fund the Medical Assistance Program. The Act is estimated to increase revenue available to the Medical Assistance Program, which is funded from General Fund and Other Fund sources, by $6.6 million in FY 2026, $165.2 million in FY 2027, and $16.4 million in FY 2028.

Other Fund Summary – FY 2027

The General Assembly appropriated a total of $1.612 billion from 37 different funds for FY 2027. After line-item vetoes, appropriations from Other Funds totaled $1.509 billion. Appropriations from the Primary Road Fund ($418.7 million), the RIIF ($267.5 million), and the Health Care Trust Fund ($137.6 million) were the largest totals appropriated from a single non-General Fund source. The General Assembly also appropriated $153.7 million from federal funds received from the Temporary Assistance for Needy Families Block Grant.

The General Assembly also appropriated funds from the Opioid Settlement Fund and the HHS Information Technology Fund. The Governor line-item vetoed an appropriation of $3.0 million for an Opioid Treatment Program from the Opioid Settlement Fund in HF 2782 (FY 2027 Health and Human Services Appropriations Act). The Governor line-item vetoed four appropriations totaling $100.5 million from the HHS Information Technology Fund. The Governor also vetoed a transfer of unencumbered interest earned in the State and Local Fiscal Recovery Fund and the Coronavirus Relief Fund into the HHS Information Technology Fund.

Future Fiscal Years

During the 2026 Legislative Session, the General Assembly enacted several measures affecting annual appropriations beginning in FY 2028. These actions include establishing new standing appropriations, amending or repealing existing standing appropriations, and appropriating funds for projects over multiple years.

The following Acts made changes to General Fund appropriations that meet the criteria above:

- House File 2493 (Eligibility for Statewide Preschool Program Act) expands Statewide Voluntary Preschool Program (SWVPP) eligibility. This Act is estimated to increase the standing appropriation for State Foundation School Aid by a maximum of $949,000 annually beginning in Y 2028.
- House File 2754 (Private Schools and Charter Schools Act) allows for community-based providers to directly participate in the SWVPP. The Act may increase SWVPP participation and therefore increase the General Fund appropriation for State Foundation School Aid beginning in FY 2028. Currently, funding for participation in SWVPP is provided through State Foundation School Aid payments at a cost of $4,074 per pupil.
- House File 2800 (FY 2027 Standing Appropriations Act) amends State Foundation School Aid and creates a new standing appropriation.
  - The Act also creates a new standing General Fund appropriation of $10.0 million per year to the Department of Education for the Division of Special Education beginning in FY 2028.
  - The Act extends reorganization incentives for eligible school districts. This change may increase the General Fund appropriation for State Foundation School Aid, but the fiscal impact of the reorganization incentives is currently unknown. The fiscal impact will depend

on the number of districts eligible to receive supplementary weighting for whole grade sharing and joint employment, as well as the number of districts that start or continue to make progress toward reorganization.

- Senate File 2472 (Property Taxation Act) repeals two standing appropriations.
  - The Act decreases the uniform levy rate for FY 2029 and succeeding fiscal years. The uniform levy rate per $1,000 of taxable valuation will be $5.10 for FY 2029 and $4.90 for FY 2030 and beyond. This change is estimated to increase the General Fund appropriation for State Foundation School Aid by $74.4 million in FY 2029, $127.0 million in FY 2030, and $132.7 million in FY 2031 and future years.
  - The Act repeals the Homestead Property Tax Credit Act appropriation gradually. The appropriation will be phased out over three years beginning in FY 2028 and ending in FY 2030. The appropriation will decrease by one-third each year, with the FY 2027 funding used as a base.
  - The Act repeals the $125.5 million standing appropriation for the Two-Tiered Assessment appropriation (Business Property Tax Credit) in FY 2028.

Other Fund appropriations that meet the criteria above include changes made in the following Acts:

- Senate File 2484 (FY 2027 Infrastructure Appropriations Act)
  - The Act appropriates $3.6 million in FY 2028 from the RIIF to the Department of Education for roof repairs of the Giangreco building at the Iowa School for the Deaf.
  - The Act appropriates $5.0 million annually from FY 2028 through FY 2031 from the RIIF to the Department of Transportation (DOT) for deposit in the Railway Tracks and Overpass Underpass Fund created in SF 2484.
- Senate File 2480 (Taxation of Vapor Products, Appropriations Act) creates a new standing appropriation from the Health Care Trust Fund (HCTF) to the Board of Regents beginning in FY 2028 of the first $3.0 million from revenue collected attributable to the alternative nicotine products tax and vapor products tax.

Chapter 8 Changes

The General Assembly also enacted four Acts that either amend or suspend provisions of Iowa Code Chapter 8 (Department of Management — Budget and Financial Control Act) related to the General Fund budget. The following legislation will affect the General Fund budget in FY 2028 and beyond:

- House File 2739 (Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act) adds the anticipated transfer from the TPRF to the General Fund under Iowa Code section 8.57E(2)(b), which will be made during the upcoming budget year, to the expenditure limitation calculation for the same year in FY 2028 and FY 2029. The Act also limits the TPRF transfer to the General Fund to 50.0% of the difference between the Adjusted Revenue Estimate and the net General Fund appropriation for the fiscal year. This limitation applies to FY 2028 and FY 2029.
- Senate File 2472 (Property Taxation Act) Division XXV reduces the General Fund expenditure limitation by $125.0 million for FY 2028. The Act also transfers $125.0 million from any available Economic Emergency Fund excess into the TPRF in FY 2029.
- House File 1028 (Department of Management, Records, Funds, and Contracts Act) increases the share of an appropriation that may be transferred as an interdepartmental transfer under Iowa Code section 8.39 from 50.0% to 100.0%. The Act also prohibits interdepartmental transfers from appropriations made for a specific purpose that are not appropriated for a specified total.

- Senate File 2490 (Oil and Gas, Development and Production Act) establishes a 6.0% severance tax on the fair market value of oil and gas extracted at the wellhead. The Act may increase revenue, but the total increase is unknown. Severance tax revenue will be distributed to the State funds and local governments based on the following percentages:
  - 70.1% to the Taxpayer Relief Fund
  - 10.0% to the Environment First Fund to support the Water Quality Initiative.
  - 5.0% to the Road Use Tax Fund
  - 9.9% to each county based upon the most recent decennial census
  - 5.0% to the counties where the oil or gas is produced, allocated based on each county's share of the overall production value.

Vetoes

The Governor vetoed five Bills in total and exercised line-item vetoes in four Acts.

The Governor line-item vetoed the following provisions:

- The Governor line-item vetoed an appropriation in HF 2783 (FY 2027 Education Appropriations Act) for $500,000 from the General Fund to the Department of Education for School District Electronic Mail Security.
- The Governor line-item vetoed four provisions in HF 2800 (FY 2027 Standing Appropriations Act) from the HHS Information Technology Fund:
  - Section Four of Division I which transferred the unencumbered and unobligated balances from Iowa Coronavirus Fiscal Recovery Fund and the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act into the Department of Health and Human Services (HHS) Information Technology (IT) Fund.
  - Section Five of Division I which made four appropriations from the HHS Information Technology Fund to the HHS: $31.0 million for the Medicaid Management Information System, $30.5 million for the eligibility determination for the essential needs information technology modernization project, $34.0 million for the information technology projects associated with child support service, and $5.0 million for information technology costs associated with public assistance and verification.
  - Division X which created HCAI Tax Credit for domestic insurance companies for expenditures that support health care access and innovation.
  - Division XIV relating to civil litigation abuse.
- The Governor line-item vetoed the following two provisions in HF 2782 (FY 2027 Health and Human Services Appropriations Act):
  - An appropriation of $3.0 million from the Opioid Settlement Fund to the HHS for Renewal Falls Recovery Center.
  - A provision that required 70.0% of the funds set aside for community mental health service providers in federal fiscal year (FFY) 2026 and FFY 2027 appropriated to the HHS from the Community Mental Health Services Block Grant to be distributed to State-accredited community mental health centers. The provision required HHS to publish distributions to community mental health centers.
- The Governor line-item vetoed contract limitations placed on the HHS for information technology provided for in SF 2484 (Infrastructure Appropriations Act).

The Governor vetoed the following legislation that had a fiscal impact:

- Senate File 2320 (Concurrent Enrollment, Course Delivery Methods Bill) relates to in-person and online course options. The Bill was estimated to increase supplementary weighting paid through the State Foundation School Aid formula by $626,000 for FY 2027.
- Senate File 2453 (Regents Universities, Required Investment in Innovation Funds Bill) related to the investment of assets under the Board of Regents. The fiscal impact of SF 2453 is unknown.

The Governor also vetoed the following legislation, which had no fiscal impact:

- House File 2667 (Statewide Urban Design and Specifications Board Bill) establishes the Statewide Urban Design and Specifications (SUDAS) Board within the DOT.
- Senate File 2207 (Prefiling Legislative Bills, Departmental Deadline Bill) requires the Governor and State agencies to submit proposed legislation and joint resolutions to the Legislative Services Agency 60 days prior to the convening of the General Assembly.
- Senate File 2299 (Concurrent Enrollment, Failed Courses Bill) relates to eligibility for the district-to-community college sharing or concurrent enrollment program.

Federal Funding for COVID-19 Pandemic Recovery

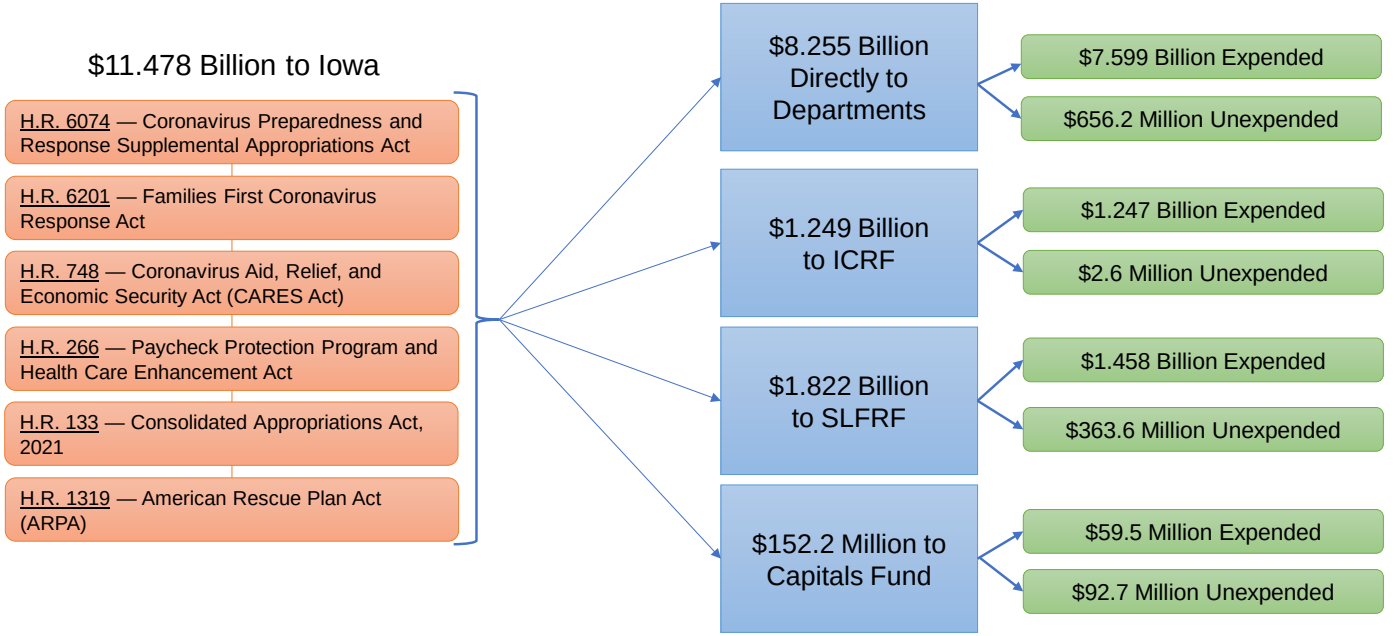
In response to the COVID-19 emergency, the federal government has enacted six federal Acts since March 2020. Those Acts are:

- H.R. 6074 — Coronavirus Preparedness and Response Supplemental Appropriations Act, enacted March 6, 2020.
- H.R. 6201 — Families First Coronavirus Response Act, enacted March 18, 2020.
- H.R. 748 — Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted March 27, 2020.
- H.R. 266 — Paycheck Protection Program and Health Care Enhancement Act, enacted April 24, 2020.
- H.R. 133 — Consolidated Appropriations Act, 2021, enacted December 27, 2020.
- H.R. 1319 — American Rescue Plan Act of 2021 (ARPA), enacted March 11, 2021.

Through June 17, 2026, State agencies in Iowa have reported federal awards totaling $11.478 billion related to the six Acts to address a wide variety of expenses related to the COVID-19 pandemic. Of this total, $8.255 billion has been awarded directly to departments, $1.249 billion was awarded to the Iowa Coronavirus Relief Fund (ICRF), $1.822 billion was awarded to the Iowa Coronavirus State and Local Fiscal Recovery Fund (SLFRF), and $152.2 million was awarded to the Coronavirus Capital Projects Fund. Although expenditures for some programs are no longer authorized, some will continue, with the final performance date extending to 2027. The Department of Management (DOM) and Department of Administrative Services (DAS) have established a process for tracking expenditures of federal funds that State agencies have received for costs associated with the COVID-19 pandemic. The expenditure data is available at data.iowa.gov.

Figure 4

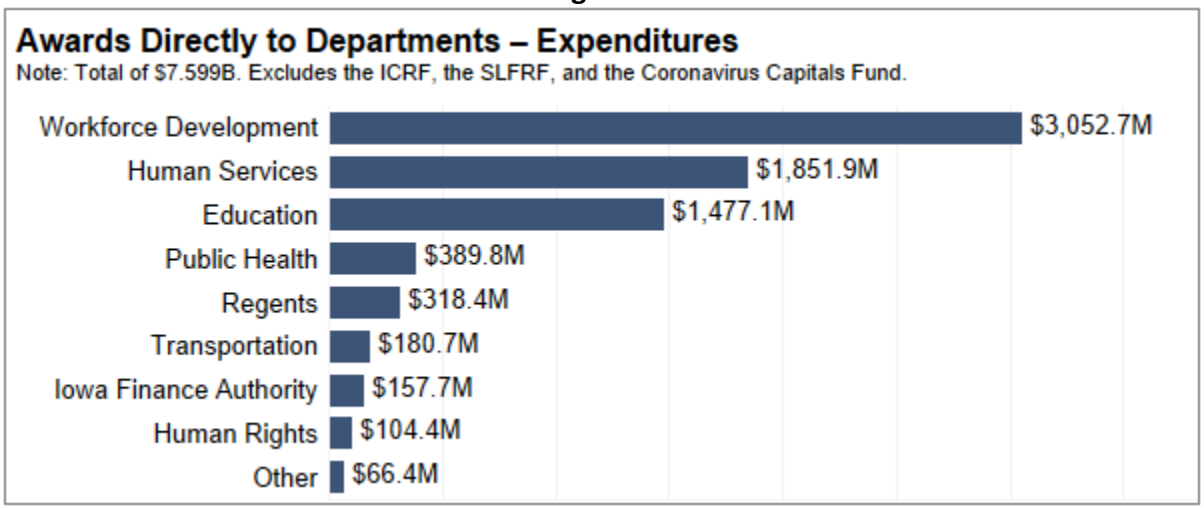
Funds Received by Iowa State Agencies as of June 17, 2026



Note: Funds awarded to the ICRF and the SLFRF included interest earned.

As of June 17, 2026, there has been $8.255 billion in funds awarded directly to State departments, of which $7.599 billion (92.1%) has been expended. **Figure 5** shows reported expenditures by State agency, including the eight State agencies that received the most funding.

Figure 5



Note: Awards to State agencies were made prior to State government alignment.

Iowa received $1.250 billion in federal funds through the CARES Act on April 20, 2020, as illustrated in **Figure 6**. As of June 17, 2026, $2.6 million in interest earnings had been credited to the ICRF and $3.2 million has been returned to the federal government. Net transfers to agencies totaled $1.247 billion. The current balance in the Fund is $2.3 million. The Treasury revised the guidance to provide that a cost associated with a necessary expenditure incurred due to the public health emergency is to be considered to have been incurred by December 31, 2021, if the recipient has incurred an obligation concerning such cost by December 31, 2021. Recipients were allowed to record expenditures through September 30, 2022. A final report has not been issued on all ICRF expenditures, but the State is allowed to retain interest earnings for payment of administrative expenses.

Figure 6

Coronavirus Relief Fund (April 2020 CARES Act)		
Coronavirus Relief Fund		
Federal Support	$	1,250,000,000
Interest		2,631,476
Federal Support Returned		-3,207,151
Net Transfers to Agencies		-1,247,124,889
Fund Balance	$	2,299,436
Department Activities		
Transfers Received	$	1,247,124,889
Reported Expenses		-1,246,832,043
Unexpended Transfers	$	292,847
Total Unexpended	***$***	***2,592,282***

Iowa received $1.703 billion in federal support and $119.0 million in interest as of June 17, 2026, for a total of $1.822 billion, that has been deposited into the SLFRF. A total of $1.494 billion has been transferred to various agencies. The first $237.5 million was transferred to the Iowa Workforce Development (IWD) Unemployment Insurance Trust Fund. These funds are used to support ongoing unemployment benefits for Iowans. An additional $221.2 million was transferred to the Iowa Department of Revenue for payments to nonentitlement units of government, which are cities with a population of less than 50,000. Funds provided to State and local governments have broad spending flexibility, including addressing emergency and economic effects of the pandemic; replenishing revenue losses due to the shutdown of the economy; funding investments in water, sewer, and broadband infrastructure; and providing premium pay to essential workers.

Funds in the SLFRF must be used to cover costs incurred by recipients between March 3, 2021, and December 31, 2024. Funds were required to be obligated by December 31, 2024, and expended by December 31, 2026, or the funds will revert to the federal government. Earned interest does not revert to the federal government. As of June 17, 2026, $363.6 million remains unexpended.

Figure 7 reflects SLFRF activity across the State, and **Figure 8** shows expenditures by department. Total unexpended funds include moneys that remain in the SLFRF and moneys that were transferred to departments but have not been expended by the State.

Figure 7

Coronavirus State and Local Fiscal Recovery Fund Revenue, Transfers, and Department Activities

Coronavirus Fiscal Recovery Fund		
Federal Support	$	1,702,553,367
Interest		118,999,919
Net Transfers to Agencies		-1,493,591,923
Fund Balance	$	327,961,363
Department Activities		
Transfers Received	$	1,493,591,923
Reported Expenses		-1,457,996,606
Unexpended Transfers	$	35,595,317
Total Unexpended	***$***	***363,556,680***

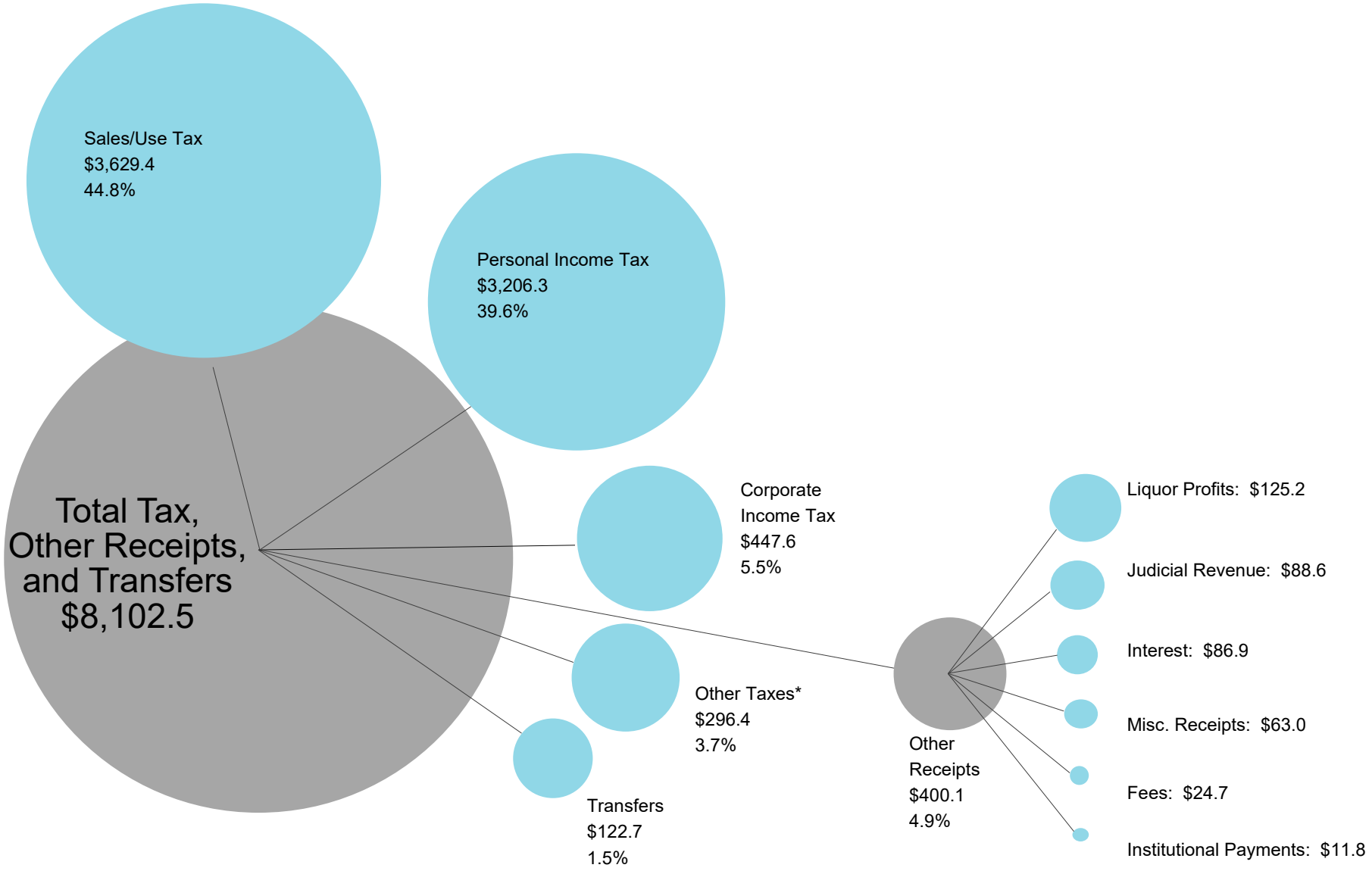
Figure 8

Coronavirus State and Local Fiscal Recovery Fund Expenses by Department
Transfers Received and Expenses

	Net Transfers	Expenditures	Remaining Funds
Administrative Services	$ 55,400,302	$ 48,275,734	$ 7,124,568
Agriculture and Land Stewardship	21,836,480	21,200,526	635,955
Attorney General	5,510,100	5,500,000	10,100
Chief Information Officer	218,406,535	218,300,032	106,502
Corrections	16,618,838	16,618,838	0
Iowa Finance Authority	103,601,558	96,995,983	6,605,575
College Student Aid Commission	7,710,211	7,538,834	171,377
Education	15,956,255	13,497,528	2,458,727
Iowa PBS	1,200,000	1,200,000	0
Law Enforcement Academy	174,270	0	174,270
Management	11,776,065	11,433,331	342,735
Natural Resources	130,779	377,391	-246,612
Health and Human Services	7,803,633	5,670,574	2,133,060
Public Defender	13,823	0	13,823
Homeland Security and Emergency Mgmt	73,273,107	72,833,886	439,220
Public Safety	47,673,578	48,198,507	-524,929
Economic Development Authority	197,999,205	192,724,592	5,274,614
Public Defense	3,784,789	4,450,789	-666,000
Aging	435,000	491,800	-56,800
Governor's Office	15,000	15,000	0
State Fair Authority	1,500,000	1,500,000	0
Regents	49,958,448	49,132,536	825,912
Revenue	221,185,312	221,185,312	0
Transportation	109,288,666	99,968,689	9,319,977
Workforce Development	321,906,557	320,621,494	1,285,063
Veterans Affairs	433,413	265,232	168,181
Total	$1,493,591,923	$1,457,996,606	$ 35,595,317

In addition, Iowa is estimated to receive $152.2 million from the Coronavirus Capital Projects Fund through the ARPA. These funds may be used for capital projects that directly enable work, education, and health monitoring in response to the public health emergency. These funds have been allocated for broadband infrastructure. As of June 17, 2026, $59.5 million has been transferred into the Broadband Fund. Additional receipts to the Coronavirus Capitals Fund and transfers to the Broadband Fund are expected.

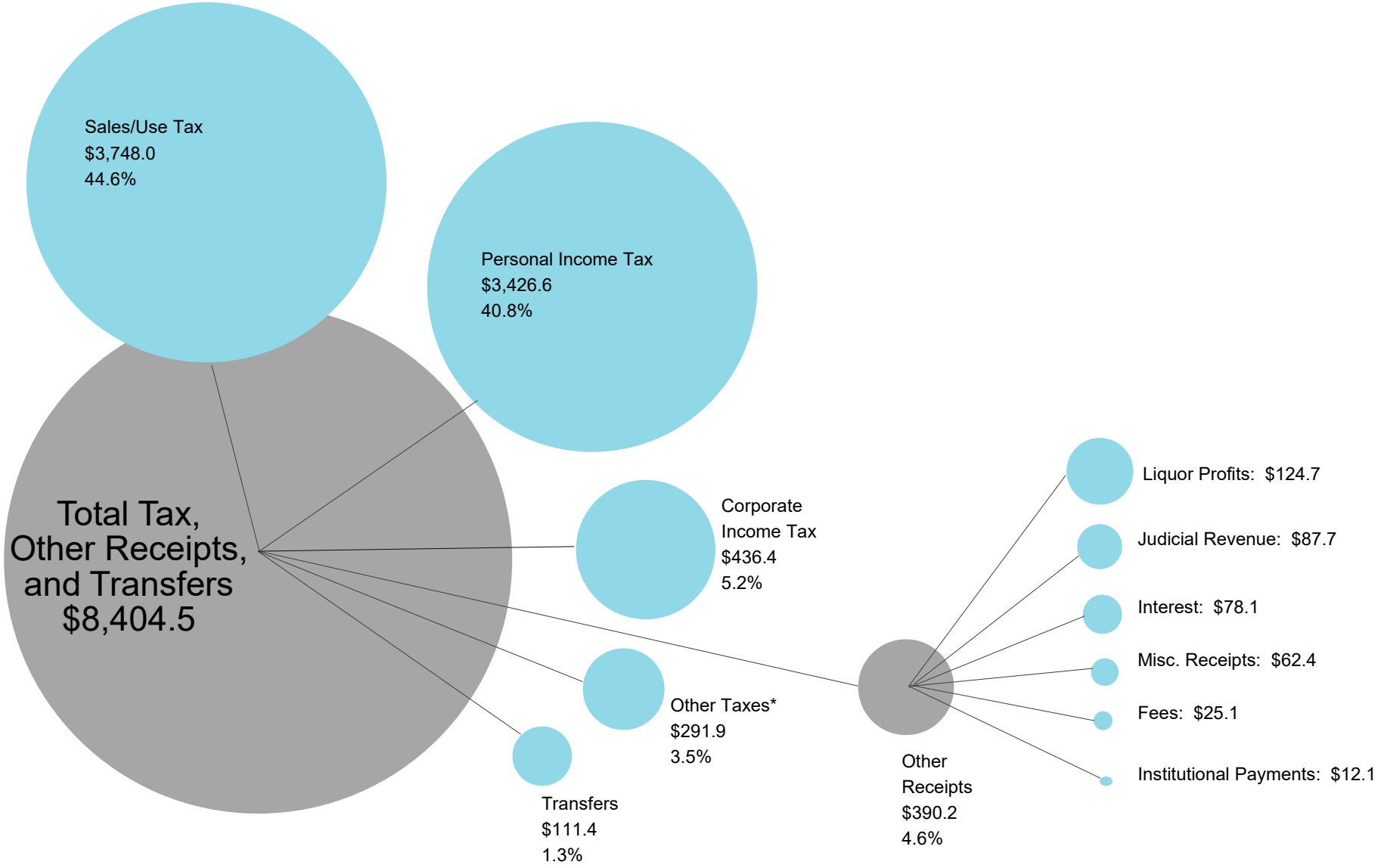
FY 2026 Estimated Net Total General Fund Receipts (Dollars in Millions)



The numbers on this chart reflect the Revenue Estimating Conference (REC) estimates agreed to on March 12, 2026, and adjusted for law changes enacted after the March REC meeting. The individual tax items have been adjusted for refunds issued. Percentages may not total 100.0% due to rounding.

* Other taxes include: Insurance premium tax, beer tax, franchise tax, inheritance tax, and miscellaneous taxes.

FY 2027 Estimated Net Total General Fund Receipts (Dollars in Millions)



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REVENUE ESTIMATING CONFERENCE

March 12, 2026

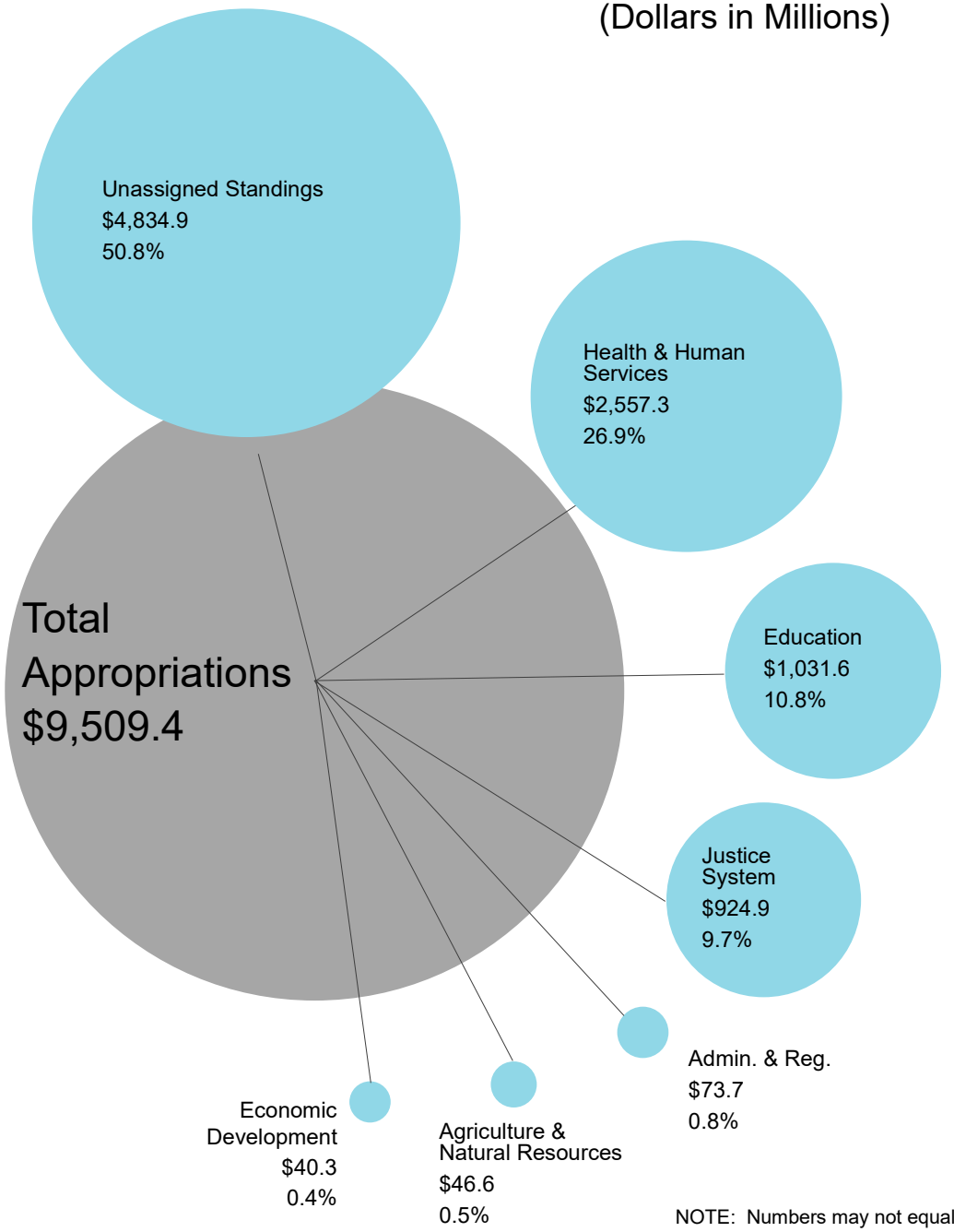
Dollars in millions	FY 24 Actual	FY 25 Actual	% Change FY 25 vs. FY 24 Actual	REC FY 26 Estimate 11-Dec-25	% Change FY 26 Est. vs. FY 25 Actual	REC FY 27 Estimate 11-Dec-25	% Change FY 27 Est. vs. FY 26 Estimate	REC FY 26 Estimate 12-Mar-26	% Change FY 26 Est. vs. FY 25 Actual	REC FY 27 Estimate 12-Mar-26	% Change FY 27 Est. vs. FY 26 Estimate
Tax Receipts											
Personal Income Tax	$4,993.2	$4,947.5	-0.9%	$4,380.0	-11.5%	$4,605.2	5.1%	$4,307.5	-12.9%	$4,531.5	5.2%
Sales/Use Tax	4,170.4	4,234.9	1.5%	4,402.0	3.9%	4,546.7	3.3%	4,402.8	4.0%	4,566.1	3.7%
Corporate Income Tax	890.5	825.1	-7.3%	723.0	-12.4%	702.0	-2.9%	636.2	-22.9%	655.3	3.0%
Inheritance Tax	61.4	44.4	-27.6%	16.2	-63.5%	1.5	-90.7%	14.9	-66.5%	3.9	-73.8%
Insurance Premium Tax	190.4	202.4	6.3%	186.2	-8.0%	185.0	-0.6%	194.7	-3.8%	193.6	-0.6%
Beer Tax	12.8	12.2	-4.5%	12.4	1.4%	12.1	-2.4%	11.8	-3.5%	11.6	-1.7%
Franchise Tax	96.5	114.9	19.1%	96.4	-16.1%	85.3	-11.5%	89.1	-22.5%	86.0	-3.5%
Miscellaneous Tax	868.0	329.5	-62.0%	72.0	-78.1%	71.8	-0.3%	79.5	-75.9%	83.5	5.0%
Total Tax Receipts	$11,283.2	$10,711.0	-5.1%	$9,888.2	-7.7%	$10,209.6	3.3%	$9,736.5	-9.1%	$10,131.5	4.1%
Other Receipts											
Institutional Payments	$13.3	$13.3	-0.3%	$9.6	-27.6%	$9.5	-1.0%	$11.9	-10.2%	$11.9	0.0%
Liquor Profits	152.2	139.9	-8.1%	125.0	-10.6%	125.0	0.0%	125.0	-10.6%	125.0	0.0%
Interest	131.4	125.7	-4.4%	100.0	-20.4%	80.0	-20.0%	90.0	-28.4%	80.0	-11.1%
Fees	27.3	27.8	1.9%	24.1	-13.4%	26.2	8.7%	24.9	-10.5%	25.7	3.2%
Judicial Revenue	89.9	89.3	-0.7%	88.0	-1.5%	88.0	0.0%	88.0	-1.5%	88.0	0.0%
Miscellaneous Receipts	81.7	90.0	10.1%	53.2	-40.9%	64.1	20.5%	64.2	-28.6%	62.0	-3.4%
Total Other Receipts	$495.7	$485.9	-2.0%	$399.9	-17.7%	$392.8	-1.8%	$404.0	-16.9%	$392.6	-2.8%
Gross Tax & Other Receipts	$11,778.9	$11,196.9	-4.9%	$10,288.1	-8.1%	$10,602.4	3.1%	$10,140.5	-9.4%	$10,524.1	3.8%
Accruals (Net)	$92.7	$-196.1		$15.4		$9.2		$10.0		$13.4	
Refund (Accrual Basis)	$-1,581.2	$-1,481.1	-6.3%	$-1,559.9	5.3%	$-1,514.4	-2.9%	$-1,440.1	-2.8%	$-1,452.4	0.9%
School Infras. Refunds (Accrual)	-$687.8	-$694.1	0.9%	$-706.6	1.8%	$-720.7	2.0%	$-722.0	4.0%	$-737.7	2.2%
Total Net Receipts	**$9,602.6**	**$8,825.7**	**-8.1%**	**$8,037.0**	**-8.9%**	**$8,376.5**	**4.2%**	**$7,988.4**	**-9.5%**	**$8,347.4**	**4.5%**
Transfers (Accrual Basis)											
Lottery	$103.9	$83.4	-19.7%	$92.5	10.8%	$94.0	1.6%	$94.7	13.5%	$96.2	1.6%
Other Transfers	49.3	33.1	-32.9%	28.0	-15.3%	28.0	0.0%	28.0	-15.3%	28.0	0.0%
Net Receipts Plus Transfers	$9,755.8	$8,942.2	-8.3%	$8,157.5	-8.8%	$8,498.5	4.2%	$8,111.1	-9.3%	$8,471.6	4.4%
Estimated Gambling Revenues Deposited To Other Funds	$331.5	$315.0	-5.0%	$303.0	-3.8%	$308.0	1.7%	$308.0	-2.2%	$313.0	1.6%
Interest Earned on Reserve Funds	$42.7	$40.7	-4.7%	$33.0	-18.9%	$24.7	-25.2%	$30.2	-25.8%	$22.8	-24.5%

There are no post-REC adjustments to the December estimate.

FY 2028 Estimate -->	8,717.2	2.9%
	245.6	

FY 2026 Estimated Net General Fund Appropriations by Subcommittee

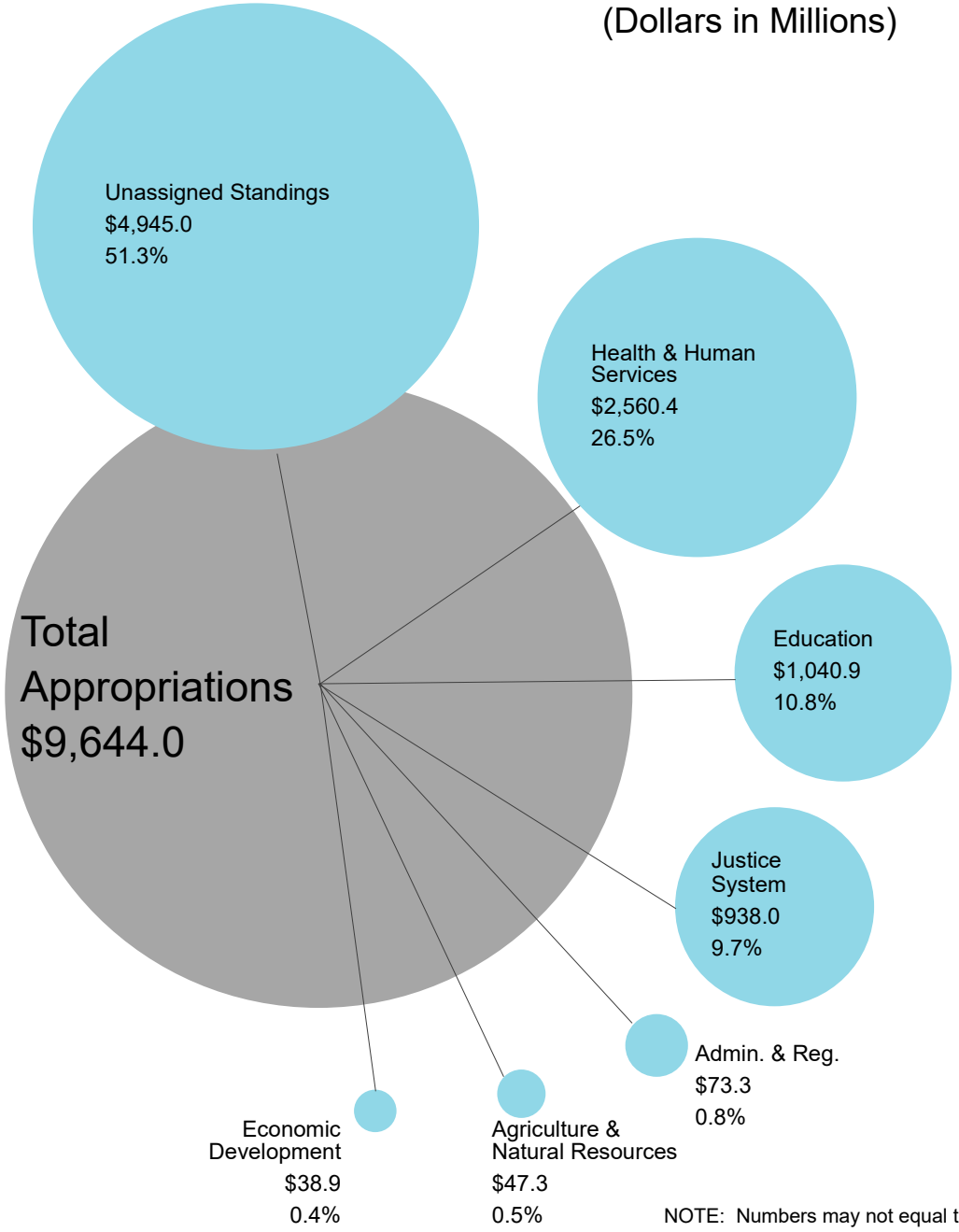
(Dollars in Millions)



NOTE: Numbers may not equal totals due to rounding.

FY 2027 Estimated General Fund Appropriations by Subcommittee

(Dollars in Millions)

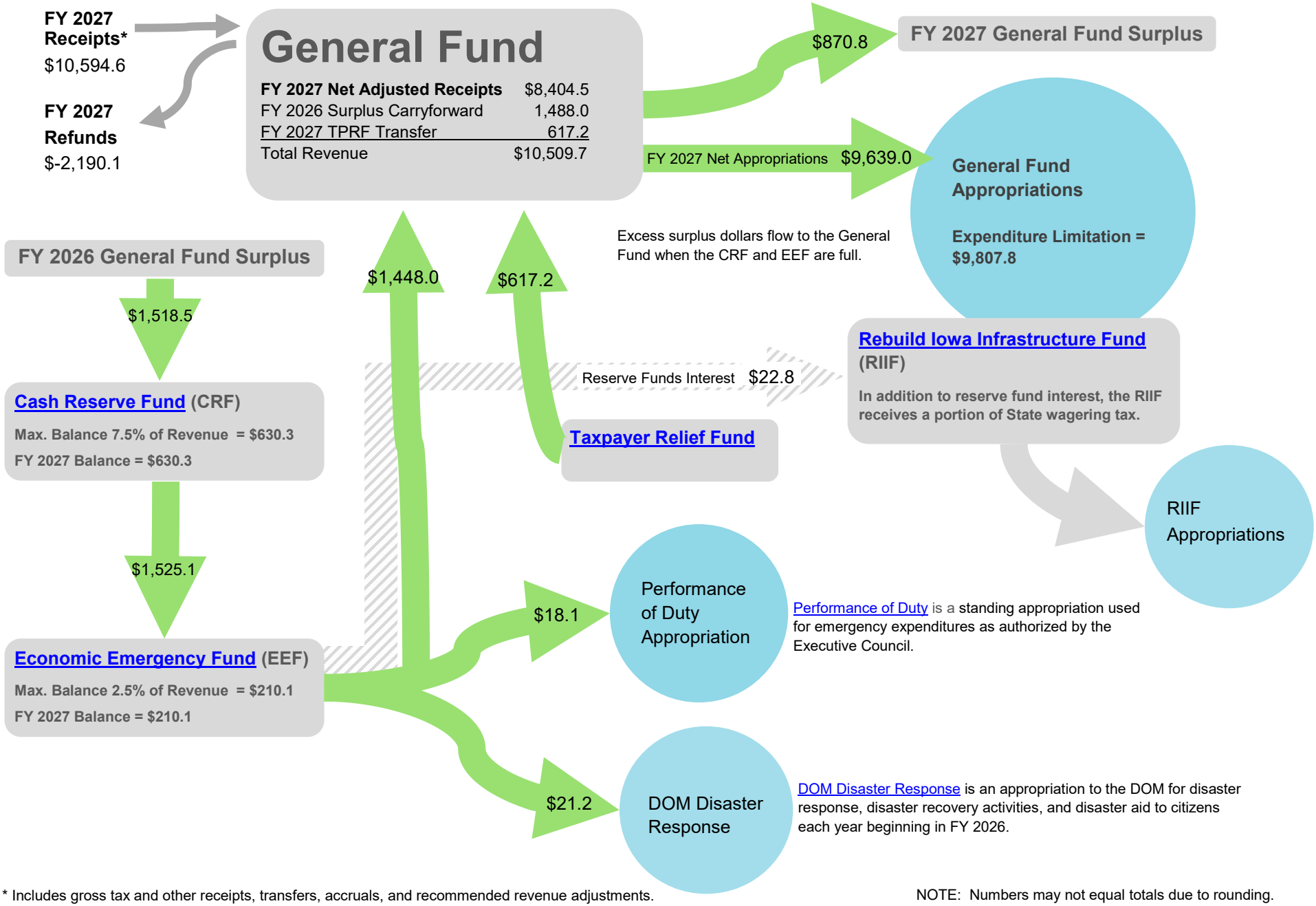


Change Compared to Est. Net FY 2026

- Unassigned Standings $110.1 2.3%
- Health & Human Services $3.1 0.1%
- Education $9.3 0.9%
- Justice System $13.1 1.4%
- Admin. & Reg. $-0.4 -0.6%
- Ag. & Natural Resources $0.7 1.5%
- Economic Development $-1.4 -3.4%

NOTE: Numbers may not equal totals due to rounding. Percentages may not total 100.0% due to rounding.

Flow of General Fund Surplus — Estimated FY 2027 (Dollars in Millions)

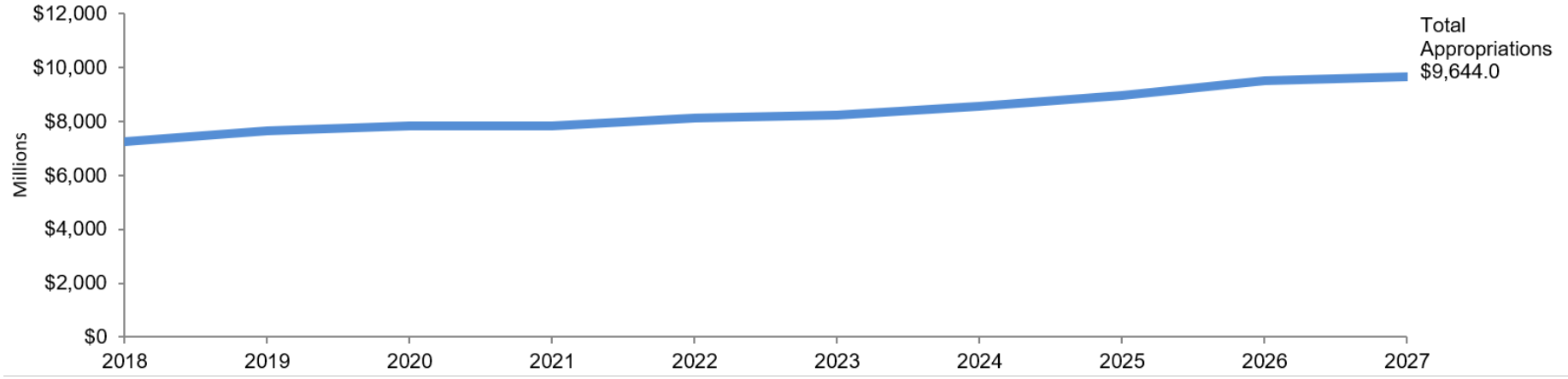


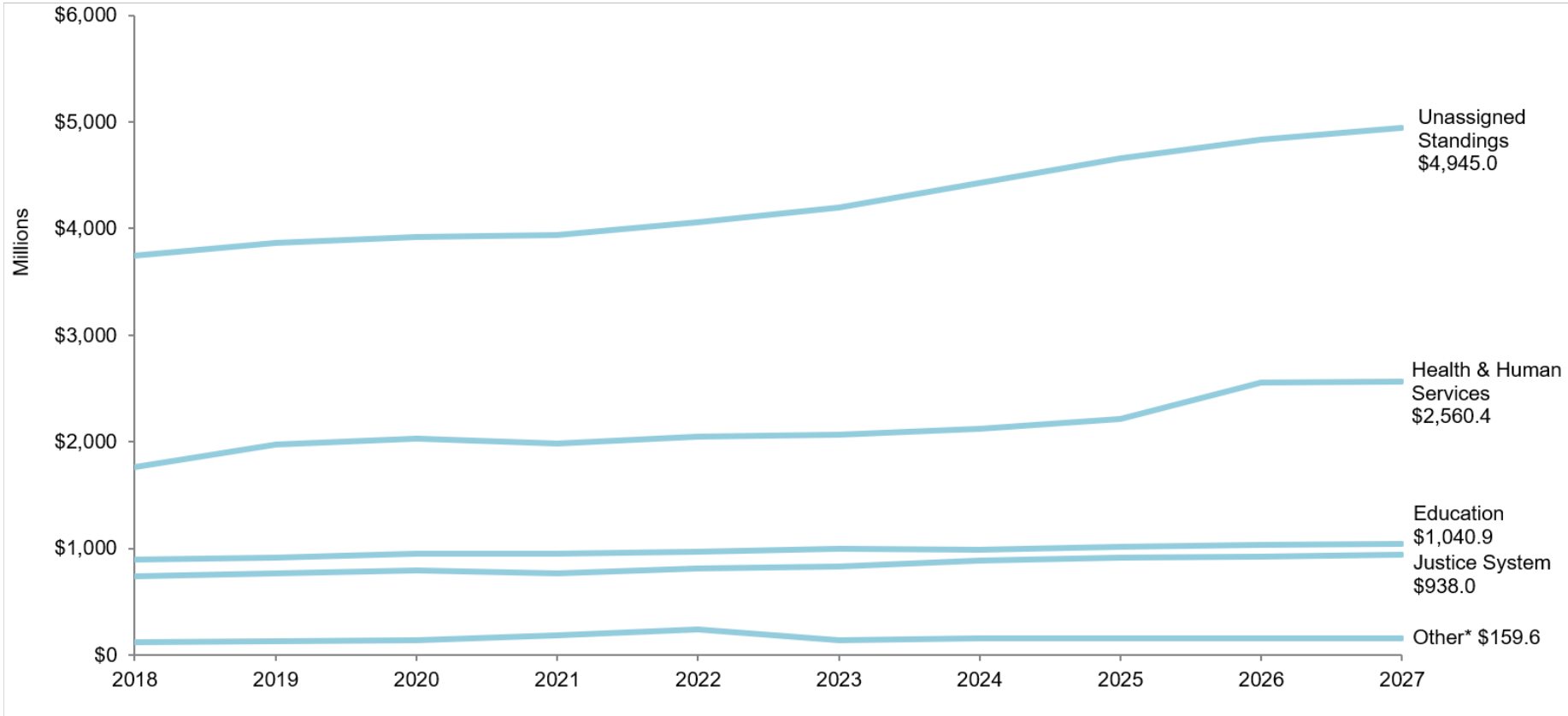
* Includes gross tax and other receipts, transfers, accruals, and recommended revenue adjustments.

NOTE: Numbers may not equal totals due to rounding.

For more information, see the General Fund Balance Sheet.

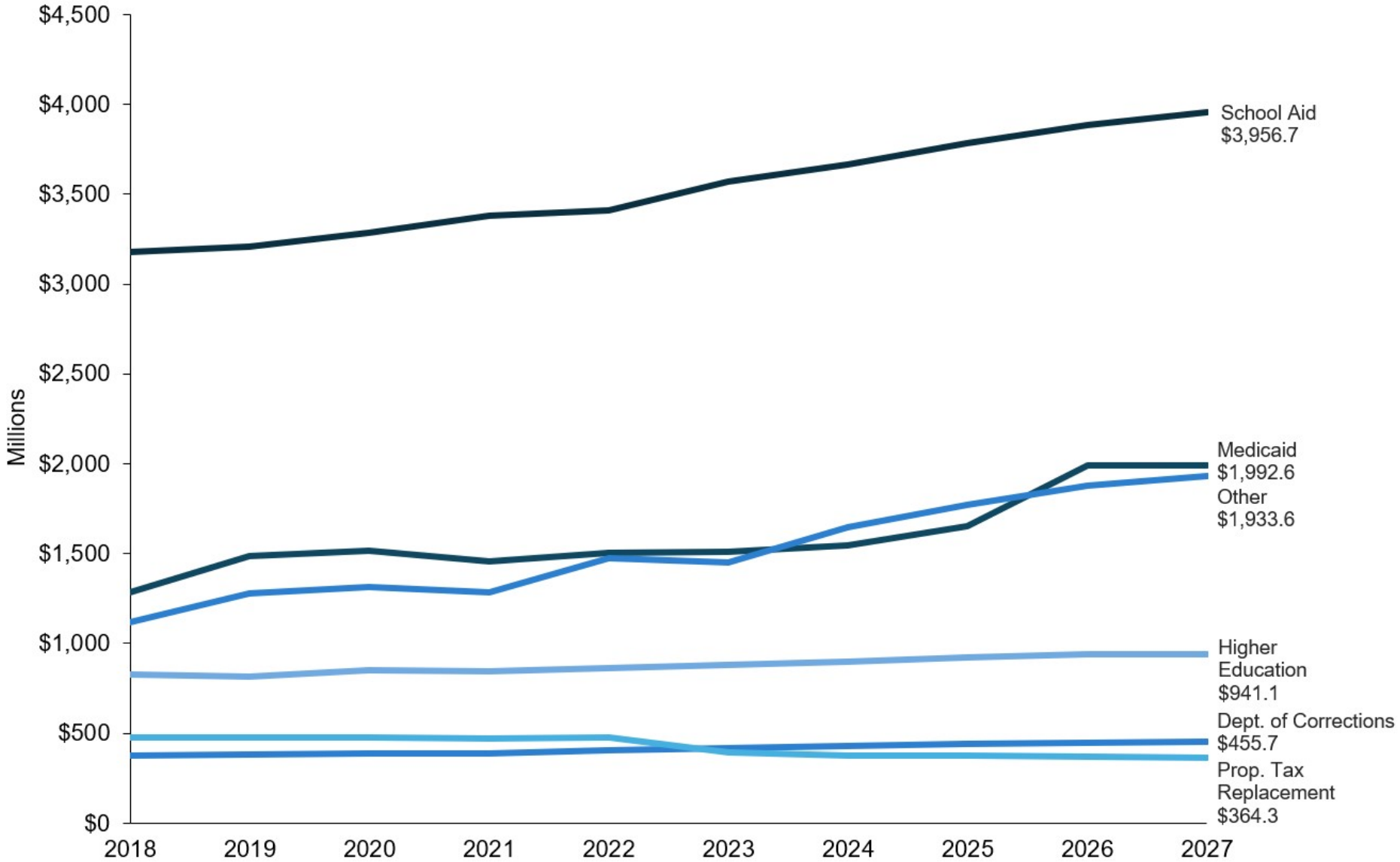
Fiscal Year Appropriations by Subcommittee — FY 2018 - FY 2027





* Other includes: Administration and Regulation ($73.3), Agriculture and Natural Resources ($47.3), and Economic Development ($38.9).

General Fund Appropriations — FY 2018 - FY 2027



Projected Condition of the General Fund

In Millions

	Actual FY 2025	Revised FY 2026	Enacted FY 2027
Resources			
Net Receipts	$ 8,942.2	$ 8,111.1	$ 8,471.6
Revenue Adjustments	0.0	- 8.6	- 67.1
Receipts Subtotal	8,942.2	8,102.5	8,404.5
Surplus Carryforward	1,885.7	1,868.2	1,488.0
Transfer from the TPRF	3.3	696.7	617.2
Transfer from the TPRF – OBBBA		347.0	0.0
Total Available Resources	$ 10,831.1	$ 11,014.3	$ 10,509.7
Expenditure Limitation			***$ 9,807.8***
Estimated Appropriations			
Appropriations	$ 8,970.7	$ 9,420.4	$ 9,645.1
Supplemental/Deappropriations	- 2.0	89.0	0.0
Vetoes	0.0	0.0	- 1.1
Total Appropriations	$ 8,968.7	$ 9,509.4	$ 9,644.0
Reversions	- 20.0	- 13.6	- 5.0
Net Appropriations	$ 8,948.7	$ 9,495.8	$ 9,639.0
Ending Balance - Surplus	$ 1,882.4	$ 1,518.5	$ 870.8

NOTE: Vetoes reflect line-item vetoes and the veto of SF 2320 (Concurrent Enrollment, Course Delivery Methods Bill**)**, which amended the standing appropriation for State Foundation School Aid.

General Fund Appropriations Acts

In Millions

Bill No.	Bill Name	FY 2026 Supplemental			FY 2027		
		Leg. Action	Veto	Enacted	Leg. Action	Veto	Enacted
HF 1028	Department of Management, Records, Funds, and Contracts Act	$ 0.0	$ 0.0	$ 0.0	$ - 17.5	$ 0.0	$ - 17.5
HF 2739	HMO Taxes, Supplemental Appropriations, and Transfers Act	89.0	0.0	89.0	0.0	0.0	0.0
HF 2754	Private Schools and Charter Schools Act	0.0	0.0	0.0	1.3	0.0	1.3
HF 2768	Administration and Regulation Appropriations Act	0.0	0.0	0.0	73.3	0.0	73.3
HF 2769	Judicial Branch Appropriations Act	0.0	0.0	0.0	222.3	0.0	222.3
HF 2770	Justice System Appropriations Act	0.0	0.0	0.0	715.7	0.0	715.7
HF 2771	Agriculture and Natural Resources Appropriations Act	0.0	0.0	0.0	47.3	0.0	47.3
HF 2772	Economic Development Appropriations Act	0.0	0.0	0.0	38.9	0.0	38.9
HF 2782	Health and Human Services Appropriations Act	0.0	0.0	0.0	2,560.4	0.0	2,560.4
HF 2783	Education Appropriations Act	0.0	0.0	0.0	1,041.4	-0.5	1,040.9
HF 2800	Standing Appropriations Act	0.0	0.0	0.0	-44.8	0.0	-44.8
SF 2201	Supplemental State Aid Act	0.0	0.0	0.0	4,390.7	0.0	4,390.7
SF 2320	Concurrent Enrollment, Course Delivery Methods Bill	0.0	0.0	0.0	0.6	-0.6	0.0
SF 2484	Infrastructure Appropriations Act	0.0	0.0	0.0	-5.0	0.0	-5.0
Standing	Standing Appropriations (Current Law)	0.0	0.0	0.0	620.3	0.0	620.3
	Total	$ 89.0	$ 0.0	$ 89.0	$ 9,645.1	$ - 1.1	$ 9,644.0

General Fund Revenue Adjustments by Act

In Millions

Act No.	Act Title	Enacted FY 2026	Enacted FY 2027
HF 960	Communications Network Equipment Sales Tax Exemption Act	0.0	- 0.9
HF 990	Cannabidiol Dispensaries, Maximum Number of Licensees Act	0.0	0.2
HF 2739	Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act	- 6.6	- 13.2
HF 2757	Nuclear Electric Generation Facilities, Sales Tax Exemption Act	0.0	- 20.1
HF 2768	Administration and Regulation Appropriations Act	0.0	- 12.8
HF 2783	Education Appropriations Act	0.0	- 0.6
HF 2799	Economic Development, Tax Credit Programs and Load Forecasting Act	0.0	- 0.8
SF 2168	Reemployment Case Management and Unemployment Insurance Processing Act	0.0	- 1.5
SF 2231	Educational Programs, Eligibility of Sectarian Programs and Costs Act	0.0	- 0.5
SF 2289	Gambling, State Building Code, and Residential Care Facilities Act	0.0	- 7.8
SF 2492	Corporate Income Tax, Section 951A Income Act	- 2.1	- 9.2
Total Revenue Adjustments		$ - 8.6	$ - 67.1

Expenditure Limitation Calculation

In Millions

		Enacted FY 2027		
		Amount	Percent	Expend. Limit
Revenue Estimating Conference				
Total (March 2026 Estimate)		$ 8,471.6	99%	$ 8,386.9
Revenue Adjustments:				
HF 960	Communications Network Equipment Sales Tax Exemption Act	- 0.9	100%	- 0.9
HF 990	Cannabidiol Dispensaries, Maximum Number of Licensees Act	0.2	95%	0.1
HF 2739	Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act	- 13.2	100%	- 13.2
HF 2757	Nuclear Electric Generation Facilities, Sales Tax Exemption Act	- 20.1	100%	- 20.1
HF 2768	Administration and Regulation Appropriations Act	- 12.8	100%	- 12.8
HF 2783	Education Appropriations Act	- 0.6	100%	- 0.6
HF 2799	Economic Development, Tax Credit Programs and Load Forecasting Act	- 0.8	100%	- 0.8
SF 2168	Reemployment Case Management and Unemployment Insurance Processing Act	- 1.5	100%	- 1.5
SF 2231	Educational Programs, Eligibility of Sectarian Programs and Costs Act	- 0.5	100%	- 0.5
SF 2289	Gambling, State Building Code, and Residential Care Facilities Act	- 7.8	100%	- 7.8
SF 2492	Corporate Income Tax, Section 951A Income Act	- 9.2	100%	- 9.2
Subtotal Revenue Adjustment		$ - 67.1		$ - 67.1
Transfer from Surplus		$ 1,488.0	100%	$ 1,488.0
Total Adjustments		$ 1,420.9		$ 1,420.9
Expenditure Limitation				$ 9,807.8

Reserve Funds

In Millions

	Actual FY 2025	Revised FY 2026	Enacted FY 2027
Cash Reserve Fund			
Funds Available			
Balance Brought Forward	$ 721.4	$ 697.4	$ 636.9
General Fund Transfer from Surplus	2,053.4	1,882.4	1,518.5
Total Funds Available	$ 2,774.8	$ 2,579.8	$ 2,155.4
Transfer to Economic Emergency Fund	- 2,077.4	- 1,942.9	- 1,525.1
Balance	$ 697.4	$ 636.9	$ 630.3
Maximum 7.5%	*$ 697.4*	*$ 636.9*	*$ 630.3*
Economic Emergency Fund			
Funds Available			
Balance Brought Forward	$ 239.7	$ 193.4	$ 212.3
Excess from Cash Reserve	2,077.4	1,942.9	1,525.1
Executive Council − Performance of Duty	- 61.2	- 10.7	- 18.1
DOM - Disaster Response	0.0	- 23.3	- 21.2
Total Funds Available	$ 2,256.0	$ 2,102.3	$ 1,698.1
Excess Surplus	$ - 2,023.5	$ - 1,890.0	$ - 1,488.0
Performance of Duty Adjustment	- 25.5	0.0	0.0
POD Adj - Nuisance Property Remediation	- 2.0	0.0	0.0
POD Adj - Home Rehab Program	- 11.6	0.0	0.0
Balance	$ 193.4	$ 212.3	$ 210.1
Maximum 2.5%	*$ 232.5*	*$ 212.3*	*$ 210.1*
Distribution of Excess Surplus			
Transfer to General Fund for School Aid	$ 8.0	$ 21.9	$ 0.0
Transfer to Taxpayer Relief Fund	129.8	0.0	0.0
Transfer to General Fund	1,885.7	1,868.2	1,488.0
Total	$ 2,023.5	$ 1,890.0	$ 1,488.0
Combined Reserve Fund Balances			
Cash Reserve Fund	$ 697.4	$ 636.9	$ 630.3
Economic Emergency Fund	193.4	212.3	210.1
Total CRF and EEF	$ 890.8	$ 849.2	$ 840.4
Statutory Maximum			
Cash Reserve Fund	$ 697.4	$ 636.9	$ 630.3
Economic Emergency Fund	232.5	212.3	210.1
Total CRF and EEF	$ 929.9	$ 849.2	$ 840.4

Adjusted Revenue Estimate
and Reserve Fund Goal Calculations

In Millions

	FY 2024	FY 2025	FY 2026	FY 2027
REC Estimates	$ 9,625.5	$ 9,637.1	$ 8,507.9	$ 8,471.6
Revenue Adjustments	-7.3	-338.2	-15.8	-67.1
Adjusted Revenue Estimate	$ 9,618.2	$ 9,298.9	$ 8,492.1	$ 8,404.5
Reserve Fund Goals				
Cash Reserve Fund	$ 721.4	$ 697.4	$ 636.9	$ 630.3
Economic Emergency Fund	240.5	232.5	212.3	210.1
Total	$ 961.9	$ 929.9	$ 849.2	$ 840.4

Note: The Adjusted Revenue Estimate is established at the close of each Legislative Session and after any vetoes that affected revenue adjustments.

Taxpayer Relief Fund

In Millions

	FY 2025	Estimated Net FY 2026	Enacted FY 2027
Funds Available			
Balance Brought Forward	$ 3,751.5	$ 4,034.2	$ 3,111.6
General Fund Surplus Transfer	129.8	0.0	0.0
Interest	170.1	121.0	80.0
Total Funds Available	$ 4,051.4	$ 4,155.3	$ 3,191.6
Expenditures			
Transfer to the General Fund	$ - 3.3	$ - 696.7	$ - 617.2
Transfer to General Fund for School Aid	-13.9	0.0	0.0
Transfer to the General Fund - OBBBA	0.0	-347.0	0.0
Ending Balance	$ 4,034.2	$ 3,111.6	$ 2,574.4

Note: Numbers may not add due to rounding.

State Tax Credit Claims

In Millions

Tax Credit Programs	Actual FY 2023	Actual FY 2024	Actual FY 2025
Biodiesel Blended Fuel Tax Credit	$ 23.9	$ 14.1	$ 27.1
Earned Income Tax Credit	60.2	65.0	72.1
High Quality Jobs Program	15.2	33.5	20.0
Historic Preservation Tax Credit	30.2	50.7	45.8
Iowa Industrial New Jobs Training Program (260E)	43.1	41.8	41.2
Redevelopment Tax Credit	5.3	7.0	5.2
Research Activities Tax Credit	44.1	62.4	74.1
School Tuition Organization Tax Credit	11.8	14.9	11.8
Tuition and Textbook Tax Credit	25.5	25.1	23.9
Workforce Housing Tax Incentive Program	13.2	15.3	13.4
All Other Programs	56.8	48.3	68.3
Total Tax Credits	$ 329.2	$ 378.1	$ 403.0

Source: Department of Revenue, Tax Credits Contingent Liabilities Report — Table 8, March 2026

Rebuild Iowa Infrastructure Fund

	Actual FY 2025	Estimated Net FY 2026	Enacted FY 2027	Enacted FY 2028	Enacted FY 2029	Enacted FY 2030	Enacted FY 2031
Revenues and Resources							
Balance Forward	$ 110,576,986	$ 102,642,276	$ 67,132,314	$ 19,386,723	N/A	N/A	N/A
Adjustment to Balance Forward	5,615	$ 49,882					
State Wagering Taxes and Fees	192,430,980	183,138,777	187,957,000	187,957,000	187,957,000	183,957,000	183,957,000
Interest	49,189,488	30,200,000	22,800,000	22,800,000	22,800,000	22,800,000	22,800,000
MSA Tobacco Payments	11,113,084	9,809,093	9,003,633	9,003,633	9,003,633	9,003,633	9,003,633
Vision Iowa Fund Transfer		3,973,962					
Vacant State Building Demolition Fund Transfer		24,800					
Vacant State Building Rehabilitation Fund Transfer		1,146,765					
Total Resources	$ 363,316,153	$ 330,985,555	$ 286,892,947	$ 239,147,356	$ 219,760,633	$ 215,760,633	$ 215,760,633
Appropriations							
Administrative Services							
Major Maintenance	$ 22,000,000	$ 22,000,000	**$ 22,000,000**	**$ 22,000,000**	**$ 22,000,000**	$ 0	$ 0
Major Maintenance West Capitol Steps	2,000,000	0	0	0	0	0	0
Routine Maintenance (standing appropriation)	*2,000,000*	*2,000,000*	***2,000,000***	***2,000,000***	***2,000,000***	***2,000,000***	***2,000,000***
Elevator Upgrades/Replacements	5,364,500	0	0	0	0	0	0
Historical Building Sustainable Storage	0	5,000,000	0	0	0	0	0
Underground Railroad Markers	0	40,000	0	0	0	0	0
Terrace Hill Projects	0	0	1,000,000	0	0	0	0
Major Maintenance IVH Paving Repairs	0	0	180,000	0	0	0	0
Agriculture and Land Stewardship							
Water Quality Initiative	8,200,000	8,200,000	8,200,000	0	0	0	0
Renewable Fuels Infrastructure Fund	10,000,000	10,000,000	0	0	0	0	0
Renewable Fuels Infrastructure Fund Supplement	2,000,000	0	0	0	0	0	0
Renewable Fuels Infrastructure Fund Corrective Awards	2,000,000	0	0	0	0	0	0
Fertilizer Management	1,000,000	1,000,000	1,000,000	0	0	0	0
Department for the Blind							
Building Repairs	225,600	559,000	250,000	0	0	0	0
Department of Corrections							
CBC District 4 Central Office	0	4,163,847	**2,775,898**	0	0	0	0
Economic Development							
Community Attraction and Tourism Fund	10,000,000	10,000,000	10,000,000	0	0	0	0
Destination Iowa Fund	10,000,000	10,000,000	10,000,000	0	0	0	0
Regional Sports Authorities	700,000	750,000	1,000,000	0	0	0	0
Strengthening Communities Grants - Rural YMCAs	250,000	0	0	0	0	0	0
USS Iowa Deck Renovation	750,000	0	0	0	0	0	0
Facility Enhancement	0	0	7,000,000	0	0	0	0
Hoover Presidential Library Renovation Projects	0	0	1,000,000	0	0	0	0
Strategic Infrastructure Program Fund	0	0	10,000,000	0	0	0	0
Junior Olympics	0	0	250,000	0	0	0	0
Department of Education							
ISD - Giangreco Building Roof Repair	0	0	4,430,000	3,605,000	0	0	0
Health and Human Services							
Woodward Tunnel Decentralization	14,500,000	14,275,000	0	0	0	0	0
Lucas Building Renovation	5,000,000	0	0	0	0	0	0
CCUSO - Patient Doors Conversion	50,000	0	0	0	0	0	0
CCUSO Renovation	7,000,000	0	0	0	0	0	0
Iowa Medical Examiner Office Expansion	5,000,000	28,000,000	**3,300,000**	0	0	0	0
On With Life Infrastructure	0	0	4,000,000	0	0	0	0

Previously enacted appropriations are in bold. ***Standing appropriation titles are italicized.***

Rebuild Iowa Infrastructure Fund

	Actual FY 2025	Estimated Net FY 2026	Enacted FY 2027	Enacted FY 2028	Enacted FY 2029	Enacted FY 2030	Enacted FY 2031
Homeland Security and Emergency Management							
Levee Improvement Fund	$ 10,000,000	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Iowa Finance Authority							
State Housing Trust Fund (standing appropriation)	*3,000,000*	*3,000,000*	***3,000,000***	***3,000,000***	***3,000,000***	***3,000,000***	***3,000,000***
Water Quality Financial Assistance Fund	0	0	8,000,000	0	0	0	0
Rural Iowa Infrastructure Bank Program Fund	0	0	10,000,000	0	0	0	0
Iowa Law Enforcement Academy							
Driving Training Facility	0	15,000,000	0	0	0	0	0
Firearms Range Training Facility	0	0	3,700,000	0	0	0	0
Iowa State Fair							
Agriculture Facility	0	2,500,000	**2,500,000**	0	0	0	0
Infrastructure Upgrades and Improvements	0	0	1,000,000	0	0	0	0
Judicial Branch							
Judicial Building Improvements	475,000	0	0	0	0	0	0
Dallas County Courthouse Renovation and Furniture	481,200	0	0	0	0	0	0
Johnson County Courthouse Renovation and Furniture	111000	0	0	0	0	0	0
Legislative Branch							
Capitol Building Maintenance (standing appropriation)	*500,000*	*500,000*	*750,000*	***750,000***	***750,000***	***750,000***	***750,000***
Management							
Environment First Fund (standing appropriation)	*42,000,000*	*42,000,000*	***42,000,000***	***42,000,000***	***42,000,000***	***42,000,000***	***42,000,000***
Technology Reinvestment Fund	21,131,873	18,269,217	26,314,315	0	0	0	0
Department of Natural Resources							
Lake Restoration and Water Quality Projects	9,600,000	9,600,000	9,600,000	0	0	0	0
State Park Infrastructure	5,000,000	5,000,000	5,000,000	0	0	0	0
State Park Infrastructure - Disability Accessibility	1,000,000	0	0	0	0	0	0
Water Trails and Low Head Dam Grants	1,500,000	1,500,000	1,500,000	0	0	0	0
Community Forestry Grant Program	250,000	0	0	0	0	0	0
Derelict Buildings Program	0	0	1,000,000	0	0	0	0
Public Defense							
Facility/Armory Maintenance	2,100,000	2,100,000	2,100,000	0	0	0	0
Statewide Modernization - Readiness Centers	2,100,000	2,100,000	2,100,000	0	0	0	0
Camp Dodge Infrastructure Upgrades	550,000	550,000	550,000	0	0	0	0
Sioux City Airport Runway	0	0	10,000,000	0	0	0	0
Public Safety							
Statewide Communications System	6,424,379	6,486,177	2,846,011	0	0	0	0
DPS Equipment Fund	2,500,000	0	0	0	0	0	0
Regents							
Tuition Replacement	26,500,000	25,600,000	25,000,000	0	0	0	0
UNI - Industrial Technology Center	3,850,000	0	0	0	0	0	0
Iowa Lakeside Lab Infrastructure	3,000,000	3,000,000	0	0	0	0	0
UNI - Public Policy Center at Commons	0	1,000,000	6,000,000	0	0	0	0

Previously enacted appropriations are in bold. ***Standing appropriation titles are italicized.***

Rebuild Iowa Infrastructure Fund

	Actual FY 2025	Estimated Net FY 2026	Enacted FY 2027	Enacted FY 2028	Enacted FY 2029	Enacted FY 2030	Enacted FY 2031
Transportation							
Recreational Trails	$ 2,500,000	$ 2,500,000	$ 2,500,000	$ 0	$ 0	$ 0	$ 0
One-Time Recreational Trails	1,000,000	0	0	0	0	0	0
Public Transit Vertical Infrastructure Grants	1,500,000	1,200,000	0	0	0	0	0
Railroad Revolving Loan and Grant Fund	2,000,000	2,000,000	2,000,000	0	0	0	0
Comm. Air Service Vertical Infrastructure Grants	1,900,000	1,900,000	2,500,000	0	0	0	0
General Aviation Vertical Infrastructure Grants	1,000,000	1,000,000	1,500,000	0	0	0	0
Railroad Overpass and Underpass Grant Fund	0	0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Public Transit Federal Grant Match	0	0	1,600,000	0	0	0	0
Treasurer							
County Fair Infrastructure	1,060,000	1,060,000	1,060,000	0	0	0	0
Veterans Affairs							
Cemetery Equipment Replacement	168,388	0	0	0	0	0	0
Net Appropriations	$ 261,241,940	$ 263,853,241	$ 267,506,224	$ 78,355,000	$ 74,750,000	$ 52,750,000	$ 52,750,000
Reversions	(568,063)	-	-	-	-	-	-
Ending Balance	**$ 102,642,276**	**$ 67,132,314**	**$ 19,386,723**	**$ 160,792,356**	**$ 145,010,633**	**$ 163,010,633**	**$ 163,010,633**

NOTES:
1) NA = Not applicable. The balance forward for FY 2029, FY 2030, and FY 2031 will not be known until additional spending decisions are made during the 2027 and 2028 Legislative Sessions.
2) This spreadsheet utilizes the same FY 2027 RIIF receipts estimates for FY 2028 through FY 2031 for illustrative purposes only.

Previously enacted appropriations are in bold. ***Standing appropriation titles are italicized.***

Technology Reinvestment Fund

	Actual FY 2025	Estimated Net FY 2026	Enacted FY 2027
Resources			
Beginning Balance	$ 121,924	$ 1,236,992	$ 1,202,992
RIIF Appropriation	21,131,873	18,269,217	26,314,315
Total Available Resources	$ 21,253,797	$ 19,506,209	$ 27,517,307
Attorney General's Office			
Cybersecurity and IT Infrastructure	$ 278,503	$ 0	$ 0
Department of Corrections			
Technology Projects	0	3,013,466	697,425
Camera System Upgrades	2,464,779	0	0
IMCC Pharmacy Pill Counting Machines	200,000	0	0
IMCC Network Switch Replacement	100,000	0	0
ICIW Network Switch Replacement	500,000	0	0
ICIW and IMCC Server Replacement	200,000	0	0
CBC Technology Updates	139,500	0	0
Economic Development			
Enterprise Management System	0	5,375,000	0
Department of Education			
ICN Part III and Maintenance and Leases	2,727,000	2,727,000	2,727,000
Statewide Education Data Warehouse	600,000	600,000	600,000
Iowa PBS Digital Asset Management System	196,000	0	0
Department of Health and Human Services			
Medicaid Technology	1,335,178	0	0
State Poison Center	34,000	34,000	42,080
Criminal Justice Info System (CJIS) Integration	1,400,000	0	0
Justice Data Warehouse	282,664	0	0
MEME Maintenance and Operations	330,000	0	0
OBBA IT Costs	0	0	3,473,690
Public Assistance Oversight - Data Sources	0	0	1,633,361
Public Assistance Oversight - SNAP FIP IT	0	0	10,000,000
Homeland Security and Emergency Management			
Alert Iowa Messaging System	400,000	400,000	400,000
Department of Management			
Searchable Online Database	45,000	45,000	45,000
Grants Management System	70,000	70,000	70,000
Local Government Budget and Property Tax System	120,000	120,000	120,000
Socrata Software License	382,131	358,429	358,429
DOM DoIT Cybersecurity	2,947,658	2,947,658	2,947,658
Iowa Integrated Justice (IIJ) System	0	1,400,000	1,400,000
Justice Enterprise Data Warehouse	0	282,664	282,664
Justice Data Warehouse Transition	0	290,000	0
DPS/DOT MACH & TraCS Modernization	0	0	2,000,000

Technology Reinvestment Fund

	Actual FY 2025	Estimated Net FY 2026	Enacted FY 2027
Department of Natural Resources			
Law Enforcement Radios	$ 1,565,000	$ 0	$ 0
Department of Public Defense			
Technology Projects	0	220,000	0
Department of Public Safety			
Digital Evidence Management System	0	0	300,000
Department of Revenue			
Tax System Modernization	4,070,460	0	0
Secretary of State			
Cyber Technology	324,000	0	0
Treasurer of State			
Clearwater Software	192,000	192,000	192,000
Tyler Tech. Software	228,000	228,000	228,000
Net Appropriations	21,131,873	18,303,217	27,517,307
Reversions	-1,115,068	0	0
Ending Balance	$ 1,236,992	$ 1,202,992	$ 0

NOTE: House File 1028 (Department of Management, Records, Funds, and Contracts Act) requires, beginning in FY 2028, that moneys in the Technology Reinvestment Fund (TRF) be appropriated by the General Assembly to the Department of Management (DOM) to be used to implement State information technology projects. The DOM is required to provide a prioritized list of proposed projects for funding from the TRF to the Governor to develop budgetary recommendations for the General Assembly.

Environment First Fund

	Actual FY 2025	Estimated Net FY 2026	Enacted FY 2027
Resources			
Balance Forward	$ 91,015	$ 91,015	$ 91,015
RIIF Appropriation	42,000,000	42,000,000	42,000,000
Total Resources	$ 42,091,015	$ 42,091,015	$ 42,091,015
Appropriations			
Department of Agriculture			
Soil Conservation Cost Share	$ 8,325,000	$ 8,325,000	$ 8,325,000
Soil & Water Conservation Fund	3,800,000	3,800,000	3,800,000
Water Quality Initiative	2,375,000	2,375,000	2,375,000
Conservation Reserve Enhancement (CREP)	1,000,000	1,000,000	1,000,000
Conservation Reserve Program (CRP)	900,000	900,000	900,000
Watershed Protection Program	900,000	900,000	900,000
Total Department of Agriculture	$ 17,300,000	$ 17,300,000	$ 17,300,000
Department of Natural Resources			
REAP Program	$ 12,000,000	$ 12,000,000	$ 12,000,000
Park Operations and Maintenance	6,235,000	6,235,000	6,235,000
Water Quality Monitoring Stations	2,955,000	2,955,000	2,955,000
Animal Feeding Operations	1,320,000	1,320,000	1,320,000
Water Quality Protection	500,000	500,000	500,000
Air Quality Monitoring Program	425,000	425,000	425,000
Floodplain Management	375,000	375,000	375,000
GIS Information for Watersheds	195,000	195,000	195,000
Total Department of Natural Resources	$ 24,005,000	$ 24,005,000	$ 24,005,000
Board of Regents			
UI — Water Resource Management	$ 495,000	$ 495,000	$ 495,000
UI — Geological and Water Survey	200,000	200,000	200,000
Total Board of Regents	$ 695,000	$ 695,000	$ 695,000
Total Appropriations	$ 42,000,000	$ 42,000,000	$ 42,000,000
Reversions	0	0	0
Ending Balance	$ 91,015	$ 91,015	$ 91,015

Temporary Assistance for Needy Families Fund

	Actual FY 2025	Estimated Net FY 2026	Enacted FY 2027
Revenues			
Beginning Balance	$ 117,446,354	$ 133,988,494	$ 105,566,179
TANF Payment	130,558,068	130,558,068	130,558,068
Total Revenues	$ 248,004,422	$ 264,546,562	$ 236,124,247
Appropriations			
FaDSS	$ 2,736,168	$ 0	$ 0
Pregnancy Prevention	1,721,903	1,913,203	1,913,203
Child Care Assistance	26,205,412	47,166,826	42,281,826
Community Access and Eligibility*	15,347,831	12,988,627	12,566,312
Core Purposes**	0	25,000,000	25,000,000
Administration and Compliance	3,288,458	3,533,647	3,533,647
Child Protective Services	64,716,156	65,364,100	65,364,100
Early Intervention and Supports	0	3,013,980	3,013,980
Total Appropriations	$ 114,015,928	$ 158,980,383	$ 153,673,068
Reversions	0	0	0
Ending Balance	$ 133,988,494	$ 105,566,179	$ 82,451,179

Notes:

TANF - Temporary Assistance for Needy Families

FaDSS - Family Development and Self-Sufficiency Program

*In 2024 Iowa Acts, House File 2698 (FY 2025 Health and Human Services Appropriations Act), this appropriation was called General Transfer.

**In 2024 Iowa Acts, House File 2698 (FY 2025 Health and Human Services Appropriations Act), this appropriation was called Community Access and Eligibility.

Medicaid Balance Sheet

	Actual FY 2025	Estimated Net FY 2026	Enacted FY 2027
Medicaid Funding			
Carryforward from Previous Year	$ 292,212,754	$ 99,897,419	$ 0
Health Care Trust Fund	144,436,415	134,096,000	131,225,333
Quality Assurance Trust Fund	107,467,186	111,216,205	111,216,205
Hospital Health Care Access Trust Fund	33,920,554	33,920,554	33,920,554
MCO Premium Tax	101,746,078	64,940,204	150,597,930
HF 2739 Health Care Related Tax	0	6,552,413	165,160,647
Medicaid Fraud Fund	744,869	150,000	150,000
Behavioral Health Fund	0	0	5,580,938
Decategorization Transfer	34,276	0	0
Total Non-General Fund Sources	$ 680,562,132	$ 450,772,794	$ 597,851,607
General Fund Appropriation	1,605,063,804	1,837,804,073	1,919,596,113
General Fund Supplemental	0	89,000,000	0
Total General Fund Sources	$ 1,605,063,804	$ 1,926,804,073	$ 1,919,596,113
Total Medicaid Funding	**$ 2,285,625,936**	**$ 2,377,576,867**	**$ 2,517,447,720**
Estimated State Medicaid Need	$ 2,040,325,360	$ 2,185,849,743	$ 2,450,036,887
FMAP Changes	26,600,000	29,040,932	-17,551,342
MCO Capitation Rate Increase	72,496,396	135,524,376	66,451,825
Nursing Facility Rebase	0	20,000,000	0
HCBS Program Increase	32,800,000	0	0
PMIC Provider Rate Increase	369,000	0	0
Home Health Rate Increase	3,000,000	0	0
Intermittent Community-Based Services	0	3,050,000	0
Dental Rate Increase	0	2,136,304	0
Pharmacy Dispensing Fee Increase	500,000	0	0
Maternal Health Rate Adjustment	0	420,000	0
Prosthetics Rate Increase	0	100,000	0
CCBHC Increased Reimbursement	0	-3,000,000	0
Nursing Facility Renovation and Construction Decrease	0	-800,000	0
Personal Needs Allowance $5 Increase	0	330,513	0
Mental Health Therapy	2,104,186	0	0
Hospital Directed Payment Plan	-6,000,000	0	0
Enhanced Case Management	5,000,000	0	0
Physical Therapist Rate Adjustment	418,121	0	0
Community Mental Health Centers	276,947	0	0
Medical Supplies Rate Adjustment	144,014	0	0
Occupational Therapist Rate Adjustment	64,692	0	0
Physician Assistant Rate Adjustment	29,691	0	0
Certified Nurse Midwife Provider Rate Adjustment	3,122	0	0
Supported Community Living Rates	1,352,750	0	0
Air Methods	250,000	0	0
Ambulatory Surgical Center Rate Increase	0	0	1,167,867
Elderly Waiver Rate Increase	0	0	3,000,000
Special Population Nursing Facility Rate Adjustment	0	0	333,000
SF 2422 Retroactive Eligibility	0	0	-337,516
Cost Containment	0	0	-17,888,968
Total Estimated Medicaid Need	$ 2,179,734,279	$ 2,372,651,868	$ 2,485,211,753
Medicaid Balance (Underfunded If Negative)	**$ 105,891,657**	**$ 4,924,999**	**$ 32,235,968**
ARPA Carryforward	$ 14,933,868	$ 0	$ 0
ARPA Expenditures	-14,933,868	0	0
Transfers between Medicaid, CHIP, and SSA	-5,994,238	0	0
CHIP Ending Balance	0	-5,252,913	0
SSA Ending Balance	0	326,419	0
Ending State Medical Assistance Balance	**$ 99,897,419**	**$ -1,495**	**$ 32,235,968**

MCO – Managed Care Organization
FMAP – Federal Medical Assistance Percentage
HCBS – Home and Community-Based Services
PMIC – Psychiatric Medical Institution for Children
CCBHC – Certified Community Behavioral Health Clinic
ARPA – American Rescue Plan Act
CHIP – Children's Health Insurance Program
SSA – State Supplementary Assistance

Iowa Skilled Worker and Job Creation Fund

	Actual FY 2025	Estimated Net FY 2026	Enacted FY 2027
Revenue			
Beginning Account Balance	$ 62,673	$ 62,673	$ 112,978
Adjustment to Beginning Balance	0	0	0
Wagering Tax Receipts	63,750,000	63,750,000	63,750,000
Total Revenues	$ 63,812,673	$ 63,812,673	$ 63,862,978
Appropriations & Expenses			
Department of Agriculture and Land Stewardship			
Butchery Innovation and Revitalization	$ 0	$ 249,695	$ 0
Economic Development Authority			
High Quality Jobs	11,700,000	11,700,000	0
Business Incentives for Growth	0	0	11,700,000
Manufacturing 4.0	2,016,675	2,016,675	2,350,000
Empower Rural Iowa Program	700,000	700,000	700,000
Butchery Innovation and Revitalization	0	0	0
Department of Education			
Workforce Training and Econ Dev Funds	15,100,000	15,100,000	15,100,000
Skilled Workforce Shortage Tuition Grant	5,000,000	5,000,000	5,000,000
ACE Infrastructure	6,000,000	6,000,000	0
PACE and Regional Sectors	5,000,000	4,800,000	4,800,000
Gap Tuition Assistance Fund	2,000,000	2,000,000	2,000,000
STEM Best	700,000	700,000	700,000
Workforce Prep Outcome Reporting	200,000	75,000	75,000
Workforce Infrastructure Fund	0	0	6,000,000
Iowa Workforce Development			
AMOS Training Program	100,000	0	0
Future Ready Iowa Coordinator	0	0	0
Workforce Prep Outcome Reporting	0	125,000	125,000
Adult Literacy for the Workforce	5,500,000	5,500,000	4,500,000
Work-Based Learning Intermediary Network	0	0	0
STEM Internships	633,325	633,325	0
Workforce Training Fund	0	0	0
Board of Regents			
Regents Innovation Fund	3,000,000	3,000,000	3,000,000
ISU - Economic Development	2,424,302	2,424,302	2,424,302
SUI - Economic Development	209,279	209,279	209,279
SUI - Entrepreneurship and Econ Growth	2,000,000	2,000,000	2,000,000
UNI - Economic Development	1,466,419	1,466,419	1,466,419
UNI - Workforce Development	0	0	1,000,000
UNI - Nursing Program Expansion	0	0	600,000
Total Appropriations & Expenses	$ 63,750,000	$ 63,699,695	$ 63,750,000
Reversions	0	0	0
Ending Balance	$ 62,673	$ 112,978	$ 112,978

Sports Wagering Receipts Fund

	Actual FY 2025	Estimated Net FY 2026	Enacted FY 2027
Revenues and Resources			
Balance Forward	$ 28,903,431	$ 44,914,623	$ 26,773,351
Sports Wagering Taxes	16,215,305	19,108,728	19,108,728
Interest	1,545,887	1,000,000	1,000,000
Total Resources	$ 46,664,623	$ 65,023,351	$ 46,882,079
Appropriations			
Economic Development Authority			
Length of Service Award Program Grant Fund	$ 0	$ 1,500,000	**$ 1,500,000**
Iowa Film Production Incentive Fund	0	4,000,000	0
Iowa Major Events and Tourism Fund	0	4,000,000	0
Department of Education			
Education Support Personnel Supplement	0	14,000,000	0
Division of Special Education	0	5,000,000	0
Health and Human Services			
Gambling Treatment Program	1,750,000	1,750,000	1,750,000
Double-up Food Bucks	0	0	1,000,000
Public Safety			
DPS Equipment Fund	0	8,000,000	**8,000,000**
Regents			
Pediatric Cancer Research	0	0	3,000,000
Net Appropriations	$ 1,750,000	$ 38,250,000	$ 15,250,000
Reversions	-	-	
Ending Balance	**$ 44,914,623**	**$ 26,773,351**	**$ 31,632,079**

* Estimated FY 2026 sports wagering taxes and interest collected in the Sports Wagering Receipts Fund is an estimate only and is adjusted accordingly based on the current total deposited in the Fund through March 2026. These same estimates are used for FY 2027 for illustrative purposes only.

Standing appropriations are in bold.

Comparison of All State Funds Appropriated

(In Millions)

Funding Sources	Actual FY 2025	Est. Net FY 2026	Enacted FY 2027
Total General Fund Appropriations	8,968.7	9,509.4	9,644.0
Appropriations from Non-General Fund State Sources			
Rebuild Iowa Infrastructure Fund	$ 261.2	$ 263.9	$ 267.5
RIIF Appropriations to Other Funds	-63.1	-60.3	-68.3
Net RIIF Appropriations	$ 198.1	$ 203.6	$ 199.2
Primary Road Fund	$ 413.1	$ 437.9	$ 418.7
Health Care Trust Fund	176.5	151.0	137.6
Temporary Assistance For Needy Families	114.0	159.0	153.7
Quality Assurance Trust Fund	111.2	111.2	111.2
Others	73.5	101.4	96.2
Road Use Tax Fund	59.7	78.2	79.2
Iowa Skilled Worker and Job Creation Fund	63.8	63.7	63.8
Iowa Economic Emergency Fund	100.3	34.0	39.3
Fish and Wildlife Trust Fund	51.4	53.1	53.1
IPERS Trust Fund	22.8	86.3	26.3
Commerce Revolving Fund	42.4	45.0	44.8
Environment First Fund	42.0	42.0	42.0
Hospital Health Care Access Trust Fund	33.9	33.9	33.9
Opiod Settlement Fund	29.0	38.1	9.9
Total Non-General Fund	$ 1,531.7	$ 1,638.5	$ 1,509.0
Grand Total	$ 10,500.4	$ 11,147.9	$ 11,152.9

Note: Rounding may affect totals. RIIF appropriations to other funds are removed from the RIIF total to prevent incudling the sum in the total twice.

Common Acronyms
Used in the Appropriations Tables

ACE	Accelerated Career Education
ACRF	Address Confidentiality Revolving Fund
ADA	Americans with Disabilities Act
ADRC	Aging and Disability Resource Center
AEA	Area Education Agency
AG	Office of the Attorney General
AI	Artificial Intelligence
AMOS	A Mid-Iowa Organizing Strategy
AOS	Auditor of State
ARPA	American Rescue Plan Act
ARTS	Archon Registration and Titling System
ASF	Autism Support Fund
BH-ASO	Behavioral Health Administrative Service Organization
BHF	Behavioral Health Fund
BOEE	Board of Educational Examiners
BOP	Board of Parole
BOR	Board of Regents
CAT	Community Attraction and Tourism
CBC	Community-Based Corrections
CCA	Child Care Assistance
CCUSO	Civil Commitment Unit for Sexual Offenders
CEF	Consumer Education and Litigation Fund
CFSP	Comprehensive Family Support Program
CHIP	Children's Health Insurance Program
CJIS	Criminal Justice Information System
CJP	Criminal Justice Planning
CMRF	Commerce Revolving Fund
CMS	Centers for Medicare and Medicaid Services
CMVU	Commercial Motor Vehicle Unit
COG	Councils of Governments
CPB	Corporation for Public Broadcasting
CPI	Consumer Price Index
CRF	Cash Reserve Fund
CSBG	Community Services Block Grant
CSG	Radio Community Service Grant
CTE	Career and Technical Education
CTI	Conference Technologies Incorporated
DALS	Department of Agriculture and Land Stewardship
DAS	Department of Administrative Services
DCI	Division of Criminal Investigation
DDoS	Distributed Denial-of-Service
DE	Department of Education
DIAL	Department of Inspections, Appeals, and Licensing
DIFS	Department of Insurance and Financial Services
DMU	Des Moines University
DNR	Department of Natural Resources
DOC	Department of Corrections
DoIT	Division of Information Technology
DOM	Department of Management
DOT	Department of Transportation
DPD	Department of Public Defense
DPS	Department of Public Safety
DVA	Department of Veterans Affairs
ECFS	Early Childhood and Family Services
ECI	Early Childhood Iowa
EEF	Economic Emergency Fund
EFF	Environment First Fund
EMS	Emergency Medical Services
EPA	Environmental Protection Agency
ESA	Education Savings Account
FAD	Foreign Animal Disease
FaDSS	Family Development & Self-Sufficiency Program
FEMA	Federal Emergency Management Agency
FIP	Family Investment Program
FMAP	Federal Medical Assistance Percentage
FPL	Federal Poverty Level
FTA	Federal Transit Authority
FTE	Full-Time Equivalent

Common Acronyms
Used in the Appropriations Tables

GEF	Gaming Enforcement Revolving Fund
GF	General Fund
GIS	Geographic Information System
GRF	Gaming Regulatory Revolving Fund
GSL	Guaranteed Student Loan
GWPF	Groundwater Protection Fund
Hawki	Health and Well Kids in Iowa Program
HCBS	Home- and Community-Based Services
HCTF	Health Care Trust Fund
HHCAT	Hospital Health Care Access Trust Fund
HHS	Department of Health and Human Services
HMO	Health Maintenance Organization
HQ	Headquarters
HRDP	Historical Resource Development Program
HSEMD	Department of Homeland Security and Emergency Management
HVAC	Heating, Ventilation, and Air Conditioning
IABLE	Iowa's Achieving a Better Life Experience Plan
IADPF	Iowa Animal Disease Prevention Fund
ICA	Iowa College Aid Board of Commissioners
ICAB	Iowa Child Advocacy Board
I-CASH	Iowa's Center for Agricultural Safety & Health
ICIW	Iowa Correctional Institution for Women
ICN	Iowa Communications Network
ICON	Iowa Corrections Offender Network
ICRF	Iowa Coronavirus Relief Fund
IDEA	Individuals with Disabilities Education Act
IDR	Iowa Department of Revenue
IECDB	Iowa Ethics and Campaign Disclosure Board
IEDA	Iowa Economic Development Authority
IESBVI	Iowa Educational Services for the Blind and Visually Impaired
IFA	Iowa Finance Authority
IHAWP	Iowa Health and Wellness Program
IID	Iowa Insurance Division
IIJ	Iowa Integrated Justice
ILEA	Iowa Law Enforcement Academy
IMCC	Iowa Medical and Classification Center
IOSME	Iowa Office of the State Medical Examiner
IPCC	Iowa Poison Control Center
IPERS	Iowa Public Employees' Retirement System
IPIB	Iowa Public Information Board
IPR	Iowa Public Radio
IRGC	Iowa Racing and Gaming Commission
ISASP	Iowa Statewide Assessment of Student Progress
ISD	Iowa School for the Deaf
ISP	Iowa State Penitentiary
ISU	Iowa State University
IT	Information Technology
IUC	Iowa Utilities Commission
IVH	Iowa Veterans Home
IWD	Iowa Workforce Development
JB	Judicial Branch
JDW	Justice Data Warehouse
JFHQ	Joint Forces Headquarters
LEAD-K	Language Equality and Acquisition for Deaf Kids
LEC	Law Enforcement Center
LIHEAP	Low Income Home Energy Assistance Program
LSA	Legislative Services Agency
LSTA	Library Services and Technology Act
LTC	Long-Term Care
MCO	Managed Care Organization
MCO HCTF	Managed Care Organization Health Care Tax Fund
MEME	Medicaid Enterprise Modernization Effort
MEPD	Medicaid for Employed People with Disabilities
MFF	Medicaid Fraud Fund
MH	Mental Health
MHDS	Mental Health and Disability Services
MHI	Mental Health Institute
MPCF	Mount Pleasant Correctional Facility

Common Acronyms
Used in the Appropriations Tables

MVD	Motor Vehicle Division
MVE	Motor Vehicle Enforcement
MVFT	Motor Vehicle Fuel Tax
NAEP	National Assessment of Educational Progress
NCES	National Center for Education Statistics
NCF	Newton Correctional Facility
NTIA	National Telecommunications and Information Administration
OBBBA	One Big Beautiful Bill Act
OCIO	Office of the Chief Information Officer
OSF	Opioid Settlement Fund
PACE	Pathways for Academic Career and Employment
PAS	Pension Administration System
PBS	Public Broadcasting Service
PD	Professional Development
PDA	Personal Data Assistant
PERB	Public Employment Relations Board
POR	Peace Officers' Retirement
PRF	Primary Road Fund
PSA	Pharmaceutical Settlement Account
PSAO	Pharmacy Services Administrative Organization
QATF	Quality Assurance Trust Fund
RCA	Refugee Cash Assistance
REAP	Resource Enhancement and Protection
REC	Revenue Estimating Conference
RFIF	Renewable Fuel Infrastructure Fund
RIF	Region Incentive Fund
RIIF	Rebuild Iowa Infrastructure Fund
RUTF	Road Use Tax Fund
SAVE	Systematic Alien Verification for Entitlements
SBRC	School Budget Review Committee
SBRF	State Bond Repayment Fund
SHTF	State Housing Trust Fund
SLFRF	Iowa Coronavirus State and Local Fiscal Recovery Fund
SNAP	Supplemental Nutrition Assistance Program
SOS	Secretary of State
SPOC	State Police Officers Council
STEM	Science, Technology, Engineering, and Mathematics
STND	Standing Appropriation
SUI	State University of Iowa
SWJCF	Skilled Worker and Job Creation Fund
SWRF	Sports Wagering Receipts Fund
TANF	Temporary Assistance for Needy Families
TOS	Treasurer of State
TPRF	Taxpayer Relief Fund
TraCS/MACH	Traffic and Criminal Software/Mobile Architecture for Communications Handling
TRF	Technology Reinvestment Fund
UIHC	University of Iowa Health Care
UNI	University of Northern Iowa
UPS	Uninterrupted Power Supply
USS	United States Ship
UST	Underground Storage Tank Fund
VLPF	Veterans License Plate Fund
WDF	Workforce Development Fund
WGTF	Wine Gallonage Tax Fund
WOF	Workforce Opportunity Fund
WQFAF	Water Quality Financial Assistance Fund
WQI	Water Quality Initiative
WRC	Woodward Resource Center
YMCA	Young Men's Christian Association

General Fund Appropriations to Departments for FY 2027

Summary Data
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)
Administration and Regulation	$ 72,915,646	$ 73,714,090	$ 0	$ 73,714,090	$ 73,301,113	$ 0	$ 73,301,113	$ -412,977
Agriculture and Natural Resources	45,923,745	46,605,670	0	46,605,670	47,305,670	0	47,305,670	700,000
Economic Development	40,767,006	40,337,127	0	40,337,127	38,948,145	0	38,948,145	-1,388,982
Education	1,019,500,333	1,031,576,216	0	1,031,576,216	1,042,048,676	-1,126,000	1,040,922,676	9,346,460
Health and Human Services	2,212,449,857	2,468,314,264	89,000,000	2,557,314,264	2,560,438,417	0	2,560,438,417	3,124,153
Justice System	915,452,813	924,933,800	0	924,933,800	938,006,002	0	938,006,002	13,072,202
Unassigned Standings	4,661,735,602	4,834,939,780	0	4,834,939,780	4,945,048,758	0	4,945,048,758	110,108,978
Grand Total	$ 8,968,745,002	$ 9,420,420,947	$ 89,000,000	$ 9,509,420,947	$ 9,645,096,781	$ -1,126,000	$ 9,643,970,781	$ 134,549,834

Column Explanations:

(1) Actual FY 2025 - Represents the final year-end appropriations for FY 2025. Reversions are not deducted from the appropriations.

(2) Estimated FY 2026 - Represents the FY 2026 appropriations enacted during the 2025 Legislative Session after any Governor's item vetoes.

(3) Supp-Final Act. FY 2026 - Represents the supplemental appropriations and deappropriations enacted for FY 2026 during the 2026 Legislative Session before any Governor's item vetoes.

(4) Estimated Net FY 2026 - Represents the FY 2026 appropriations enacted during the 2025 Legislative Session after the Governor's item vetoes and any supplemental appropriations made during the 2026 Legislative Session.

(5) Final Action FY 2027 - Represents the final legislative action for FY 2027 appropriations from the 2026 Legislative Session.

(6) Item Veto FY 2027 - Shows the Governor's item vetoes of the FY 2027 appropriations.

(7) Net Final Action FY 2027 - Represents the final enacted appropriations for FY 2027 after the Governor's item vetoes.

(8) Net Final Act. FY27 vs Est. Net FY26 - Represents the change in the FY 2027 net appropriations compared to the Estimated Net FY 2026 Appropriations.

NOTE: The Governor item vetoed two General Fund appropriations that were passed by the General Assembly during the 2026 Legislative Session.

Act Totals
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)
HF1028 Department of Management, Records, Funds, and Contracts Act	$ 0	$ 0	$ 0	$ 0	$ -17,500,000	$ 0	$ -17,500,000	$ -17,500,000
HF2754 Private Schools and Charter Schools Act	0	0	0	0	1,300,000	0	1,300,000	1,300,000
HF2768 Administration and Regulation Appropriations Act	72,915,646	73,714,090	0	73,714,090	73,301,113	0	73,301,113	-412,977
HF2769 Judicial Branch Appropriations Act	220,161,878	221,834,378	0	221,834,378	222,334,378	0	222,334,378	500,000
HF2770 Justice System Appropriations Act	695,290,935	703,099,422	0	703,099,422	715,671,624	0	715,671,624	12,572,202
HF2771 Agriculture and Natural Resources Appropriations Act	45,923,745	46,605,670	0	46,605,670	47,305,670	0	47,305,670	700,000
HF2772 Economic Development Appropriations Act	40,767,006	40,337,127	0	40,337,127	38,948,145	0	38,948,145	-1,388,982
HF2782 Health and Human Services Appropriations Act	2,212,449,857	2,468,314,264	89,000,000	2,557,314,264	2,560,438,417	0	2,560,438,417	3,124,153
HF2783 Education Appropriations Act	1,019,500,333	1,031,576,216	0	1,031,576,216	1,041,422,676	-500,000	1,040,922,676	9,346,460
HF2800 Standing Appropriations Act	0	0	0	0	-44,808,178	0	-44,808,178	-44,808,178
SF2201 Supplemental State Aid Act	4,055,159,196	4,255,629,192	0	4,255,629,192	4,390,738,968	0	4,390,738,968	135,109,776
SF2320 Concurrent Enrollment, Course Delivery Methods Bill	0	0	0	0	626,000	-626,000	0	0
SF2484 Infrastructure Appropriations Act	0	0	0	0	-5,000,000	0	-5,000,000	-5,000,000
Current Law Standing Appropriations	606,576,406	579,310,588	0	579,310,588	620,317,968	0	620,317,968	41,007,380
Grand Total	$ 8,968,745,002	$ 9,420,420,947	$ 89,000,000	$ 9,509,420,947	$ 9,645,096,781	$ -1,126,000	$ 9,643,970,781	$ 134,549,834

The appropriations that comprise the Current Law Standing Appropriations (STND) are appropriations that are established in the Iowa Code and are not associated with an individual appropriations act. If a standing appropriation is altered in session law, that standing appropriation is included in the respective appropriations act total. For purposes of this report, Current Law Standing Appropriations also include appropriations for one-time projects that received an appropriation for FY 2027 that were enacted in a prior Legislative Session.

Administration and Regulation
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Administrative Services, Department of										
Administrative Services										
Operations	$ 3,713,718	$ 3,713,718	$ 0	$ 3,713,718	$ 3,602,306	$ 0	$ 3,602,306	$ -111,412	HF2768	PG 1 LN 20
Utilities	4,487,598	4,487,598	0	4,487,598	4,487,598	0	4,487,598	0	HF2768	PG 2 LN 1
Terrace Hill Operations	460,884	460,884	0	460,884	460,884	0	460,884	0	HF2768	PG 2 LN 11
State Library	2,626,613	2,626,613	0	2,626,613	2,626,613	0	2,626,613	0	HF2768	PG 2 LN 15
Enrich Iowa Libraries	2,464,823	2,464,823	0	2,464,823	2,464,823	0	2,464,823	0	HF2768	PG 2 LN 21
Cultural Activities	168,403	0	0	0	0	0	0	0	HF2768	
Historical Sites	425,751	425,751	0	425,751	425,751	0	425,751	0	HF2768	PG 2 LN 32
Historical Resources	3,136,371	3,804,774	0	3,804,774	3,804,774	0	3,804,774	0	HF2768	PG 3 LN 15
Total Administrative Services, Department of	$ 17,484,161	$ 17,984,161	$ 0	$ 17,984,161	$ 17,872,749	$ 0	$ 17,872,749	$ -111,412		
Auditor of State										
Auditor of State										
Auditor of State - General Office	$ 1,002,686	$ 1,002,686	$ 0	$ 1,002,686	$ 1,002,686	$ 0	$ 1,002,686	$ 0	HF2768	PG 3 LN 23
AOS - Transition Costs of State Entities	48,000	0	0	0	0	0	0	0	HF2768	
Total Auditor of State	$ 1,050,686	$ 1,002,686	$ 0	$ 1,002,686	$ 1,002,686	$ 0	$ 1,002,686	$ 0		
Ethics and Campaign Disclosure Board, Iowa										
Campaign Finance Disclosure										
Ethics & Campaign Disclosure Board	$ 897,151	$ 1,045,432	$ 0	$ 1,045,432	$ 1,045,432	$ 0	$ 1,045,432	$ 0	HF2768	PG 4 LN 11
Total Ethics and Campaign Disclosure Board, Iowa	$ 897,151	$ 1,045,432	$ 0	$ 1,045,432	$ 1,045,432	$ 0	$ 1,045,432	$ 0		
Insurance & Financial Services, Department of										
DIFS - Insurance										
IID Captive Insurance	$ 450,000	$ 450,000	$ 0	$ 450,000	$ 450,000	$ 0	$ 450,000	$ 0	HF2768	PG 10 LN 35
Total Insurance & Financial Services, Department of	$ 450,000	$ 450,000	$ 0	$ 450,000	$ 450,000	$ 0	$ 450,000	$ 0		
Governor/Lt. Governor's Office										
Governor's Office										
Presidential Electors	$ 371	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	HF2768	
Governor's/Lt. Governor's Office	2,864,932	2,864,932	0	2,864,932	2,864,932	0	2,864,932	0	HF2768	PG 4 LN 28
Terrace Hill Quarters	144,222	144,222	0	144,222	144,222	0	144,222	0	HF2768	PG 4 LN 34
Total Governor/Lt. Governor's Office	$ 3,009,525	$ 3,009,154	$ 0	$ 3,009,154	$ 3,009,154	$ 0	$ 3,009,154	$ 0		

Administration and Regulation
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Department of Inspections, Appeals, and Licensing										
Inspections, Appeals, & Licensing, Department of										
Administration Division	$ 933,285	$ 933,285	$ 0	$ 933,285	$ 808,285	$ 0	$ 808,285	$ -125,000	HF2768	PG 5 LN 7
Administrative Hearings Division	654,983	654,983	0	654,983	654,983	0	654,983	0	HF2768	PG 5 LN 13
Investigations Division	2,769,231	2,769,231	0	2,769,231	2,769,231	0	2,769,231	0	HF2768	PG 5 LN 19
Health Facilities Division	6,206,128	6,206,128	0	6,206,128	6,206,128	0	6,206,128	0	HF2768	PG 5 LN 33
Employment Appeal Board	40,006	530,782	0	530,782	510,782	0	510,782	-20,000	HF2768	PG 6 LN 25
Food and Consumer Safety	509,565	509,565	0	509,565	0	0	0	-509,565	HF2768	
Iowa Civil Rights Commission	1,385,921	1,385,921	0	1,385,921	1,538,921	0	1,538,921	153,000	HF2768	PG 7 LN 6
Labor Services Division	2,965,719	2,965,719	0	2,965,719	2,965,719	0	2,965,719	0	HF2768	PG 7 LN 15
Workers' Compensation Division	3,381,044	3,381,044	0	3,381,044	3,381,044	0	3,381,044	0	HF2768	PG 7 LN 26
Professional Licensing Division	1,627,969	1,627,969	0	1,627,969	1,627,969	0	1,627,969	0	HF2768	PG 7 LN 37
PERB to Employment Appeal Board	1,296,403	0	0	0	0	0	0	0	HF2768	
Total Department of Inspections, Appeals, and Licensing	$ 21,770,254	$ 20,964,627	$ 0	$ 20,964,627	$ 20,463,062	$ 0	$ 20,463,062	$ -501,565		
Management, Department of										
Management, Dept. of										
Department Operations	$ 2,792,095	$ 3,666,154	$ 0	$ 3,666,154	$ 3,666,154	$ 0	$ 3,666,154	$ 0	HF2768	PG 11 LN 14
DOM - Division of Information Technology										
Cybersecurity Office	$ 4,421,887	$ 4,421,887	$ 0	$ 4,421,887	$ 4,421,887	$ 0	$ 4,421,887	$ 0	HF2768	PG 11 LN 22
Total Management, Department of	$ 7,213,982	$ 8,088,041	$ 0	$ 8,088,041	$ 8,088,041	$ 0	$ 8,088,041	$ 0		
Public Information Board										
Public Information Board										
Iowa Public Information Board	$ 363,227	$ 467,227	$ 0	$ 467,227	$ 496,227	$ 0	$ 496,227	$ 29,000	HF2768	PG 12 LN 35
Total Public Information Board	$ 363,227	$ 467,227	$ 0	$ 467,227	$ 496,227	$ 0	$ 496,227	$ 29,000		
Revenue, Department of										
Revenue, Dept. of										
Operations	$ 15,378,678	$ 15,378,678	$ 0	$ 15,378,678	$ 15,349,678	$ 0	$ 15,349,678	$ -29,000	HF2768	PG 13 LN 7
Tobacco Reporting Requirements	17,525	17,525	0	17,525	17,525	0	17,525	0	HF2768	PG 16 LN 28
Printing Cigarette Stamps - Standing	98,550	124,652	0	124,652	124,652	0	124,652	0	HF2768	
Total Revenue, Department of	$ 15,494,753	$ 15,520,855	$ 0	$ 15,520,855	$ 15,491,855	$ 0	$ 15,491,855	$ -29,000		

Administration and Regulation
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Secretary of State, Office of the										
Secretary of State										
Administration and Elections	$ 2,566,697	$ 2,566,697	$ 0	$ 2,566,697	$ 2,566,697	$ 0	$ 2,566,697	$ 0	HF2768	PG 14 LN 3
Business Services	1,568,795	1,568,795	0	1,568,795	1,568,795	0	1,568,795	0	HF2768	PG 14 LN 13
Total Secretary of State, Office of the	$ 4,135,492	$ 4,135,492	$ 0	$ 4,135,492	$ 4,135,492	$ 0	$ 4,135,492	$ 0		
Treasurer of State, Office of										
Treasurer of State										
Treasurer - General Office	$ 1,046,415	$ 1,046,415	$ 0	$ 1,046,415	$ 1,046,415	$ 0	$ 1,046,415	$ 0	HF2768	PG 15 LN 7
IABLE	0	0	0	0	200,000	0	200,000	200,000	HF2768	PG 15 LN 12
Total Treasurer of State, Office of	$ 1,046,415	$ 1,046,415	$ 0	$ 1,046,415	$ 1,246,415	$ 0	$ 1,246,415	$ 200,000		
Total Administration and Regulation	$ 72,915,646	$ 73,714,090	$ 0	$ 73,714,090	$ 73,301,113	$ 0	$ 73,301,113	$ -412,977		

Agriculture and Natural Resources
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Agriculture and Land Stewardship, Dept of										
Agriculture and Land Stewardship										
Administrative Division	$ 20,162,310	$ 20,377,294	$ 0	$ 20,377,294	$ 20,733,294	$ 0	$ 20,733,294	$ 356,000	HF2771	PG 1 LN 10
Milk Inspections	189,196	189,196	0	189,196	189,196	0	189,196	0	HF2771	PG 2 LN 35
Local Food and Farm	75,000	125,000	0	125,000	125,000	0	125,000	0	HF2771	PG 3 LN 6
Agricultural Education	150,000	150,000	0	150,000	150,000	0	150,000	0	HF2771	PG 3 LN 20
Foreign Animal Disease	1,050,000	1,050,000	0	1,050,000	1,050,000	0	1,050,000	0	HF2771	PG 3 LN 30
Foreign Animal Disease Capitals	250,000	0	0	0	0	0	0	0	HF2771	
Farmers with Disabilities	230,000	230,000	0	230,000	230,000	0	230,000	0	HF2771	PG 3 LN 34
Loess Hills Development and Conservation Fund	400,000	300,000	0	300,000	300,000	0	300,000	0	HF2771	PG 4 LN 18
Southern Iowa Development and Conservation Fund	200,000	100,000	0	100,000	100,000	0	100,000	0	HF2771	PG 4 LN 32
Grain Regulation	350,000	350,000	0	350,000	350,000	0	350,000	0	HF2771	PG 4 LN 38
Choose Iowa Fund	1,813,000	1,813,000	0	1,813,000	2,113,000	0	2,113,000	300,000	HF2771	PG 5 LN 4
Choose Iowa Food Purchasing Program	200,000	200,000	0	200,000	200,000	0	200,000	0	HF2771	PG 5 LN 28
Butchery Innovation and Revitalization	249,695	0	0	0	0	0	0	0	HF2771	
Total Agriculture and Land Stewardship, Dept of	$ 25,319,201	$ 24,884,490	$ 0	$ 24,884,490	$ 25,540,490	$ 0	$ 25,540,490	$ 656,000		
Natural Resources, Department of										
Natural Resources										
Natural Resources Operations	$ 12,500,000	$ 12,816,738	$ 0	$ 12,816,738	$ 12,816,738	$ 0	$ 12,816,738	$ 0	HF2771	PG 6 LN 21
Floodplain Management Program	1,510,000	1,510,000	0	1,510,000	1,510,000	0	1,510,000	0	HF2771	PG 9 LN 15
Forestry Health Management	525,000	525,000	0	525,000	525,000	0	525,000	0	HF2771	PG 9 LN 29
State Park Operations	1,000,000	1,000,000	0	1,000,000	1,000,000	0	1,000,000	0	HF2771	PG 9 LN 38
State Park Maintenance	0	300,000	0	300,000	300,000	0	300,000	0	HF2771	PG 10 LN 3
Total Natural Resources, Department of	$ 15,535,000	$ 16,151,738	$ 0	$ 16,151,738	$ 16,151,738	$ 0	$ 16,151,738	$ 0		
Regents, Board of										
Regents, Board of										
ISU - Veterinary Diagnostic Laboratory	$ 4,500,000	$ 4,799,898	$ 0	$ 4,799,898	$ 4,799,898	$ 0	$ 4,799,898	$ 0	HF2771	PG 10 LN 14
ISU - Vet Lab Moving Assistance	0	0	0	0	122,000	0	122,000	122,000	HF2771	PG 10 LN 30
ISU - Management of Private Forests	150,000	150,000	0	150,000	150,000	0	150,000	0	HF2771	PG 10 LN 36
ISU - Livestock Disease Research	291,390	291,390	0	291,390	291,390	0	291,390	0	HF2771	PG 11 LN 8
SUI - Iowa Center for Ag Safety & Health (I-CASH)	128,154	128,154	0	128,154	128,154	0	128,154	0	HF2771	PG 11 LN 29
SUI - Groundwater Planning and Resource Assessment	0	200,000	0	200,000	122,000	0	122,000	-78,000	HF2771	PG 12 LN 24
Total Regents, Board of	$ 5,069,544	$ 5,569,442	$ 0	$ 5,569,442	$ 5,613,442	$ 0	$ 5,613,442	$ 44,000		
Total Agriculture and Natural Resources	$ 45,923,745	$ 46,605,670	$ 0	$ 46,605,670	$ 47,305,670	$ 0	$ 47,305,670	$ 700,000		

Economic Development
General Fund

	Actual FY 2025	Estimated FY 2026	Supp-Final Act. FY 2026	Estimated Net FY 2026	Final Action FY 2027	Item Veto FY 2027	Net Final Action FY 2027	Net Final Act. FY27 vs Est. Net FY 2026	Bill Number	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Economic Development Authority										
Economic Development Authority										
Economic Development Appropriation	$ 12,921,510	$ 12,921,510	$ 0	$ 12,921,510	$ 12,903,510	$ 0	$ 12,903,510	$ -18,000	HF2772	PG 3 LN 3
World Food Prize	650,000	500,000	0	500,000	450,000	0	450,000	-50,000	HF2772	PG 5 LN 1
Councils of Governments (COGs) Assistance	350,000	350,000	0	350,000	0	0	0	-350,000	HF2772	
Community Advertising and Strategic Plan	1,100,000	1,050,000	0	1,050,000	1,050,000	0	1,050,000	0	HF2772	PG 5 LN 8
Community Cultural Grants	172,090	0	0	0	0	0	0	0	HF2772	
Iowa Arts Council	1,450,000	1,771,800	0	1,771,800	1,601,800	0	1,601,800	-170,000	HF2772	PG 5 LN 32
Great Places	149,710	0	0	0	0	0	0	0	HF2772	
Cultural Trust Grants	150,000	0	0	0	0	0	0	0	HF2772	
Arts and Culture Enhancement	428,282	448,403	0	448,403	448,403	0	448,403	0	HF2772	PG 6 LN 20
Tourism Marketing - Adjusted Gross Receipts	1,443,700	1,443,700	0	1,443,700	1,443,700	0	1,443,700	0	HF2772	PG 6 LN 23
Court Reporter Equipment Incentive Program	100,000	0	0	0	0	0	0	0	HF2772	
Total Economic Development Authority	$ 18,915,292	$ 18,485,413	$ 0	$ 18,485,413	$ 17,897,413	$ 0	$ 17,897,413	$ -588,000		
Iowa Finance Authority										
Iowa Finance Authority										
Rent Subsidy Program	$ 873,000	$ 873,000	$ 0	$ 873,000	$ 873,000	$ 0	$ 873,000	$ 0	HF2772	PG 7 LN 9
Housing Renewal Pilot Program	550,000	550,000	0	550,000	550,000	0	550,000	0	HF2772	PG 7 LN 22
Total Iowa Finance Authority	$ 1,423,000	$ 1,423,000	$ 0	$ 1,423,000	$ 1,423,000	$ 0	$ 1,423,000	$ 0		

Economic Development
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Workforce Development, Department of										
IWD - Vocational Rehabilitation Services										
Vocational Rehabilitation	$ 6,226,739	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	HF2772	
Independent Living	84,804	0	0	0	0	0	0	0	HF2772	
Entrepreneurs with Disabilities Program	138,506	0	0	0	0	0	0	0	HF2772	
Independent Living Center Grant	86,547	0	0	0	0	0	0	0	HF2772	
IWD - Vocational Rehabilitation Services	$ 6,536,596	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0		
Iowa Workforce Development										
Operations - Field Offices	$ 6,902,636	$ 6,902,636	$ 0	$ 6,902,636	$ 6,902,636	$ 0	$ 6,902,636	$ 0	HF2772	PG 8 LN 7
Offender Reentry Program	387,158	387,158	0	387,158	387,158	0	387,158	0	HF2772	PG 8 LN 18
State Accounting System	228,822	228,822	0	228,822	228,822	0	228,822	0	HF2772	PG 8 LN 29
Workplace Injury and Safety Surveys	125,555	125,555	0	125,555	125,555	0	125,555	0	HF2772	PG 8 LN 33
Future Ready Summer Youth Intern Program	250,000	250,000	0	250,000	0	0	0	-250,000	HF2772	
Vocational Rehabilitation Services	0	6,226,739	0	6,226,739	6,226,739	0	6,226,739	0	HF2772	PG 9 LN 5
Independent Living	0	84,804	0	84,804	0	0	0	-84,804	HF2772	
Entrepreneurs with Disabilities Program	0	138,506	0	138,506	138,506	0	138,506	0	HF2772	PG 9 LN 19
Independent Living Center Grant	0	86,547	0	86,547	0	0	0	-86,547	HF2772	
Adult Education and Literacy Programs	500,000	500,000	0	500,000	500,000	0	500,000	0	HF2772	PG 9 LN 22
Future Ready Reg. Apprenticeship Prog.	760,000	760,000	0	760,000	760,000	0	760,000	0	HF2772	PG 9 LN 35
Employee Misclassification Program	379,631	379,631	0	379,631	0	0	0	-379,631	HF2772	
Iowa Workforce Development	$ 9,533,802	$ 16,070,398	$ 0	$ 16,070,398	$ 15,269,416	$ 0	$ 15,269,416	$ -800,982		
Total Workforce Development, Department of	$ 16,070,398	$ 16,070,398	$ 0	$ 16,070,398	$ 15,269,416	$ 0	$ 15,269,416	$ -800,982		
Regents, Board of										
Regents, Board of										
ISU - Biosciences Innovation Ecosystem	$ 2,963,995	$ 2,963,995	$ 0	$ 2,963,995	$ 2,963,995	$ 0	$ 2,963,995	$ 0	HF2772	PG 16 LN 6
SUI - Biosciences Innovation Ecosystem	1,000,000	1,000,000	0	1,000,000	1,000,000	0	1,000,000	0	HF2772	PG 16 LN 15
UNI - Additive Manufacturing	394,321	394,321	0	394,321	394,321	0	394,321	0	HF2772	PG 16 LN 24
Total Regents, Board of	$ 4,358,316	$ 4,358,316	$ 0	$ 4,358,316	$ 4,358,316	$ 0	$ 4,358,316	$ 0		
Total Economic Development	$ 40,767,006	$ 40,337,127	$ 0	$ 40,337,127	$ 38,948,145	$ 0	$ 38,948,145	$ -1,388,982		

Education
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Blind, Department for the										
Department for the Blind										
Department for the Blind	$ 3,087,171	$ 3,207,190	$ 0	$ 3,207,190	$ 3,207,190	$ 0	$ 3,207,190	$ 0	HF2783	PG 1 LN 9
Total Blind, Department for the	$ 3,087,171	$ 3,207,190	$ 0	$ 3,207,190	$ 3,207,190	$ 0	$ 3,207,190	$ 0		
Education, Department of										
Education, Dept. of										
Dept. of Education Administration	$ 6,922,250	$ 7,073,808	$ 0	$ 7,073,808	$ 7,073,808	$ 0	$ 7,073,808	$ 0	HF2783	PG 2 LN 2
Career Technical Education Administration	721,779	721,779	0	721,779	721,779	0	721,779	0	HF2783	PG 2 LN 8
Career Technical Education Secondary	2,952,459	2,952,459	0	2,952,459	2,952,459	0	2,952,459	0	HF2783	PG 2 LN 20
School Food Service	2,176,797	2,176,797	0	2,176,797	2,253,055	0	2,253,055	76,258	HF2783	PG 2 LN 25
Special Ed. Services Birth to 3	1,721,400	1,721,400	0	1,721,400	1,721,400	0	1,721,400	0	HF2783	PG 2 LN 37
Early Head Start Projects	574,500	574,500	0	574,500	574,500	0	574,500	0	HF2783	PG 3 LN 10
Student Achievement/Teacher Quality	2,990,467	2,990,467	0	2,990,467	2,990,467	0	2,990,467	0	HF2783	PG 3 LN 24
Statewide Student Assessment	3,000,000	3,000,000	0	3,000,000	3,000,000	0	3,000,000	0	HF2783	PG 3 LN 30
Work-Based Learning Clearinghouse	300,000	300,000	0	300,000	300,000	0	300,000	0	HF2783	PG 4 LN 3
Summer Joint Enrollment Program	600,000	600,000	0	600,000	600,000	0	600,000	0	HF2783	PG 4 LN 7
Jobs for America's Grads	9,646,450	9,946,450	0	9,946,450	9,946,450	0	9,946,450	0	HF2783	PG 4 LN 23
Attendance Center/Website & Data System	250,000	250,000	0	250,000	250,000	0	250,000	0	HF2783	PG 4 LN 37
Early Lit - Successful Progression	7,824,782	7,824,782	0	7,824,782	7,824,782	0	7,824,782	0	HF2783	PG 5 LN 9
Early Lit - Early Warning System	1,915,000	1,915,000	0	1,915,000	1,915,000	0	1,915,000	0	HF2783	PG 5 LN 21
Early Lit - Iowa Reading Research Center	1,500,000	1,500,000	0	1,500,000	1,500,000	0	1,500,000	0	HF2783	PG 5 LN 36
Computer Science Prof. Devel. Incentive Fund	500,000	500,000	0	500,000	500,000	0	500,000	0	HF2783	PG 6 LN 20
Children's Mental Health Training	3,383,936	3,383,936	0	3,383,936	1,899,682	0	1,899,682	-1,484,254	HF2783	PG 6 LN 25
Best Buddies Iowa	35,000	35,000	0	35,000	35,000	0	35,000	0	HF2783	PG 7 LN 7
Midwestern Higher Education Compact	115,000	115,000	0	115,000	118,450	0	118,450	3,450	HF2783	PG 7 LN 20
Nonpublic School Concurrent Enrollment	1,000,000	1,000,000	0	1,000,000	1,000,000	0	1,000,000	0	HF2783	PG 7 LN 29
Community Colleges General Aid	235,858,161	243,358,161	0	243,358,161	246,858,161	0	246,858,161	3,500,000	HF2783	PG 8 LN 1
ISD - Iowa School for the Deaf	11,707,253	12,049,644	0	12,049,644	12,813,313	0	12,813,313	763,669	HF2783	PG 8 LN 5
Ed. Services for the Blind & Visually Impaired	4,913,891	5,012,169	0	5,012,169	5,112,412	0	5,112,412	100,243	HF2783	PG 8 LN 11
STEM Collaborative Initiative	6,354,848	6,354,848	0	6,354,848	6,310,409	0	6,310,409	-44,439	HF2783	PG 8 LN 18
Therapeutic Classroom Incentive Fund	2,351,382	2,351,382	0	2,351,382	2,351,382	0	2,351,382	0	HF2783	PG 9 LN 23
Therapeutic Classroom Trans. Claims Reimb.	500,000	0	0	0	0	0	0	0	HF2783	
Online State Job Posting System	0	265,000	0	265,000	265,000	0	265,000	0	HF2783	PG 9 LN 27
LEAD-K Program	200,000	200,000	0	200,000	200,000	0	200,000	0	HF2783	PG 9 LN 34
Special Education Division	10,000,000	5,000,000	0	5,000,000	10,000,000	0	10,000,000	5,000,000	HF2783	PG 10 LN 2
Professional Development	2,176,458	2,176,458	0	2,176,458	1,676,458	0	1,676,458	-500,000	HF2783	PG 10 LN 10
College Aid Commission	591,533	591,533	0	591,533	591,533	0	591,533	0	HF2783	PG 10 LN 15
National Guard Benefits Program	6,600,000	6,600,000	0	6,600,000	6,600,000	0	6,600,000	0	HF2783	PG 10 LN 26
All Iowa Opportunity Scholarships	3,229,468	3,229,468	0	3,229,468	3,229,468	0	3,229,468	0	HF2783	PG 10 LN 30
Teach Iowa Scholars	650,000	948,715	0	948,715	1,045,248	0	1,045,248	96,533	HF2783	PG 10 LN 39
Health Care-Related Loan Program	500,000	0	0	0	0	0	0	0	HF2783	
Health Care Professional Incentive Program	0	7,985,911	0	7,985,911	7,985,911	0	7,985,911	0	HF2783	PG 11 LN 10
Rural Iowa Primary Care Loan Repayment Program	2,629,933	0	0	0	0	0	0	0	HF2783	
Rural Veterinarian Loan Repayment Program	700,000	700,000	0	700,000	700,000	0	700,000	0	HF2783	PG 11 LN 14
Future Ready Iowa Last-Dollar Scholarship Program	23,927,005	23,927,005	0	23,927,005	23,927,005	0	23,927,005	0	HF2783	PG 11 LN 18
Future Ready Iowa Skilled Workforce Grant Program	425,000	425,000	0	425,000	425,000	0	425,000	0	HF2783	PG 11 LN 23
Mental Health Practitioner Loan Repayment Program	520,000	0	0	0	0	0	0	0	HF2783	
Iowa Workforce Grant and Incentive Program	6,500,000	6,500,000	0	6,500,000	6,500,000	0	6,500,000	0	HF2783	PG 11 LN 27
Court Reporter Forgivable Loan Program	0	50,000	0	50,000	50,000	0	50,000	0	HF2783	PG 11 LN 31
Dyslexia Specialist Grant Program	0	0	0	0	335,000	0	335,000	335,000	HF2783	PG 11 LN 35

Education
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
School District Electronic Mail Security	0	0	0	0	500,000	-500,000	0	0	HF2783	PG 12 LN 3
Child Development - Standing	10,524,389	10,524,389	0	10,524,389	10,524,389	0	10,524,389	0	HF2783	PG 18 LN 34
Health Care Professional Recruitment	500,973	0	0	0	0	0	0	0	HF2783	
Tuition Grant Program - Standing	52,707,069	53,761,210	0	53,761,210	53,761,210	0	53,761,210	0	HF2783	
Tuition Grant - For-Profit	110,700	112,914	0	112,914	0	0	0	-112,914	HF2783	PG 23 LN 29
Vocational Technical Tuition Grant - Standing	1,750,185	1,750,185	0	1,750,185	1,863,099	0	1,863,099	112,914	HF2783	PG 23 LN 31
Reorganization Incentives	0	0	0	0	2,500,000	0	2,500,000	2,500,000	HF2783	
Therapeutic Classroom Services - Standing	1,240,642	750,000	0	750,000	750,000	0	750,000	0	HF2783	
SF 2320 - CE, Course Delivery Methods	0	0	0	0	626,000	-626,000	0	0	SF2320	
Education, Dept. of	$ 435,298,710	$ 443,205,370	$ 0	$ 443,205,370	$ 454,677,830	$ -1,126,000	$ 453,551,830	$ 10,346,460		
Iowa PBS										
Iowa PBS Operations	$ 8,116,032	$ 8,165,236	$ 0	$ 8,165,236	$ 8,165,236	$ 0	$ 8,165,236	$ 0	HF2783	PG 2 LN 14
Total Education, Department of	$ 443,414,742	$ 451,370,606	$ 0	$ 451,370,606	$ 462,843,066	$ -1,126,000	$ 461,717,066	$ 10,346,460		

Education
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Regents, Board of										
Regents, Board of										
Regents Board Office	$ 764,642	$ 764,642	$ 0	$ 764,642	$ 764,642	$ 0	$ 764,642	$ 0	HF2783	PG 14 LN 23
BOR - Regents Resource Centers	268,297	268,297	0	268,297	268,297	0	268,297	0	HF2783	PG 14 LN 36
BOR - John Pappajohn Centers	125,000	125,000	0	125,000	125,000	0	125,000	0	HF2783	PG 15 LN 5
University of Iowa - General	223,496,355	223,496,355	0	223,496,355	223,496,355	0	223,496,355	0	HF2783	PG 15 LN 15
SUI - Oakdale Campus	2,103,819	2,103,819	0	2,103,819	2,103,819	0	2,103,819	0	HF2783	PG 15 LN 21
SUI - Hygienic Laboratory	4,822,610	4,822,610	0	4,822,610	4,822,610	0	4,822,610	0	HF2783	PG 15 LN 27
SUI - Family Practice Program	2,220,598	2,220,598	0	2,220,598	2,220,598	0	2,220,598	0	HF2783	PG 15 LN 33
SUI - Specialized Children Health Services	634,502	634,502	0	634,502	634,502	0	634,502	0	HF2783	PG 16 LN 3
SUI - Iowa Cancer Registry	143,410	143,410	0	143,410	143,410	0	143,410	0	HF2783	PG 16 LN 12
SUI - Substance Abuse Consortium	53,427	53,427	0	53,427	53,427	0	53,427	0	HF2783	PG 16 LN 17
SUI - Biocatalysis	696,342	696,342	0	696,342	696,342	0	696,342	0	HF2783	PG 16 LN 23
SUI - Primary Health Care	624,374	624,374	0	624,374	624,374	0	624,374	0	HF2783	PG 16 LN 28
SUI - Iowa Birth Defects Registry	36,839	36,839	0	36,839	36,839	0	36,839	0	HF2783	PG 16 LN 38
SUI - Iowa Nonprofit Resource Center	156,389	156,389	0	156,389	156,389	0	156,389	0	HF2783	PG 17 LN 4
SUI - Iowa Online Advanced Placement Acad.	463,616	463,616	0	463,616	463,616	0	463,616	0	HF2783	PG 17 LN 10
SUI - Iowa Flood Center	1,205,593	1,205,593	0	1,205,593	1,205,593	0	1,205,593	0	HF2783	PG 17 LN 16
SUI - College of Nursing	2,800,000	2,800,000	0	2,800,000	2,800,000	0	2,800,000	0	HF2783	PG 17 LN 20
SUI - Cancer Research	0	1,000,000	0	1,000,000	0	0	0	-1,000,000	HF2783	
SUI - Center for Intellectual Freedom	0	1,000,000	0	1,000,000	1,000,000	0	1,000,000	0	HF2783	PG 17 LN 25
Iowa State University - General	178,445,037	178,445,037	0	178,445,037	229,864,938	0	229,864,938	51,419,901	HF2783	PG 17 LN 29
ISU - Agricultural Experiment Station	29,462,535	30,462,535	0	30,462,535	0	0	0	-30,462,535	HF2783	
ISU - Cooperative Extension	18,157,366	18,157,366	0	18,157,366	0	0	0	-18,157,366	HF2783	
ISU - Future Ready Workforce	2,800,000	2,800,000	0	2,800,000	0	0	0	-2,800,000	HF2783	
University of Northern Iowa - General	101,894,146	101,894,146	0	101,894,146	101,894,146	0	101,894,146	0	HF2783	PG 17 LN 36
UNI - Real Estate Education Program	123,523	123,523	0	123,523	123,523	0	123,523	0	HF2783	PG 18 LN 3
UNI - Educators for Iowa	1,500,000	1,500,000	0	1,500,000	1,500,000	0	1,500,000	0	HF2783	PG 18 LN 8
UNI - Center for Civic Education	0	1,000,000	0	1,000,000	1,000,000	0	1,000,000	0	HF2783	PG 18 LN 13
Total Regents, Board of	$ 572,998,420	$ 576,998,420	$ 0	$ 576,998,420	$ 575,998,420	$ 0	$ 575,998,420	$ -1,000,000		
Total Education	$ 1,019,500,333	$ 1,031,576,216	$ 0	$ 1,031,576,216	$ 1,042,048,676	$ -1,126,000	$ 1,040,922,676	$ 9,346,460		

Health and Human Services
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Health and Human Services, Department of										
Health and Human Services										
Child Abuse Prevention - Standing	$ 221,830	$ 232,570	$ 0	$ 232,570	$ 232,570	$ 0	$ 232,570	$ 0	HF2782	
Congenital & Inherited Disorders Registry - Standing	221,830	223,521	0	223,521	223,521	0	223,521	0	HF2782	
Psychiatry Residency & Fellowship Program - Standing	100,000	0	0	0	0	0	0	0	HF2782	
Centers of Excellence - Standing	383,538	425,000	0	425,000	425,000	0	425,000	0	HF2782	
LiHEAP Weatherization Assistance Program - Standing	139,637	1	0	1	1	0	1	0	HF2782	
Commission of Inquiry - Standing	0	1,394	0	1,394	1,394	0	1,394	0	HF2782	
Nonresident Mental Illness Commitment - Standing	7,010	142,802	0	142,802	142,802	0	142,802	0	HF2782	
Aging and Disability Services	19,088,714	19,208,180	0	19,208,180	19,379,531	0	19,379,531	171,351	HF2782	PG 2 LN 27
Behavioral Health	24,400,114	24,442,121	0	24,442,121	23,127,121	0	23,127,121	-1,315,000	HF2782	PG 3 LN 34
Public Health	22,531,821	22,433,369	0	22,433,369	21,168,369	0	21,168,369	-1,265,000	HF2782	PG 5 LN 9
Community Access and Eligibility	68,043,944	68,542,456	0	68,542,456	76,371,516	0	76,371,516	7,829,060	HF2782	PG 7 LN 22
Child Support Services	15,434,282	15,644,114	0	15,644,114	15,644,114	0	15,644,114	0	HF2782	PG 9 LN 12
Medical Assistance	1,650,866,536	1,903,550,706	89,000,000	1,992,550,706	1,992,550,706	0	1,992,550,706	0	HF2782	PG 11 LN 12
Health Program Operations	39,597,231	39,672,433	0	39,672,433	40,342,766	0	40,342,766	670,333	HF2782	PG 12 LN 19
Child Care Assistance	34,966,931	34,983,000	0	34,983,000	32,723,000	0	32,723,000	-2,260,000	HF2782	PG 16 LN 18
Early Intervention and Supports	35,277,739	35,301,904	0	35,301,904	36,495,203	0	36,495,203	1,193,299	HF2782	PG 16 LN 39
Child Protective Services	166,101,034	165,558,031	0	165,558,031	164,527,690	0	164,527,690	-1,030,341	HF2782	PG 17 LN 27
State-Operated Specialty Care	100,006,128	102,343,507	0	102,343,507	100,225,768	0	100,225,768	-2,117,739	HF2782	PG 20 LN 3
Accountability, Compliance, and Program Integrity	22,356,598	21,904,214	0	21,904,214	23,152,404	0	23,152,404	1,248,190	HF2782	PG 20 LN 38
Behavioral Health Fund - Standing	0	1,000,000	0	1,000,000	1,000,000	0	1,000,000	0	HF2782	
Total Health and Human Services, Department of	$ 2,199,744,916	$ 2,455,609,323	$ 89,000,000	$ 2,544,609,323	$ 2,547,733,476	$ 0	$ 2,547,733,476	$ 3,124,153		
Veterans Affairs, Department of										
Veterans Affairs, Dept. of										
General Administration	$ 1,369,205	$ 1,369,205	$ 0	$ 1,369,205	$ 1,369,205	$ 0	$ 1,369,205	$ 0	HF2782	PG 2 LN 3
Home Ownership Assistance Program	2,200,000	2,200,000	0	2,200,000	2,200,000	0	2,200,000	0	HF2782	PG 2 LN 18
Veterans County Grants - Standing	990,000	990,000	0	990,000	990,000	0	990,000	0	HF2782	
Veterans Affairs, Dept. of	$ 4,559,205	$ 4,559,205	$ 0	$ 4,559,205	$ 4,559,205	$ 0	$ 4,559,205	$ 0		
Veterans Affairs, Dept. of										
Iowa Veterans Home	$ 8,145,736	$ 8,145,736	$ 0	$ 8,145,736	$ 8,145,736	$ 0	$ 8,145,736	$ 0	HF2782	PG 2 LN 9
Total Veterans Affairs, Department of	$ 12,704,941	$ 12,704,941	$ 0	$ 12,704,941	$ 12,704,941	$ 0	$ 12,704,941	$ 0		
Total Health and Human Services	$ 2,212,449,857	$ 2,468,314,264	$ 89,000,000	$ 2,557,314,264	$ 2,560,438,417	$ 0	$ 2,560,438,417	$ 3,124,153		

Justice System
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Attorney General										
Justice, Dept. of										
General Office AG	$ 10,539,176	$ 10,913,246	$ 0	$ 10,913,246	$ 11,672,266	$ 0	$ 11,672,266	$ 759,020	HF2770	PG 1 LN 6
Victim Assistance Grants	5,016,708	5,166,708	0	5,166,708	5,541,708	0	5,541,708	375,000	HF2770	PG 2 LN 11
Legal Services Poverty Grants	2,634,601	2,634,601	0	2,634,601	2,634,601	0	2,634,601	0	HF2770	PG 3 LN 8
AG Cybersecurity and Technology	202,060	202,060	0	202,060	202,060	0	202,060	0	HF2770	PG 3 LN 11
Total Attorney General	$ 18,392,545	$ 18,916,615	$ 0	$ 18,916,615	$ 20,050,635	$ 0	$ 20,050,635	$ 1,134,020		
Corrections, Department of										
Central Office										
County Confinement	$ 1,345,319	$ 1,345,319	$ 0	$ 1,345,319	$ 1,345,319	$ 0	$ 1,345,319	$ 0	HF2770	PG 6 LN 3
Federal Prisoners/Contractual	234,411	234,411	0	234,411	234,411	0	234,411	0	HF2770	PG 6 LN 7
Corrections Administration	7,662,297	8,165,695	0	8,165,695	9,650,695	0	9,650,695	1,485,000	HF2770	PG 6 LN 14
Corrections Education	2,608,109	3,108,109	0	3,108,109	3,108,109	0	3,108,109	0	HF2770	PG 7 LN 6
Iowa Corrections Offender Network	2,000,000	2,000,000	0	2,000,000	2,000,000	0	2,000,000	0	HF2770	PG 7 LN 23
Mental Health/Substance Abuse	28,065	28,065	0	28,065	28,065	0	28,065	0	HF2770	PG 7 LN 26
DOC - Department-Wide Duties	8,654,633	5,905,778	0	5,905,778	6,275,000	0	6,275,000	369,222	HF2770	PG 7 LN 29
State Cases Court Costs (Standing)	197	10,000	0	10,000	10,000	0	10,000	0	HF2770	
Central Office	$ 22,533,031	$ 20,797,377	$ 0	$ 20,797,377	$ 22,651,599	$ 0	$ 22,651,599	$ 1,854,222		
Fort Madison										
Ft. Madison Institution	$ 45,522,762	$ 46,561,722	$ 0	$ 46,561,722	$ 46,724,722	$ 0	$ 46,724,722	$ 163,000	HF2770	PG 4 LN 36
Anamosa										
Anamosa Institution	$ 38,887,065	$ 39,358,974	$ 0	$ 39,358,974	$ 40,255,974	$ 0	$ 40,255,974	$ 897,000	HF2770	PG 5 LN 1
Oakdale										
Oakdale Institution	$ 57,703,792	$ 58,954,020	$ 0	$ 58,954,020	$ 59,344,020	$ 0	$ 59,344,020	$ 390,000	HF2770	PG 5 LN 5
DOC Institutional Pharmaceuticals	9,925,417	10,175,417	0	10,175,417	10,175,417	0	10,175,417	0	HF2770	PG 5 LN 9
Oakdale	$ 67,629,209	$ 69,129,437	$ 0	$ 69,129,437	$ 69,519,437	$ 0	$ 69,519,437	$ 390,000		
Newton										
Newton Institution	$ 31,522,181	$ 32,279,092	$ 0	$ 32,279,092	$ 32,509,092	$ 0	$ 32,509,092	$ 230,000	HF2770	PG 5 LN 13
Mount Pleasant										
Mount Pleasant Institution	$ 29,729,489	$ 30,356,297	$ 0	$ 30,356,297	$ 30,619,297	$ 0	$ 30,619,297	$ 263,000	HF2770	PG 5 LN 17
Rockwell City										
Rockwell City Institution	$ 11,364,524	$ 11,721,579	$ 0	$ 11,721,579	$ 11,916,579	$ 0	$ 11,916,579	$ 195,000	HF2770	PG 5 LN 21
Clarinda										
Clarinda Institution	$ 28,625,610	$ 29,252,380	$ 0	$ 29,252,380	$ 29,678,380	$ 0	$ 29,678,380	$ 426,000	HF2770	PG 5 LN 25
Mitchellville										
Mitchellville Institution	$ 25,512,183	$ 26,082,539	$ 0	$ 26,082,539	$ 26,350,539	$ 0	$ 26,350,539	$ 268,000	HF2770	PG 5 LN 34
Fort Dodge										
Fort Dodge Institution	$ 33,279,423	$ 34,085,251	$ 0	$ 34,085,251	$ 34,467,251	$ 0	$ 34,467,251	$ 382,000	HF2770	PG 5 LN 38
CBC District 1										
CBC District I	$ 16,826,981	$ 17,301,981	$ 0	$ 17,301,981	$ 17,395,981	$ 0	$ 17,395,981	$ 94,000	HF2770	PG 8 LN 2
CBC District 2										
CBC District II	$ 13,637,109	$ 13,945,725	$ 0	$ 13,945,725	$ 14,105,725	$ 0	$ 14,105,725	$ 160,000	HF2770	PG 8 LN 8
CBC District 3										
CBC District III	$ 8,615,128	$ 8,915,376	$ 0	$ 8,915,376	$ 8,915,376	$ 0	$ 8,915,376	$ 0	HF2770	PG 8 LN 14
CBC District 4										
CBC District IV	$ 6,465,898	$ 6,465,898	$ 0	$ 6,465,898	$ 6,563,898	$ 0	$ 6,563,898	$ 98,000	HF2770	PG 8 LN 17

Justice System
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
CBC District 5										
CBC District V	$ 24,328,291	$ 25,006,813	$ 0	$ 25,006,813	$ 25,194,813	$ 0	$ 25,194,813	$ 188,000	HF2770	PG 8 LN 20
CBC District 6										
CBC District VI	$ 17,128,661	$ 17,406,811	$ 0	$ 17,406,811	$ 17,554,811	$ 0	$ 17,554,811	$ 148,000	HF2770	PG 8 LN 27
CBC District 7										
CBC District VII	$ 10,671,655	$ 11,003,457	$ 0	$ 11,003,457	$ 11,003,457	$ 0	$ 11,003,457	$ 0	HF2770	PG 8 LN 33
CBC District 8										
CBC District VIII	$ 10,001,148	$ 10,241,148	$ 0	$ 10,241,148	$ 10,259,926	$ 0	$ 10,259,926	$ 18,778	HF2770	PG 8 LN 39
Total Corrections, Department of	$ 442,280,348	$ 449,911,857	$ 0	$ 449,911,857	$ 455,686,857	$ 0	$ 455,686,857	$ 5,775,000		

Justice System
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Law Enforcement Academy										
Iowa Law Enforcement Academy										
Law Enforcement Academy	$ 2,904,407	$ 2,964,407	$ 0	$ 2,964,407	$ 2,919,407	$ 0	$ 2,919,407	$ -45,000	HF2770	PG 10 LN 31
Total Law Enforcement Academy	$ 2,904,407	$ 2,964,407	$ 0	$ 2,964,407	$ 2,919,407	$ 0	$ 2,919,407	$ -45,000		
Department of Inspections, Appeals, and Licensing										
DIAL - State Public Defender										
Public Defender	$ 33,477,894	$ 35,527,894	$ 0	$ 35,527,894	$ 38,627,894	$ 0	$ 38,627,894	$ 3,100,000	HF2770	PG 11 LN 30
Indigent Defense	43,606,374	42,726,374	0	42,726,374	41,576,374	0	41,576,374	-1,150,000	HF2770	PG 12 LN 3
Total Department of Inspections, Appeals, and Licensing	$ 77,084,268	$ 78,254,268	$ 0	$ 78,254,268	$ 80,204,268	$ 0	$ 80,204,268	$ 1,950,000		
Judicial Branch										
Judicial Branch										
Judicial Branch	$ 201,018,878	$ 202,691,378	$ 0	$ 202,691,378	$ 202,691,378	$ 0	$ 202,691,378	$ 0	HF2769	PG 1 LN 9
Jury & Witness Fee Revolving Fund	3,600,000	3,600,000	0	3,600,000	3,600,000	0	3,600,000	0	HF2769	PG 1 LN 23
Court-Ordered Services	3,290,000	3,290,000	0	3,290,000	3,290,000	0	3,290,000	0	HF2769	PG 2 LN 5
Graduated Sanctions	12,253,000	12,253,000	0	12,253,000	12,253,000	0	12,253,000	0	HF2769	PG 3 LN 16
Business Court of Iowa	0	0	0	0	500,000	0	500,000	500,000	HF2769	PG 3 LN 30
Total Judicial Branch	$ 220,161,878	$ 221,834,378	$ 0	$ 221,834,378	$ 222,334,378	$ 0	$ 222,334,378	$ 500,000		
Parole, Board of										
Parole Board										
Parole Board	$ 1,545,114	$ 1,545,114	$ 0	$ 1,545,114	$ 1,545,114	$ 0	$ 1,545,114	$ 0	HF2770	PG 12 LN 16
Total Parole, Board of	$ 1,545,114	$ 1,545,114	$ 0	$ 1,545,114	$ 1,545,114	$ 0	$ 1,545,114	$ 0		
Public Defense, Department of										
Public Defense, Dept. of										
Public Defense, Department of	$ 7,211,221	$ 7,267,855	$ 0	$ 7,267,855	$ 7,646,037	$ 0	$ 7,646,037	$ 378,182	HF2770	PG 12 LN 26
Total Public Defense, Department of	$ 7,211,221	$ 7,267,855	$ 0	$ 7,267,855	$ 7,646,037	$ 0	$ 7,646,037	$ 378,182		

Justice System
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Homeland Security and Emergency Mgmt.										
Homeland Security & Emergency Mgmt.										
Homeland Security & Emer. Mgmt.	$ 2,442,595	$ 2,446,138	$ 0	$ 2,446,138	$ 2,396,138	$ 0	$ 2,396,138	$ -50,000	HF2770	PG 13 LN 4
Total Homeland Security and Emergency Mgmt.	$ 2,442,595	$ 2,446,138	$ 0	$ 2,446,138	$ 2,396,138	$ 0	$ 2,396,138	$ -50,000		
Public Safety, Department of										
Public Safety, Dept. of										
Public Safety Administration	$ 7,092,910	$ 7,095,906	$ 0	$ 7,095,906	$ 7,325,444	$ 0	$ 7,325,444	$ 229,538	HF2770	PG 13 LN 28
Public Safety DCI	21,189,769	22,805,958	0	22,805,958	23,282,804	0	23,282,804	476,846	HF2770	PG 13 LN 34
Criminalistics Laboratory Fund	650,000	650,000	0	650,000	650,000	0	650,000	0	HF2770	PG 14 LN 5
Narcotics Enforcement	9,243,545	10,265,032	0	10,265,032	10,496,573	0	10,496,573	231,541	HF2770	PG 14 LN 13
Public Safety Undercover Funds	209,042	209,042	0	209,042	209,042	0	209,042	0	HF2770	PG 14 LN 34
Fire Marshal	3,418,466	3,554,935	0	3,554,935	3,635,378	0	3,635,378	80,443	HF2770	PG 14 LN 37
Iowa State Patrol	90,056,257	92,232,969	0	92,232,969	94,251,941	0	94,251,941	2,018,972	HF2770	PG 15 LN 9
DPS/SPOC Sick Leave Payout	279,517	279,517	0	279,517	279,517	0	279,517	0	HF2770	PG 15 LN 23
Fire Fighter Training	1,075,520	1,075,520	0	1,075,520	1,075,520	0	1,075,520	0	HF2770	PG 15 LN 28
Interoperable Communications Sys Board	115,661	115,661	0	115,661	115,661	0	115,661	0	HF2770	PG 15 LN 36
Human Trafficking Office	200,742	200,742	0	200,742	200,742	0	200,742	0	HF2770	PG 15 LN 39
Department-Wide Duties	5,149,789	3,058,667	0	3,058,667	3,430,000	0	3,430,000	371,333	HF2770	PG 16 LN 4
Public Safety Equipment Fund	2,500,000	0	0	0	0	0	0	0	HF2770	
Office of Drug Control Policy - DPS	249,219	249,219	0	249,219	270,546	0	270,546	21,327	HF2770	PG 16 LN 9
DPS-Task Force Assistance	2,000,000	0	0	0	0	0	0	0	HF2770	
Total Public Safety, Department of	$ 143,430,437	$ 141,793,168	$ 0	$ 141,793,168	$ 145,223,168	$ 0	$ 145,223,168	$ 3,430,000		
Total Justice System	$ 915,452,813	$ 924,933,800	$ 0	$ 924,933,800	$ 938,006,002	$ 0	$ 938,006,002	$ 13,072,202		

Unassigned Standings
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Administrative Services, Department of										
Administrative Services										
Volunteer EMS Provider Death Benefit	$ 100,000	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	STND	
State Accounting Trust Accounts										
Federal Cash Management - Standing	$ 2,963,156	$ 54,182	$ 0	$ 54,182	$ 54,182	$ 0	$ 54,182	$ 0	STND	
Unemployment Compensation - Standing	903,501	421,655	0	421,655	421,655	0	421,655	0	STND	
State Accounting Trust Accounts	$ 3,866,657	$ 475,837	$ 0	$ 475,837	$ 475,837	$ 0	$ 475,837	$ 0		
Total Administrative Services, Department of	$ 3,966,657	$ 475,837	$ 0	$ 475,837	$ 475,837	$ 0	$ 475,837	$ 0		
Agriculture and Land Stewardship, Dept of										
Agriculture and Land Stewardship										
Renewable Fuels Infrastructure Fund	$ 0	$ 0	$ 0	$ 0	$ 5,000,000	$ 0	$ 5,000,000	$ 5,000,000	STND	
Renewable Fuels Infra Fund - Reduction	0	0	0	0	-5,000,000	0	-5,000,000	-5,000,000	SF2484	PG 14 LN 24
Total Agriculture and Land Stewardship, Dept of	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0		
Education, Department of										
Education, Dept. of										
State Foundation School Aid	$ 3,785,535,412	$ 3,882,825,461	$ 0	$ 3,882,825,461	$ 3,981,681,713	$ 0	$ 3,981,681,713	$ 98,856,252	SF2201	
HF 2754 - Charter Schools	0	0	0	0	1,300,000	0	1,300,000	1,300,000	HF2754	
AEA State Aid Reduction	0	0	0	0	-25,000,000	0	-25,000,000	-25,000,000	HF2800	
Nonpublic School Transportation	8,992,865	8,997,091	0	8,997,091	14,005,269	0	14,005,269	5,008,178	STND	
Trans of Nonpublic Students-Change	0	0	0	0	-5,008,178	0	-5,008,178	-5,008,178	HF2800	
Sac and Fox Settlement Education	100,000	100,000	0	100,000	100,000	0	100,000	0	STND	
Instructional Support	0	0	0	0	14,800,000	0	14,800,000	14,800,000	STND	
Instructional Support - Adjustment	0	0	0	0	-14,800,000	0	-14,800,000	-14,800,000	HF2800	
Education Savings Accounts - Standing	218,048,012	327,859,472	0	327,859,472	349,646,976	0	349,646,976	21,787,504	SF2201	
Charter Schools - Standing	6,477,202	12,290,760	0	12,290,760	19,103,710	0	19,103,710	6,812,950	SF2201	
Education Support Personnel Salary Supplement	14,000,000	0	0	0	7,000,000	0	7,000,000	7,000,000	SF2201	
Total Education, Department of	$ 4,033,153,491	$ 4,232,072,784	$ 0	$ 4,232,072,784	$ 4,342,829,490	$ 0	$ 4,342,829,490	$ 110,756,706		
Executive Council										
Executive Council										
Court Costs	$ 418,290	$ 56,455	$ 0	$ 56,455	$ 56,455	$ 0	$ 56,455	$ 0	STND	
Public Improvements	0	9,575	0	9,575	9,575	0	9,575	0	STND	
Drainage Assessment	153,870	19,367	0	19,367	19,367	0	19,367	0	STND	
Total Executive Council	$ 572,160	$ 85,397	$ 0	$ 85,397	$ 85,397	$ 0	$ 85,397	$ 0		

Unassigned Standings
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Legislative Branch										
Legislative Branch										
Legislative Branch	$ 39,278,474	$ 42,070,813	$ 0	$ 42,070,813	$ 42,000,000	$ 0	$ 42,000,000	$ -70,813	STND	
Total Legislative Branch	$ 39,278,474	$ 42,070,813	$ 0	$ 42,070,813	$ 42,000,000	$ 0	$ 42,000,000	$ -70,813		
Health and Human Services, Department of										
Health and Human Services										
MHDS Regional Services Fund	$ 134,421,714	$ 134,694,168	$ 0	$ 134,694,168	$ 0	$ 0	$ 0	$ -134,694,168	STND	
Rent Reimbursement	11,310,164	13,320,000	0	13,320,000	13,320,000	0	13,320,000	0	STND	
Behavioral Health Fund - Standing	0	0	0	0	136,823,208	0	136,823,208	136,823,208	STND	
Total Health and Human Services, Department of	$ 145,731,878	$ 148,014,168	$ 0	$ 148,014,168	$ 150,143,208	$ 0	$ 150,143,208	$ 2,129,040		
Management, Department of										
Management, Dept. of										
Technology Reinvestment Fund	$ 0	$ 0	$ 0	$ 0	$ 17,500,000	$ 0	$ 17,500,000	$ 17,500,000	STND	
Technology Reinvest. Fund - Reduction	0	0	0	0	-17,500,000	0	-17,500,000	-17,500,000	HF1028	PG 3 LN 3
State Appeal Board Claims	24,751,878	4,504,630	0	4,504,630	4,504,630	0	4,504,630	0	STND	
Special Olympics Fund	100,000	100,000	0	100,000	100,000	0	100,000	0	STND	
Transportation Equity Fund	31,098,570	32,653,499	0	32,653,499	33,306,569	0	33,306,569	653,070	SF2201	
Total Management, Department of	$ 55,950,448	$ 37,258,129	$ 0	$ 37,258,129	$ 37,911,199	$ 0	$ 37,911,199	$ 653,070		
Public Defense, Department of										
Public Defense, Dept. of										
Compensation and Expense	$ 186,475	$ 342,556	$ 0	$ 342,556	$ 342,556	$ 0	$ 342,556	$ 0	STND	
Total Public Defense, Department of	$ 186,475	$ 342,556	$ 0	$ 342,556	$ 342,556	$ 0	$ 342,556	$ 0		
Public Safety, Department of										
Public Safety, Dept. of										
DPS - POR Unfunded Liabilities	$ 5,000,000	$ 5,000,000	$ 0	$ 5,000,000	$ 5,000,000	$ 0	$ 5,000,000	$ 0	STND	
Total Public Safety, Department of	$ 5,000,000	$ 5,000,000	$ 0	$ 5,000,000	$ 5,000,000	$ 0	$ 5,000,000	$ 0		

Unassigned Standings
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Item Veto FY 2027 (6)	Net Final Action FY 2027 (7)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Revenue, Department of										
Revenue, Dept. of										
Homestead Tax Credit Aid	$ 162,196,053	$ 162,524,423	$ 0	$ 162,524,423	$ 174,100,000	$ 0	$ 174,100,000	$ 11,575,577	STND	
Elderly & Disabled Tax Credit	3,540,013	4,327,772	0	4,327,772	3,500,000	0	3,500,000	-827,772	STND	
Ag Land Tax Credit	38,988,014	39,100,000	0	39,100,000	39,100,000	0	39,100,000	0	STND	
Comm & Industrial Prop Tax Replacement	50,770,795	36,667,901	0	36,667,901	22,561,071	0	22,561,071	-14,106,830	STND	
Business Property Tax Credit	119,515,656	125,000,000	0	125,000,000	125,000,000	0	125,000,000	0	STND	
Refund Cigarette Stamps	0	0	0	0	0	0	0	0		
Refund Income Corp & Franchise Sale	0	0	0	0	0	0	0	0		
Tobacco Products Tax Refund	0	0	0	0	0	0	0	0		
Inheritance Refund	0	0	0	0	0	0	0	0		
School Infrastructure Transfer	0	0	0	0	0	0	0	0		
Barrel Tax Refunds	2,885,487	2,000,000	0	2,000,000	2,000,000	0	2,000,000	0	STND	
Total Revenue, Department of	$ 377,896,019	$ 369,620,096	$ 0	$ 369,620,096	$ 366,261,071	$ 0	$ 366,261,071	$ -3,359,025		
Total Unassigned Standings	$ 4,661,735,602	$ 4,834,939,780	$ 0	$ 4,834,939,780	$ 4,945,048,758	$ 0	$ 4,945,048,758	$ 110,108,978		

Other Fund Appropriations to Departments for FY 2027

Summary Data
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)
Administration and Regulation	$ 72,403,331	$ 138,729,828	$ 78,870,511	$ 0	$ 78,870,511	$ -59,859,317
Agriculture and Natural Resources	98,732,384	101,076,667	119,241,122	0	119,241,122	18,164,455
Economic Development	34,366,084	34,391,084	34,691,084	0	34,691,084	300,000
Education	34,000,000	33,675,000	33,675,000	0	33,675,000	0
Health and Human Services	473,126,975	457,248,335	447,163,958	-3,000,000	444,163,958	-13,084,377
Justice System	20,591,877	20,686,028	21,468,128	0	21,468,128	782,100
Transportation, Infrastructure, and Capitals	689,460,754	735,341,971	703,993,417	0	703,993,417	-31,348,554
Unassigned Standings	108,978,599	117,334,618	173,350,268	-100,500,000	72,850,268	-44,484,350
Grand Total	$ 1,531,660,004	$ 1,638,483,531	$ 1,612,453,488	$ -103,500,000	$ 1,508,953,488	$ -129,530,043

Column Explanations:

(1) Actual FY 2025 - Represents the final year-end appropriations for FY 2025. Reversions are not deducted from the appropriations.

(2) Estimated Net FY 2026 - Represents the FY 2026 appropriations enacted during the 2025 Legislative Session after the Governor's item vetoes.

(3) Final Action FY 2027 - Represents the final legislative action for FY 2027 appropriations from the 2026 Legislative Session.

(4) Item Veto FY 2027 - Shows the Governor's item vetoes of the FY 2027 appropriations.

(5) Net Final Action FY 2027 - Represents the final enacted appropriations for FY 2027 after the Governor's item vetoes.

(6) Final Action FY27 vs Est Net FY26 - Represents the change in FY 2027 net appropriations compared to the Estimated Net FY 2026 Appropriations.

NOTE: The Governor item vetoed five appropriations that were passed by the General Assembly during the 2026 Legislative Session.

Act Totals
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)
HF2768 Administration and Regulation Appropriations Act	$ 72,403,331	$ 138,729,828	$ 78,870,511	$ 0	$ 78,870,511	$ -59,859,317
HF2770 Justice System Appropriations Act	20,591,877	20,686,028	21,468,128	0	21,468,128	782,100
HF2771 Agriculture and Natural Resources Appropriations Act	98,732,384	101,076,667	119,241,122	0	119,241,122	18,164,455
HF2772 Economic Development Appropriations Act	34,366,084	34,391,084	34,691,084	0	34,691,084	300,000
HF2782 Health and Human Services Appropriations Act	439,101,749	457,248,335	447,163,958	-3,000,000	444,163,958	-13,084,377
HF2783 Education Appropriations Act	34,000,000	33,675,000	33,675,000	0	33,675,000	0
HF2800 Standing Appropriations Act	0	0	104,500,000	-100,500,000	4,000,000	4,000,000
SF2168 Reemployment Case Management and Unemployment Insurance Processing Act	0	0	1,500,000	0	1,500,000	1,500,000
SF2478 Transportation Appropriations Act	467,956,452	513,229,730	495,059,201	0	495,059,201	-18,170,529
SF2484 Infrastructure Appropriations Act	190,873,813	161,217,611	199,447,633	0	199,447,633	38,230,022
STND Current Law Standing Appropriations	173,634,314	178,229,248	76,836,851	0	76,836,851	-101,392,397
Grand Total	$ 1,531,660,004	$ 1,638,483,531	$ 1,612,453,488	$ -103,500,000	$ 1,508,953,488	$ -129,530,043

The appropriations that comprise the Current Law Standing Appropriations (STND) are appropriations that are established in the Iowa Code and are not associated with an individual appropriations act. If a standing appropriation is altered in session law, that standing appropriation is included in the respective appropriations act total. For purposes of this report, Current Law Standing Appropriations also include appropriations for one-time projects that received an appropriation for FY 2027 that were enacted in a prior legislative session.

Administration and Regulation
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Management, Department of								
Management, Dept. of								
DOM Operations - RUTF	$ 56,000	$ 56,000	$ 56,000	$ 0	$ 56,000	$ 0	HF2768	PG 12 LN 14
Total Management, Department of	$ 56,000	$ 56,000	$ 56,000	$ 0	$ 56,000	$ 0		
Iowa Public Employees' Retirement System								
IPERS Administration								
Administration - IPERS	$ 22,789,430	$ 26,330,702	$ 26,330,702	$ 0	$ 26,330,702	$ 0	HF2768	PG 12 LN 23
Pension Administrative System (PAS) - IPERS	0	60,000,000	0	0	0	-60,000,000	HF2768	
Total Iowa Public Employees' Retirement System	$ 22,789,430	$ 86,330,702	$ 26,330,702	$ 0	$ 26,330,702	$ -60,000,000		
Revenue, Department of								
Revenue, Dept. of								
Motor Fuel Tax Admin - MVFT	$ 1,305,775	$ 1,305,775	$ 1,305,775	$ 0	$ 1,305,775	$ 0	HF2768	PG 13 LN 26
Total Revenue, Department of	$ 1,305,775	$ 1,305,775	$ 1,305,775	$ 0	$ 1,305,775	$ 0		
Secretary of State, Office of the								
Secretary of State								
Address Confidentiality Program - ACRF	$ 195,400	$ 195,400	$ 195,400	$ 0	$ 195,400	$ 0	HF2768	PG 14 LN 19
Total Secretary of State, Office of the	$ 195,400	$ 195,400	$ 195,400	$ 0	$ 195,400	$ 0		
Treasurer of State, Office of								
Treasurer of State								
State Accounting Sys. Expenses - RUTF	$ 316,788	$ 316,788	$ 316,788	$ 0	$ 316,788	$ 0	HF2768	PG 15 LN 19
Total Treasurer of State, Office of	$ 316,788	$ 316,788	$ 316,788	$ 0	$ 316,788	$ 0		
Department of Inspections, Appeals, and Licensing								
Inspections, Appeals, & Licensing, Department of								
DIAL Professional Licensing - SHTF	$ 62,317	$ 62,317	$ 0	$ 0	$ 0	$ -62,317	HF2768	
DIAL Administrative Hearings - RUTF	1,623,897	1,623,897	1,623,897	0	1,623,897	0	HF2768	PG 9 LN 27
Inspections, Appeals, & Licensing, Department of	$ 1,686,214	$ 1,686,214	$ 1,623,897	$ 0	$ 1,623,897	$ -62,317		
DIAL - Racing and Gaming Commission								
Gaming Regulation - GRF	$ 7,448,600	$ 7,621,999	$ 8,049,999	$ 0	$ 8,049,999	$ 428,000	HF2768	PG 9 LN 11
Total Department of Inspections, Appeals, and Licensing	$ 9,134,814	$ 9,308,213	$ 9,673,896	$ 0	$ 9,673,896	$ 365,683		

Administration and Regulation
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Insurance & Financial Services, Department of								
DIFS - Banking Division								
Banking Division - CMRF	$ 14,343,523	$ 14,881,690	$ 14,881,690	$ 0	$ 14,881,690	$ 0	HF2768	PG 10 LN 5
DIFS - Credit Union								
Credit Union Division - CMRF	$ 2,875,989	$ 3,018,710	$ 3,018,710	$ 0	$ 3,018,710	$ 0	HF2768	PG 10 LN 11
DIFS - Insurance								
PSAO Report - CMRF	$ 0	$ 225,000	$ 0	$ 0	$ 0	$ -225,000	HF2768	
Insurance Division - CMRF	9,726,541	11,010,719	11,010,719	0	11,010,719	0	HF2768	PG 10 LN 17
DIFS - Insurance	$ 9,726,541	$ 11,235,719	$ 11,010,719	$ 0	$ 11,010,719	$ -225,000		
Total Insurance & Financial Services, Department of	$ 26,946,053	$ 29,136,119	$ 28,911,119	$ 0	$ 28,911,119	$ -225,000		
Utilities Commission								
Utilities Commission								
Utilities Division - CMRF	$ 11,659,071	$ 12,080,831	$ 12,080,831	$ 0	$ 12,080,831	$ 0	HF2768	PG 15 LN 28
Total Utilities Commission	$ 11,659,071	$ 12,080,831	$ 12,080,831	$ 0	$ 12,080,831	$ 0		
Total Administration and Regulation	$ 72,403,331	$ 138,729,828	$ 78,870,511	$ 0	$ 78,870,511	$ -59,859,317		

Agriculture and Natural Resources
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Agriculture and Land Stewardship, Dept of								
Agriculture and Land Stewardship								
Native Horse & Dog Prog - Unclaimed Winnings	$ 305,516	$ 305,516	$ 305,516	$ 0	$ 305,516	$ 0	HF2771	PG 2 LN 7
Motor Fuel Inspection - RFIF	500,000	500,000	500,000	0	500,000	$ 0	HF2771	PG 2 LN 19
Butchery Innovation and Revitalization - SWJCF	0	249,695	0	0	0	$ -249,695	HF2771	
Conservation Reserve Enhancement - EFF	1,000,000	1,000,000	1,000,000	0	1,000,000	$ 0	HF2771	PG 14 LN 6
Watershed Protection Fund - EFF	900,000	900,000	900,000	0	900,000	$ 0	HF2771	PG 14 LN 22
Conservation Reserve Prog - EFF	900,000	900,000	900,000	0	900,000	$ 0	HF2771	PG 14 LN 30
Soil Cons. & Water Quality Cost Share Program - EFF	8,325,000	8,325,000	8,325,000	0	8,325,000	$ 0	HF2771	PG 14 LN 39
Soil & Water Conservation - EFF	3,800,000	3,800,000	3,800,000	0	3,800,000	$ 0	HF2771	PG 16 LN 6
Water Quality Initiative - EFF	2,375,000	2,375,000	2,375,000	0	2,375,000	$ 0	HF2771	PG 18 LN 16
Choose Iowa Food Program - Blufflands	100,000	0	0	0	0	$ 0	HF2771	
FAD Equipment - IADPF	0	250,000	150,000	0	150,000	$ -100,000	HF2771	PG 21 LN 9
FAD Vaccines - IADPF	0	100,000	100,000	0	100,000	$ 0	HF2771	PG 21 LN 14
FAD General - IADPF	0	100,000	200,000	0	200,000	$ 100,000	HF2771	PG 21 LN 18
DALS Information Technology Upgrades - IADPF	0	450,000	160,000	0	160,000	$ -290,000	HF2771	PG 21 LN 21
Total Agriculture and Land Stewardship, Dept of	$ 18,205,516	$ 19,255,211	$ 18,715,516	$ 0	$ 18,715,516	$ -539,695		

Agriculture and Natural Resources
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Natural Resources, Department of								
Natural Resources								
Fish & Game - DNR Admin Expenses	$ 51,404,790	$ 53,095,606	$ 53,095,606	$ 0	$ 53,095,606	$ 0	HF2771	PG 7 LN 6
GWPF - Storage Tanks Study	100,303	100,303	100,303	0	100,303	$ 0	HF2771	
GWPF - Household Hazardous Waste	447,324	447,324	447,324	0	447,324	$ 0	HF2771	
GWPF - Well Testing Admin 2%	62,461	62,461	62,461	0	62,461	$ 0	HF2771	
GWPF - Groundwater Monitoring	1,686,751	1,686,751	1,686,751	0	1,686,751	$ 0	HF2771	
GWPF - Landfill Alternatives	618,993	618,993	618,993	0	618,993	$ 0	HF2771	
GWPF - Waste Reduction and Assistance	192,500	192,500	192,500	0	192,500	$ 0	HF2771	
GWPF - Solid Waste Alternatives	50,000	50,000	50,000	0	50,000	$ 0	HF2771	
GWPF - Geographic Information System	297,518	297,518	297,518	0	297,518	$ 0	HF2771	
GWPF - Water Quality Monitoring	0	0	300,000	0	300,000	$ 300,000	HF2771	PG 8 LN 7
GWPF - Water Quality	0	0	176,150	0	176,150	$ 176,150	HF2771	PG 8 LN 21
Snowmobile Registration Fees Fund	100,000	100,000	100,000	0	100,000	$ 0	HF2771	PG 8 LN 39
Administration Match - UST	200,000	0	0	0	0	$ 0	HF2771	
State Park Operations & Maintenance - EFF	6,235,000	6,235,000	6,235,000	0	6,235,000	$ 0	HF2771	PG 16 LN 19
GIS Information for Watershed - EFF	195,000	195,000	195,000	0	195,000	$ 0	HF2771	PG 16 LN 23
Water Quality Monitoring - EFF	2,955,000	2,955,000	2,955,000	0	2,955,000	$ 0	HF2771	PG 16 LN 28
Water Quality Protection - EFF	500,000	500,000	500,000	0	500,000	$ 0	HF2771	PG 16 LN 32
Animal Feeding Operations - EFF	1,320,000	1,320,000	1,320,000	0	1,320,000	$ 0	HF2771	PG 16 LN 36
Floodplain Mgmt and Dam Safety - EFF	375,000	375,000	375,000	0	375,000	$ 0	HF2771	PG 17 LN 1
Ambient Air Quality Monitoring - EFF	425,000	425,000	425,000	0	425,000	$ 0	HF2771	PG 17 LN 4
REAP - EFF	12,000,000	12,000,000	12,000,000	0	12,000,000	$ 0	HF2771	PG 20 LN 21
State Park Accessibility - Blufflands	296,228	0	0	0	0	$ 0	HF2771	
Water Quality Monitoring (Standing) - WQFAF	0	0	500,000	0	500,000	$ 500,000	HF2771	PG 22 LN 16
Total Natural Resources, Department of	$ 79,461,868	$ 80,656,456	$ 81,632,606	$ 0	$ 81,632,606	$ 976,150		

Agriculture and Natural Resources
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Regents, Board of								
Regents, Board of								
ISU - Vet Diagnostic Lab - Iowa Nutrient Research Fund	$ 120,000	$ 120,000	$ 120,000	$ 0	$ 120,000	$ 0	HF2771	PG 11 LN 16
SUI - Groundwater Plan. & Resource Assess. - GWPF	0	0	78,000	0	78,000	$ 78,000	HF2771	PG 13 LN 10
SUI - Geological and Water Survey Oper. - EFF	200,000	200,000	200,000	0	200,000	$ 0	HF2771	PG 17 LN 16
SUI - Water Resource Management - EFF	495,000	495,000	495,000	0	495,000	$ 0	HF2771	PG 17 LN 23
SUI - Groundwater Plan. & Resource Assess. - Blufflands	250,000	0	0	0	0	$ 0	HF2771	
ISU - Vet Diagnostic Lab Equipment - IADPF	0	250,000	0	0	0	$ -250,000	HF2771	
ISU - Livestock Disease Research Fund - IADPF	0	100,000	0	0	0	$ -100,000	HF2771	
Total Regents, Board of	$ 1,065,000	$ 1,165,000	$ 893,000	$ 0	$ 893,000	$ -272,000		
Iowa Finance Authority								
Iowa Finance Authority								
Waste & Drinking Water Treatment Assist. Program - RIIF	$ 0	$ 0	$ 8,000,000	$ 0	$ 8,000,000	$ 8,000,000	HF2771	PG 21 LN 31
Rural Infrastructure Bank Revolving Fund - RIIF	0	0	10,000,000	0	10,000,000	$ 10,000,000	HF2771	PG 22 LN 8
Total Iowa Finance Authority	$ 0	$ 0	$ 18,000,000	$ 0	$ 18,000,000	$ 18,000,000		
Total Agriculture and Natural Resources	$ 98,732,384	$ 101,076,667	$ 119,241,122	$ 0	$ 119,241,122	$ 18,164,455		

Economic Development
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Economic Development Authority								
Economic Development Authority								
High Quality Jobs Program - SWJCF	$ 11,700,000	$ 11,700,000	$ 0	$ 0	$ 0	$ -11,700,000	HF2772	
Business Incentives for Growth - SWJCF	0	0	11,700,000	0	11,700,000	11,700,000	HF2772	PG 10 LN 32
Manufacturing 4.0 Program - SWJCF	2,016,675	2,016,675	2,350,000	0	2,350,000	333,325	HF2772	PG 11 LN 10
Empower Rural Iowa Program - SWJCF	700,000	700,000	700,000	0	700,000	0	HF2772	PG 11 LN 13
Total Economic Development Authority	$ 14,416,675	$ 14,416,675	$ 14,750,000	$ 0	$ 14,750,000	$ 333,325		
Workforce Development, Department of								
Iowa Workforce Development								
Field Offices - Spec Cont Fund	$ 2,416,084	$ 4,616,084	$ 4,616,084	$ 0	$ 4,616,084	$ 0	HF2772	PG 10 LN 11
Field Offices - UI Reserve Interest	2,200,000	0	0	0	0	0	HF2772	
AMOS Mid-Iowa Organizing Strategy - SWJCF	100,000	0	0	0	0	0	HF2772	
Workforce Prep Outcome Rep - SWJCF	0	125,000	125,000	0	125,000	0	HF2772	PG 14 LN 23
Adult Ed and Literacy for the Workforce - SWJCF	5,500,000	5,500,000	4,500,000	0	4,500,000	-1,000,000	HF2772	PG 14 LN 28
STEM Internships - SWJCF	633,325	633,325	0	0	0	-633,325	HF2772	
Total Workforce Development, Department of	$ 10,849,409	$ 10,874,409	$ 9,241,084	$ 0	$ 9,241,084	$ -1,633,325		
Regents, Board of								
Regents, Board of								
Regents Innovation Fund - SWJCF	$ 3,000,000	$ 3,000,000	$ 3,000,000	$ 0	$ 3,000,000	$ 0	HF2772	PG 11 LN 15
ISU - Economic Development - SWJCF	2,424,302	2,424,302	2,424,302	0	2,424,302	0	HF2772	PG 12 LN 10
SUI - Economic Development - SWJCF	209,279	209,279	209,279	0	209,279	0	HF2772	PG 13 LN 13
SUI - Entrepreneur and Econ Growth - SWJCF	2,000,000	2,000,000	2,000,000	0	2,000,000	0	HF2772	PG 13 LN 25
UNI - Economic Development - SWJCF	1,466,419	1,466,419	1,466,419	0	1,466,419	0	HF2772	PG 13 LN 30
UNI - Workforce Development - SWJCF	0	0	1,000,000	0	1,000,000	1,000,000	HF2772	PG 14 LN 8
UNI - Nursing Program Expansion - SWJCF	0	0	600,000	0	600,000	600,000	HF2772	PG 14 LN 16
Total Regents, Board of	$ 9,100,000	$ 9,100,000	$ 10,700,000	$ 0	$ 10,700,000	$ 1,600,000		
Total Economic Development	$ 34,366,084	$ 34,391,084	$ 34,691,084	$ 0	$ 34,691,084	$ 300,000		

Education
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Education, Department of								
Education, Dept. of								
Skilled Workforce Shortage Tuition Grant - SWJCF	$ 5,000,000	$ 5,000,000	$ 5,000,000	$ 0	$ 5,000,000	$ 0	HF2783	PG 12 LN 25
Workforce Training & Econ Dev Funds - SWJCF	15,100,000	15,100,000	15,100,000	0	15,100,000	0	HF2783	PG 12 LN 28
Workforce Infrastructure Fund - SWJCF	0	0	6,000,000	0	6,000,000	6,000,000	HF2783	PG 12 LN 35
ACE Infrastructure - SWJCF	6,000,000	6,000,000	0	0	0	-6,000,000	HF2783	
PACE and Regional Sectors - SWJCF	5,000,000	4,800,000	4,800,000	0	4,800,000	0	HF2783	PG 13 LN 22
Gap Tuition Assistance Fund - SWJCF	2,000,000	2,000,000	2,000,000	0	2,000,000	0	HF2783	PG 13 LN 25
Workforce Prep. Outcome Reporting - SWJCF	200,000	75,000	75,000	0	75,000	0	HF2783	PG 13 LN 28
STEM Best - SWJCF	700,000	700,000	700,000	0	700,000	0	HF2783	PG 13 LN 34
Total Education, Department of	$ 34,000,000	$ 33,675,000	$ 33,675,000	$ 0	$ 33,675,000	$ 0		
Total Education	$ 34,000,000	$ 33,675,000	$ 33,675,000	$ 0	$ 33,675,000	$ 0		

Health and Human Services
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Health and Human Services, Department of								
Health and Human Services								
Opioid Treatment Program - OSF	$ 0	$ 0	$ 3,000,000	$ -3,000,000	$ 0	$ 0	HF2782	PG 31 LN 14
Medical Assistance - BHF	0	0	5,580,938	0	5,580,938	5,580,938	HF2782	PG 14 LN 37
Health Program Operations - PSA	234,193	234,193	234,193	0	234,193	0	HF2782	PG 13 LN 22
Medical Assistance - QATF	111,216,205	111,216,205	111,216,205	0	111,216,205	0	HF2782	PG 13 LN 34
Medical Assistance - HHCAT	33,920,554	33,920,554	33,920,554	0	33,920,554	0	HF2782	PG 14 LN 16
Behavioral Analysis Treatment - ASF	750,000	0	0	0	0	0	HF2782	
Central Data Repository - RIF	645,179	0	0	0	0	0	STND	
988 Suicide and Crisis Line - RIF	3,000,000	0	0	0	0	0	STND	
Behavioral Health System Implementation - RIF	1,000,000	0	0	0	0	0	STND	
Behavioral Health Continuity of Care - RIF	380,047	0	0	0	0	0	STND	
Opioid Initiatives - OSF	29,000,000	0	0	0	0	0	STND	
Gambling Treatment Program - SWRF	1,750,000	1,750,000	1,750,000	0	1,750,000	0	HF2782	PG 4 LN 33
Medical Assistance - MFF	744,869	150,000	150,000	0	150,000	0	HF2782	
Medical Assistance - HCTF	176,470,000	150,997,000	137,639,000	0	137,639,000	-13,358,000	HF2782	
Health and Human Services	$ 359,111,047	$ 298,267,952	$ 293,490,890	$ -3,000,000	$ 290,490,890	$ -7,777,062		
HHS - Human Services								
Community Access and Eligibility - TANF	$ 15,347,831	$ 12,988,627	$ 12,566,312	$ 0	$ 12,566,312	$ -422,315	HF2782	PG 10 LN 8
Core Purposes - TANF	0	25,000,000	25,000,000	0	25,000,000	0	HF2782	PG 10 LN 27
FaDSS - TANF	2,736,168	0	0	0	0	0	HF2782	
Administration and Compliance - TANF	3,288,458	3,533,647	3,533,647	0	3,533,647	0	HF2782	PG 10 LN 38
Child Care Assistance - TANF	26,205,412	47,166,826	42,281,826	0	42,281,826	-4,885,000	HF2782	PG 11 LN 4
Child Protective Service - TANF	64,716,156	65,364,100	65,364,100	0	65,364,100	0	HF2782	PG 11 LN 6
Early Intervention and Supports - TANF	0	3,013,980	3,013,980	0	3,013,980	0	HF2782	PG 10 LN 34
HHS - Human Services	$ 112,294,025	$ 157,067,180	$ 151,759,865	$ 0	$ 151,759,865	$ -5,307,315		
HHS - Assistance Payment								
Pregnancy Prevention - TANF	$ 1,721,903	$ 1,913,203	$ 1,913,203	$ 0	$ 1,913,203	$ 0	HF2782	PG 10 LN 10
Total Health and Human Services, Department of	$ 473,126,975	$ 457,248,335	$ 447,163,958	$ -3,000,000	$ 444,163,958	$ -13,084,377		
Total Health and Human Services	$ 473,126,975	$ 457,248,335	$ 447,163,958	$ -3,000,000	$ 444,163,958	$ -13,084,377		

Justice System
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Attorney General								
Consumer Advocate								
Consumer Advocate - CMRF	$ 3,763,937	$ 3,784,047	$ 3,784,047	$ 0	$ 3,784,047	$ 0	HF2770	PG 5 LN 22
Justice, Dept. of								
Farm Mediation Services - CEF	$ 300,000	$ 300,000	$ 300,000	$ 0	$ 300,000	$ 0	HF2770	PG 20 LN 28
AG Prosecutions and Appeals - CEF	2,000,000	2,000,000	2,000,000	0	2,000,000	0	HF2770	PG 20 LN 31
Consumer Fraud - Public Ed & Enforce (Standing) - CEF	1,875,000	1,875,000	1,875,000	0	1,875,000	0	HF2770	
Older Iowans Consumer Fraud (Standing) - CEF	125,000	125,000	125,000	0	125,000	0	HF2770	
Justice, Dept. of	$ 4,300,000	$ 4,300,000	$ 4,300,000	$ 0	$ 4,300,000	$ 0		
Total Attorney General	$ 8,063,937	$ 8,084,047	$ 8,084,047	$ 0	$ 8,084,047	$ 0		
Public Safety, Department of								
Public Safety, Dept. of								
DPS Gaming Enforcement - GEF	$ 12,227,940	$ 12,301,981	$ 13,084,081	$ 0	$ 13,084,081	$ 782,100	HF2770	PG 19 LN 13
Total Public Safety, Department of	$ 12,227,940	$ 12,301,981	$ 13,084,081	$ 0	$ 13,084,081	$ 782,100		
Homeland Security and Emergency Mgmt.								
Homeland Security & Emergency Mgmt.								
911 Emerg Comm Admin - 911 Surcharge	$ 300,000	$ 300,000	$ 300,000	$ 0	$ 300,000	$ 0	HF2770	PG 20 LN 8
Total Homeland Security and Emergency Mgmt.	$ 300,000	$ 300,000	$ 300,000	$ 0	$ 300,000	$ 0		
Total Justice System	$ 20,591,877	$ 20,686,028	$ 21,468,128	$ 0	$ 21,468,128	$ 782,100		

Transportation, Infrastructure, and Capitals
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Administrative Services Capitals								
Administrative Services - Capitals								
Major Maintenance - RIIF	$ 22,000,000	$ 22,000,000	$ 22,000,000	$ 0	$ 22,000,000	$ 0	STND	
Major Maintenance IVH Paving Repairs - RIIF	0	0	180,000	0	180,000	180,000	SF2484	PG 2 LN 1
Historical Building Repairs - RIIF	0	5,000,000	0	0	0	-5,000,000	SF2484	
Routine Maintenance (Standing) - RIIF	2,000,000	2,000,000	2,000,000	0	2,000,000	0	STND	
Elevator Upgrades/Replacements - RIIF	5,364,500	0	0	0	0	0	SF2484	
Major Main. W. Capitol Steps - RIIF	2,000,000	0	0	0	0	0	SF2484	
Underground Railroad Markers - RIIF	0	40,000	0	0	0	-40,000	SF2484	
Terrace Hill - RIIF	0	0	1,000,000	0	1,000,000	1,000,000	SF2484	PG 1 LN 22
Total Administrative Services Capitals	$ 31,364,500	$ 29,040,000	$ 25,180,000	$ 0	$ 25,180,000	$ -3,860,000		
Agriculture and Land Stewardship, Dept of								
Agriculture and Land Stewardship								
Water Quality Initiative - RIIF	$ 8,200,000	$ 8,200,000	$ 8,200,000	$ 0	$ 8,200,000	$ 0	SF2484	PG 2 LN 8
Renewable Fuel Infra. Fund - RIIF	10,000,000	10,000,000	0	0	0	-10,000,000	SF2484	
Fertilizer Management - RIIF	1,000,000	1,000,000	1,000,000	0	1,000,000	0	SF2484	PG 4 LN 10
Renewable Fuel Infra. Fund - Supplement - RIIF	2,000,000	0	0	0	0	0	SF2484	
Renewable Fuel Infra. Fund - Corrective Awards - RIIF	2,000,000	0	0	0	0	0	SF2484	
Total Agriculture and Land Stewardship, Dept of	$ 23,200,000	$ 19,200,000	$ 9,200,000	$ 0	$ 9,200,000	$ -10,000,000		
Veterans Affairs, Department of								
Veterans Affairs, Dept. of								
Cemetery Equipment Replacement - RIIF	$ 168,388	$ 0	$ 0	$ 0	$ 0	$ 0	SF2484	
Total Veterans Affairs, Department of	$ 168,388	$ 0	$ 0	$ 0	$ 0	$ 0		
Attorney General								
Justice, Dept. of								
AG Cybersecurity and Technology - TRF	$ 278,503	$ 0	$ 0	$ 0	$ 0	$ 0	SF2484	
Total Attorney General	$ 278,503	$ 0	$ 0	$ 0	$ 0	$ 0		
Blind Capitals, Department for the								
Dept. for the Blind Capitals								
Building Repairs - RIIF	$ 225,600	$ 559,000	$ 250,000	$ 0	$ 250,000	$ -309,000	SF2484	PG 4 LN 24
Total Blind Capitals, Department for the	$ 225,600	$ 559,000	$ 250,000	$ 0	$ 250,000	$ -309,000		

Transportation, Infrastructure, and Capitals
Other Funds

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Corrections Capitals								
Corrections Capitals								
DOC Technology - TRF	$ 0	$ 0	$ 697,425	$ 0	$ 697,425	$ 697,425	SF2484	PG 9 LN 36
Camera System Upgrades - TRF	2,464,779	0	0	0	0	0	SF2484	
IMCC Pharmacy Technology Upgrades - TRF	200,000	0	0	0	0	0	SF2484	
IMCC Data and Voice Network Switching Replac. - TRF	100,000	0	0	0	0	0	SF2484	
ICIW Data and Voice Network Switching Replac. - TRF	500,000	0	0	0	0	0	SF2484	
IMCC ICIW Server Replacements - TRF	200,000	0	0	0	0	0	SF2484	
CBC Technology Updates - TRF	139,500	0	0	0	0	0	SF2484	
DOC FY26 Technology Projects and Upgrades -TRF	0	3,013,466	0	0	0	-3,013,466	SF2484	
DOC - CBC District 4 Renovation and Office Construction - RI	0	4,163,847	2,775,898	0	2,775,898	-1,387,949	STND	
Total Corrections Capitals	$ 3,604,279	$ 7,177,313	$ 3,473,323	$ 0	$ 3,473,323	$ -3,703,990		
Economic Development Authority								
Economic Development Authority								
Community Attraction & Tourism Grants - RIIF	$ 10,000,000	$ 10,000,000	$ 10,000,000	$ 0	$ 10,000,000	$ 0	SF2484	PG 4 LN 30
Destination Iowa - RIIF	10,000,000	10,000,000	10,000,000	0	10,000,000	0	SF2484	PG 4 LN 35
Regional Sports Authorities - RIIF	700,000	750,000	1,000,000	0	1,000,000	250,000	SF2484	PG 5 LN 12
National Junior Olympics - RIIF	0	0	250,000	0	250,000	250,000	SF2484	PG 5 LN 18
Rural YMCA Grant Program - RIIF	250,000	0	0	0	0	0	SF2484	
USS Iowa Battleship - Deck Renov. - RIIF	750,000	0	0	0	0	0	SF2484	
IEDA Technology Reinvestment Projects - TRF	0	5,375,000	0	0	0	-5,375,000	SF2484	
Strategic Infrastructure Program Fund - RIIF	0	0	10,000,000	0	10,000,000	10,000,000	SF2484	PG 5 LN 1
Library and Museum Renovation Project - RIIF	0	0	1,000,000	0	1,000,000	1,000,000	SF2484	PG 5 LN 6
Facility Enhancement - RIIF	0	0	7,000,000	0	7,000,000	7,000,000	SF2484	PG 5 LN 23
Total Economic Development Authority	$ 21,700,000	$ 26,125,000	$ 39,250,000	$ 0	$ 39,250,000	$ 13,125,000		

Transportation, Infrastructure, and Capitals
Other Funds

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Education, Department of								
Education, Dept. of								
Statewide Ed Data Warehouse - TRF	$ 600,000	$ 600,000	$ 600,000	$ 0	$ 600,000	$ 0	SF2484	PG 10 LN 15
ICN Part III Leases & Maintenance - TRF	2,727,000	2,727,000	2,727,000	0	2,727,000	0	SF2484	PG 10 LN 25
Education, Dept. of	$ 3,327,000	$ 3,327,000	$ 3,327,000	$ 0	$ 3,327,000	$ 0		
Iowa PBS								
Digital Asset Management System - TRF	$ 196,000	$ 0	$ 0	$ 0	$ 0	$ 0	SF2484	
Total Education, Department of	$ 3,523,000	$ 3,327,000	$ 3,327,000	$ 0	$ 3,327,000	$ 0		
Education Capitals								
Education Capitals								
Giangreco Building Roof - RIIF	$ 0	$ 0	$ 4,430,000	$ 0	$ 4,430,000	$ 4,430,000	SF2484	PG 5 LN 29
Total Education Capitals	$ 0	$ 0	$ 4,430,000	$ 0	$ 4,430,000	$ 4,430,000		
General Assembly Capitals								
Legislature-Capitals								
State Capitol Maintenance Fund - RIIF	$ 500,000	$ 500,000	$ 750,000	$ 0	$ 750,000	$ 250,000	SF2484	PG 9 LN 21
Total General Assembly Capitals	$ 500,000	$ 500,000	$ 750,000	$ 0	$ 750,000	$ 250,000		

Transportation, Infrastructure, and Capitals
Other Funds

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Health and Human Services, Department of								
Health and Human Services								
On With Life Infrastructure - RIIF	$ 0	$ 0	$ 4,000,000	$ 0	$ 4,000,000	$ 4,000,000	SF2484	PG 5 LN 36
Lucas Building Renovation - RIIF	5,000,000	0	0	0	0	0	SF2484	
CCUSO Patient Doors Conversion - RIIF	50,000	0	0	0	0	0	SF2484	
CCUSO Renovation - RIIF	7,000,000	0	0	0	0	0	SF2484	
Woodward Tunnel Decentralization - RIIF	14,500,000	14,275,000	0	0	0	-14,275,000	STND	
Iowa Medical Examiner Office Expansion - RIIF	5,000,000	28,000,000	3,300,000	0	3,300,000	-24,700,000	STND	
MEME Maint. & Operations - TRF	330,000	0	0	0	0	0	SF2484	
Criminal Justice Info System (CJIS) - TRF	1,400,000	0	0	0	0	0	SF2484	
Justice Data Warehouse - TRF	282,664	0	0	0	0	0	SF2484	
Medicaid Technology - TRF	1,335,178	0	0	0	0	0	SF2484	
State Poison Control Center - TRF	34,000	34,000	42,080	0	42,080	8,080	SF2484	PG 11 LN 2
Public Assistance Oversight - SNAP FIP IT - TRF	0	0	10,000,000	0	10,000,000	10,000,000	SF2484	PG 10 LN 29
Public Assistance Oversight - Data Sources - TRF	0	0	1,633,361	0	1,633,361	1,633,361	SF2484	PG 10 LN 32
OBBBA IT Costs - TRF	0	0	3,473,690	0	3,473,690	3,473,690	SF2484	PG 10 LN 35
Total Health and Human Services, Department of	$ 34,931,842	$ 42,309,000	$ 22,449,131	$ 0	$ 22,449,131	$ -19,859,869		
Iowa Finance Authority								
Iowa Finance Authority								
State Housing Trust Fund (STND) - RIIF	$ 3,000,000	$ 3,000,000	$ 3,000,000	$ 0	$ 3,000,000	$ 0	STND	
Total Iowa Finance Authority	$ 3,000,000	$ 3,000,000	$ 3,000,000	$ 0	$ 3,000,000	$ 0		
Judicial Branch Capitals								
Judicial Branch Capitals								
Judicial Building Improvements - RIIF	$ 475,000	$ 0	$ 0	$ 0	$ 0	$ 0	SF2484	
Dallas Co Courthouse Renovation & Furniture - RIIF	481,200	0	0	0	0	0	SF2484	
Johnson Co Courthouse Renovation & Furniture - RIIF	111,000	0	0	0	0	0	SF2484	
Total Judicial Branch Capitals	$ 1,067,200	$ 0	$ 0	$ 0	$ 0	$ 0		

Transportation, Infrastructure, and Capitals
Other Funds

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Law Enforcement Academy								
Iowa Law Enforcement Academy								
Iowa Driving Training Facility - RIIF	$ 0	$ 15,000,000	$ 0	$ 0	$ 0	$ -15,000,000	SF2484	
Firearms Range Training Facility - RIIF	0	0	3,700,000	0	3,700,000	3,700,000	SF2484	PG 6 LN 4
Total Law Enforcement Academy	$ 0	$ 15,000,000	$ 3,700,000	$ 0	$ 3,700,000	$ -11,300,000		
Management, Department of								
DOM - Division of Information Technology								
DOM DoIT Cybersecurity - TRF	$ 2,947,658	$ 2,947,658	$ 2,947,658	$ 0	$ 2,947,658	$ 0	SF2484	PG 11 LN 23
Management, Dept. of								
Searchable Online Databases - TRF	$ 45,000	$ 45,000	$ 45,000	$ 0	$ 45,000	$ 0	SF2484	PG 11 LN 10
Iowa Grants Mgmt Implementation - TRF	70,000	70,000	70,000	0	70,000	0	SF2484	PG 11 LN 14
Local Gov't Budget & Property Tax System - TRF	120,000	120,000	120,000	0	120,000	0	SF2484	PG 11 LN 17
DPS/DOT - MACH & TraCS Modernization - TRF	0	0	2,000,000	0	2,000,000	2,000,000	SF2484	PG 11 LN 35
Data Portal License - TRF	382,131	358,429	358,429	0	358,429	0	SF2484	PG 11 LN 20
Iowa Integrated Justice (IIJ) - TRF	0	1,400,000	1,400,000	0	1,400,000	0	SF2484	PG 11 LN 28
Justice Data Warehouse - TRF	0	282,664	282,664	0	282,664	0	SF2484	PG 11 LN 32
Justice Data Warehouse Transition - TRF	0	290,000	0	0	0	-290,000	SF2484	
Management, Dept. of	$ 617,131	$ 2,566,093	$ 4,276,093	$ 0	$ 4,276,093	$ 1,710,000		
Total Management, Department of	$ 3,564,789	$ 5,513,751	$ 7,223,751	$ 0	$ 7,223,751	$ 1,710,000		
Natural Resources, Department of								
Natural Resources								
Water Trails Low Head Dam Prog. - RIIF	$ 1,500,000	$ 1,500,000	$ 1,500,000	$ 0	$ 1,500,000	$ 0	SF2484	PG 6 LN 24
Community Forestry Grant Program - RIIF	250,000	0	0	0	0	0	SF2484	
Derelict Buildings Program - RIIF	0	0	1,000,000	0	1,000,000	1,000,000	SF2484	PG 6 LN 30
Total Natural Resources, Department of	$ 1,750,000	$ 1,500,000	$ 2,500,000	$ 0	$ 2,500,000	$ 1,000,000		

Transportation, Infrastructure, and Capitals
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Natural Resources Capitals								
Natural Resources Capitals								
Lake Restoration & Water Quality - RIIF	$ 9,600,000	$ 9,600,000	$ 9,600,000	$ 0	$ 9,600,000	$ 0	SF2484	PG 6 LN 14
State Park Infrastructure - RIIF	5,000,000	5,000,000	5,000,000	0	5,000,000	0	SF2484	PG 6 LN 21
State Park Accessibility - RIIF	1,000,000	0	0	0	0	0	SF2484	
Law Enforcement Radios - TRF	1,565,000	0	0	0	0	0	SF2484	
Total Natural Resources Capitals	$ 17,165,000	$ 14,600,000	$ 14,600,000	$ 0	$ 14,600,000	$ 0		
Public Defense, Department of								
Public Defense, Dept. of								
Technology Projects - TRF	$ 0	$ 220,000	$ 0	$ 0	$ 0	$ -220,000	SF2484	
Total Public Defense, Department of	$ 0	$ 220,000	$ 0	$ 0	$ 0	$ -220,000		
Public Defense Capitals								
Public Defense Capitals								
Facility/Armory Maintenance - RIIF	$ 2,100,000	$ 2,100,000	$ 2,100,000	$ 0	$ 2,100,000	$ 0	SF2484	PG 7 LN 1
Sioux City Airport Runway - RIIF	0	0	10,000,000	0	10,000,000	10,000,000	SF2484	PG 7 LN 14
Modernization of Readiness Ctrs - RIIF	2,100,000	2,100,000	2,100,000	0	2,100,000	0	SF2484	PG 7 LN 5
Camp Dodge Infrastructure Upgrades - RIIF	550,000	550,000	550,000	0	550,000	0	SF2484	PG 7 LN 10
Total Public Defense Capitals	$ 4,750,000	$ 4,750,000	$ 14,750,000	$ 0	$ 14,750,000	$ 10,000,000		
Homeland Security and Emergency Mgmt.								
Homeland Security & Emergency Mgmt.								
Levee Improvement Fund - RIIF	$ 10,000,000	$ 0	$ 0	$ 0	$ 0	$ 0	SF2484	
Mass Notification & Emer Messaging - TRF	400,000	400,000	400,000	0	400,000	0	SF2484	PG 11 LN 5
Total Homeland Security and Emergency Mgmt.	$ 10,400,000	$ 400,000	$ 400,000	$ 0	$ 400,000	$ 0		
Public Safety, Department of								
Public Safety, Dept. of								
State Interop. Comm. System - RIIF	$ 6,424,379	$ 6,486,177	$ 2,846,011	$ 0	$ 2,846,011	$ -3,640,166	SF2484	PG 7 LN 23
Public Safety Equipment Fund - RIIF	2,500,000	0	0	0	0	0	SF2484	
Total Public Safety, Department of	$ 8,924,379	$ 6,486,177	$ 2,846,011	$ 0	$ 2,846,011	$ -3,640,166		

Transportation, Infrastructure, and Capitals
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Public Safety Capitals								
Public Safety Capitals								
DPS Technology Projects - TRF	$ 0	$ 0	$ 300,000	$ 0	$ 300,000	$ 300,000	SF2484	PG 11 LN 39
Total Public Safety Capitals	$ 0	$ 0	$ 300,000	$ 0	$ 300,000	$ 300,000		
Regents, Board of								
Regents, Board of								
Regents Tuition Replacement - RIIF	$ 26,500,000	$ 25,600,000	$ 25,000,000	$ 0	$ 25,000,000	$ -600,000	SF2484	PG 7 LN 32
Total Regents, Board of	$ 26,500,000	$ 25,600,000	$ 25,000,000	$ 0	$ 25,000,000	$ -600,000		
Regents Capitals								
Regents Capitals								
UNI - Industrial Tech Center - RIIF	$ 3,850,000	$ 0	$ 0	$ 0	$ 0	$ 0	SF2484	
Iowa Lakeside Lab Infrastructure - RIIF	3,000,000	3,000,000	0	0	0	-3,000,000	STND	
UNI Deferred Maintenance - Commons - RIIF	0	1,000,000	6,000,000	0	6,000,000	5,000,000	SF2484	PG 8 LN 3
Total Regents Capitals	$ 6,850,000	$ 4,000,000	$ 6,000,000	$ 0	$ 6,000,000	$ 2,000,000		
Revenue, Department of								
Revenue, Dept. of								
Tax System Modernization - TRF	$ 4,070,460	$ 0	$ 0	$ 0	$ 0	$ 0	SF2484	
Total Revenue, Department of	$ 4,070,460	$ 0	$ 0	$ 0	$ 0	$ 0		
Secretary of State, Office of the								
Secretary of State								
Secretary of State Cyber Technology - TRF	$ 324,000	$ 0	$ 0	$ 0	$ 0	$ 0	SF2484	
Total Secretary of State, Office of the	$ 324,000	$ 0	$ 0	$ 0	$ 0	$ 0		

Transportation, Infrastructure, and Capitals
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
State Fair Authority Capitals								
State Fair Foundation								
Iowa State Fair Agriculture Facility - RIIF	$ 0	$ 2,500,000	$ 2,500,000	$ 0	$ 2,500,000	$ 0	STND	
State Fair Authority Capitals								
Infrastructure Upgrades and Improvements - RIIF	$ 0	$ 0	$ 1,000,000	$ 0	$ 1,000,000	$ 1,000,000	SF2484	PG 6 LN 8
Total State Fair Authority Capitals	$ 0	$ 2,500,000	$ 3,500,000	$ 0	$ 3,500,000	$ 1,000,000		

Transportation, Infrastructure, and Capitals
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Transportation, Department of								
Transportation, Dept. of								
RUTF - Driver's Licenses	$ 1,600,000	$ 0	$ 0	$ 0	$ 0	$ 0	SF2478	
Public Transit Federal Grant Match - RIIF	0	0	1,600,000	0	1,600,000	1,600,000	SF2484	
Railroad Overpass and Underpass Grant Fund - RIIF	0	0	5,000,000	0	5,000,000	5,000,000	SF2484	
RUTF - Motor Vehicle Division	32,710,876	34,234,969	34,234,969	0	34,234,969	0	SF2478	PG 2 LN 7
RUTF - Highway Division/Transportation Operations	17,700,921	18,067,288	17,723,539	0	17,723,539	-343,749	SF2478	PG 2 LN 5
RUTF - DAS Personnel & Utility Services	455,647	500,878	1,823,348	0	1,823,348	1,322,470	SF2478	PG 2 LN 10
RUTF - Unemployment Compensation	7,000	7,000	7,000	0	7,000	0	SF2478	PG 2 LN 13
RUTF - Workers' Compensation	141,577	153,679	199,907	0	199,907	46,228	SF2478	PG 2 LN 15
RUTF - Indirect Cost Recoveries	90,000	90,000	90,000	0	90,000	0	SF2478	PG 2 LN 19
RUTF - Auditor Reimbursement	107,884	107,884	107,884	0	107,884	0	SF2478	PG 2 LN 22
RUTF - County Treasurers Support	1,406,000	1,406,000	1,406,000	0	1,406,000	0	SF2478	PG 2 LN 25
RUTF - Mississippi River Park. Comm.	40,000	40,000	40,000	0	40,000	0	SF2478	PG 2 LN 29
RUTF - TraCS/MACH	300,000	300,000	300,000	0	300,000	0	SF2478	PG 2 LN 32
RUTF - Personal Delivery of Services	162,362	225,000	225,000	0	225,000	0	STND	
PRF - Highway/Transportation Operations	348,250,373	355,150,300	348,619,071	0	348,619,071	-6,531,229	SF2478	PG 3 LN 19
PRF - DAS Personnel & Utility Services	2,798,974	3,076,822	11,200,563	0	11,200,563	8,123,741	SF2478	PG 3 LN 24
PRF - DOT Unemployment Comp.	138,000	138,000	138,000	0	138,000	0	SF2478	PG 3 LN 27
PRF - DOT Workers' Compensation	3,432,963	3,726,405	4,835,877	0	4,835,877	1,109,472	SF2478	PG 3 LN 29
PRF - Garage Fuel & Waste Mgmt.	1,000,000	0	0	0	0	0	SF2478	
PRF - Indirect Cost Recoveries	660,000	660,000	660,000	0	660,000	0	SF2478	PG 3 LN 34
PRF - Auditor Reimbursement	662,716	662,716	662,716	0	662,716	0	SF2478	PG 3 LN 37
PRF - Transportation Maps	195,000	0	195,000	0	195,000	195,000	SF2478	PG 4 LN 1
PRF - Inventory & Equipment Replacement	29,626,000	40,818,240	23,623,165	0	23,623,165	-17,195,075	SF2478	PG 4 LN 3
PRF - Statewide Communications System	442,162	442,162	442,162	0	442,162	0	SF2478	
Recreational Trails Grants - RIIF	2,500,000	2,500,000	2,500,000	0	2,500,000	0	SF2484	PG 8 LN 8
Public Transit Infra Grants - RIIF	1,500,000	1,200,000	0	0	0	-1,200,000	SF2484	
Railroad Revolving Loan & Grant - RIIF	2,000,000	2,000,000	2,000,000	0	2,000,000	0	SF2484	PG 8 LN 12
Commercial Aviation Infra Grants - RIIF	1,900,000	1,900,000	2,500,000	0	2,500,000	600,000	SF2484	PG 8 LN 17
General Aviation Infra Grants - RIIF	1,000,000	1,000,000	1,500,000	0	1,500,000	500,000	SF2484	PG 8 LN 21
Recreational Trails Grant Supplement - RIIF	1,000,000	0	0	0	0	0	SF2484	
Total Transportation, Department of	$ 451,828,455	$ 468,407,343	$ 461,634,201	$ 0	$ 461,634,201	$ -6,773,142		

Transportation, Infrastructure, and Capitals
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Transportation Capitals								
Transportation Capital								
RUTF - Scale/MVD Facilities Maint.	$ 400,000	$ 400,000	$ 400,000	$ 0	$ 400,000	$ 0	SF2478	PG 2 LN 36
PRF - Facility Major Maintenance & Enhancements	6,300,000	6,300,000	7,300,000	0	7,300,000	1,000,000	SF2478	PG 4 LN 8
PRF - Facility Routine Maintenance & Preservation	5,200,000	8,050,000	8,050,000	0	8,050,000	0	SF2478	PG 4 LN 10
RUTF - Electronic Records Management System	1,974,000	0	0	0	0	0	STND	
PRF - Electronic Records Management System	126,000	0	0	0	0	0	STND	
PRF - Albia Garage Renovation	7,291,067	0	0	0	0	0	SF2478	
PRF - Jefferson Garage Renovation	6,999,292	0	0	0	0	0	SF2478	
PRF - Waterloo Garage Renovation	0	18,897,387	0	0	0	-18,897,387	SF2478	
RUTF - ARTS Modernization	0	20,000,000	20,000,000	0	20,000,000	0	SF2478	
PRF - Alton Garage Replacement	0	0	13,000,000	0	13,000,000	13,000,000	SF2478	PG 4 LN 12
Total Transportation Capitals	$ 28,290,359	$ 53,647,387	$ 48,750,000	$ 0	$ 48,750,000	$ -4,897,387		
Treasurer of State, Office of								
Treasurer of State								
Clearwater Software - TRF	$ 192,000	$ 192,000	$ 192,000	$ 0	$ 192,000	$ 0	SF2484	PG 12 LN 5
Tyler Tech Software - TRF	228,000	228,000	228,000	0	228,000	0	SF2484	PG 12 LN 8
County Fair Improvements - RIIF	1,060,000	1,060,000	1,060,000	0	1,060,000	0	SF2484	PG 9 LN 5
Total Treasurer of State, Office of	$ 1,480,000	$ 1,480,000	$ 1,480,000	$ 0	$ 1,480,000	$ 0		
Total Transportation, Infrastructure, and Capitals	$ 689,460,754	$ 735,341,971	$ 703,993,417	$ 0	$ 703,993,417	$ -31,348,554		

Unassigned Standings
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Economic Development Authority								
Economic Development Authority								
Endow Iowa Admin - County Endw Fund	$ 32,081	$ 70,000	$ 0	$ 0	$ 0	$ -70,000	STND	
Iowa Film Production Incentive Fund - SWRF	0	4,000,000	0	0	0	-4,000,000	STND	
Iowa Major Events and Tourism Fund - SWRF	0	4,000,000	0	0	0	-4,000,000	STND	
Nuisance Property Remediation - EEF	2,000,000	0	0	0	0	0	STND	
Length of Service Award Program - SWRF	0	1,500,000	1,500,000	0	1,500,000	0	STND	
Total Economic Development Authority	$ 2,032,081	$ 9,570,000	$ 1,500,000	$ 0	$ 1,500,000	$ -8,070,000		
Education, Department of								
Education, Dept. of								
Education Support Personnel Compensation - SWRF	$ 0	$ 14,000,000	$ 0	$ 0	$ 0	$ -14,000,000	STND	
Special Education Division - SWRF	0	5,000,000	0	0	0	-5,000,000	STND	
Total Education, Department of	$ 0	$ 19,000,000	$ 0	$ 0	$ 0	$ -19,000,000		
Executive Council								
Executive Council								
Performance of Duty - EEF	$ 86,696,517	$ 10,715,559	$ 18,059,243	$ 0	$ 18,059,243	$ 7,343,684	STND	
Total Executive Council	$ 86,696,517	$ 10,715,559	$ 18,059,243	$ 0	$ 18,059,243	$ 7,343,684		
Health and Human Services, Department of								
Health and Human Services								
Double-up Food Bucks - SWRF	$ 0	$ 0	$ 1,000,000	$ 0	$ 1,000,000	$ 1,000,000	HF2800	PG 4 LN 12
Child Support Services IT - HHS IT	0	0	34,000,000	-34,000,000	0	0	HF2800	PG 3 LN 22
HHS Opioid Abatement - OSF	0	28,611,794	7,433,269	0	7,433,269	-21,178,525	STND	
Medicaid Mgmt Info. Sys. - HHS IT	0	0	31,000,000	-31,000,000	0	0	HF2800	PG 3 LN 27
Info Tech Modernization Proj. - HHS IT	0	0	30,500,000	-30,500,000	0	0	HF2800	PG 3 LN 18
Public Assistance IT Costs - HHS IT	0	0	5,000,000	-5,000,000	0	0	HF2800	PG 3 LN 26
Total Health and Human Services, Department of	$ 0	$ 28,611,794	$ 108,933,269	$ -100,500,000	$ 8,433,269	$ -20,178,525		

Unassigned Standings
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Management, Department of								
Management, Dept. of								
Environment First Fund - RIIF	$ 42,000,000	$ 42,000,000	$ 42,000,000	$ 0	$ 42,000,000	$ 0	STND	
Environment First Balance Adj	-42,000,000	-42,000,000	-42,000,000	0	-42,000,000	0	STND	
Technology Reinvestment Fund - RIIF	21,131,873	18,269,217	26,314,315	0	26,314,315	8,045,098	SF2484	PG 12 LN 37
Technology Reinvest. Fund - Bal. Adj.	-21,131,873	-18,269,217	-26,314,315	0	-26,314,315	-8,045,098	STND	
Disaster Response - EEF	0	23,250,000	21,230,000	0	21,230,000	-2,020,000	STND	
Disaster Recovery Housing Assistance - EEF	11,600,000	0	0	0	0	0	STND	
Total Management, Department of	$ 11,600,000	$ 23,250,000	$ 21,230,000	$ 0	$ 21,230,000	$ -2,020,000		
Public Safety, Department of								
Public Safety, Dept. of								
Public Safety Equipment Fund - SWRF	$ 0	$ 8,000,000	$ 8,000,000	$ 0	$ 8,000,000	$ 0	STND	
Total Public Safety, Department of	$ 0	$ 8,000,000	$ 8,000,000	$ 0	$ 8,000,000	$ 0		
Regents, Board of								
Regents, Board of								
Pediatric Cancer Research - SWRF	$ 0	$ 0	$ 3,000,000	$ 0	$ 3,000,000	$ 3,000,000	HF2800	PG 21 LN 11
ISU - Midwest Grape & Wine Industry - WGTF	250,000	250,000	250,000	0	250,000	0	STND	
Total Regents, Board of	$ 250,000	$ 250,000	$ 3,250,000	$ 0	$ 3,250,000	$ 3,000,000		
Transportation, Department of								
Transportation, Dept. of								
RUTF - County Treasurer Equipment	$ 650,000	$ 650,000	$ 650,000	$ 0	$ 650,000	$ 0	STND	
Total Transportation, Department of	$ 650,000	$ 650,000	$ 650,000	$ 0	$ 650,000	$ 0		
Attorney General								
Justice, Dept. of								
AG Opioid Abatement - OSF	$ 0	$ 9,537,265	$ 2,477,756	$ 0	$ 2,477,756	$ -7,059,509	STND	
Total Attorney General	$ 0	$ 9,537,265	$ 2,477,756	$ 0	$ 2,477,756	$ -7,059,509		

Unassigned Standings
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY 2026 (6)	Bill Number (7)	Page and Line # (8)
Workforce Development, Department of								
Iowa Workforce Development								
Apprenticeship Training Program - WDF	$ 3,000,000	$ 3,000,000	$ 3,000,000	$ 0	$ 3,000,000	$ 0	STND	
Job Training - WDF	4,750,000	4,750,000	4,750,000	0	4,750,000	0	STND	
Apprenticeship Training Program Adj	0	0	1,500,000	0	1,500,000	1,500,000	SF2168	
Total Workforce Development, Department of	$ 7,750,000	$ 7,750,000	$ 9,250,000	$ 0	$ 9,250,000	$ 1,500,000		
Total Unassigned Standings	$ 108,978,599	$ 117,334,618	$ 173,350,268	$ -100,500,000	$ 72,850,268	$ -44,484,350		

Full-Time Equivalent (FTE) Positions for FY 2027

Summary Data
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)
Administration and Regulation	2,240.00	2,724.31	2,678.39	-45.92
Agriculture and Natural Resources	1,369.47	1,469.69	1,690.80	221.11
Economic Development	1,131.44	1,352.46	1,339.36	-13.10
Education	38,433.29	39,403.85	39,462.77	58.92
Health and Human Services	4,897.09	5,173.42	5,557.46	384.04
Justice System	7,119.00	7,621.66	7,671.28	49.62
Transportation, Infrastructure, and Capitals	2,508.11	2,816.79	2,816.79	0.00
Unassigned Standings	235.26	380.11	380.31	0.20
Grand Total	57,933.67	60,942.29	61,597.16	654.87

NOTES:

(1) The full-time equivalent (FTE) positions listed under the FY 2025 Actual column represent the final year-end FTE positions utilized by State agencies and programs. The calculation of the actual FTE positions takes into account the vacancies that occur throughout the fiscal year. The FTE positions listed in the remaining columns represent budgeted positions that typically reflect full staffing of agency FTE levels.

(2) The Governor did not item veto any FTE positions that were passed by the General Assembly during the 2026 Legislative Session.

(3) These figures include both authorized (appropriated) FTE positions and nonappropriated FTE positions, or positions that are not limited through Session Law.

Column Explanations:

(1) Actual FY 2025 - Represents the final year-end utilized FTE positions for FY 2025.

(2) Estimated Net FY 2026 - Represents the estimated (budgeted) FTE positions for FY 2026.

(3) Final Action FY 2027 - Represents the final legislative action for authorized FY 2027 FTE positions from the 2026 Legislative Session.

(4) Net Final Action FY27 vs Est Net FY26 - Represents the change in the authorized FY 2027 FTE positions compared to the estimated (budgeted) FTE positions for FY 2027.

Act Totals
FTE Positions

	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Net Final Act. FY27 vs Est. Net FY 2026
	(1)	(2)	(3)	(4)
HF2768 Administration and Regulation Appropriations Act	1,276.58	1,534.54	1,489.52	-45.02
HF2769 Judicial Branch Appropriations Act	1,778.65	1,858.30	1,858.30	0.00
HF2770 Justice System Appropriations Act	5,221.07	5,592.89	5,641.51	48.62
HF2771 Agriculture and Natural Resources Appropriations Act	1,287.83	1,396.84	1,617.95	221.11
HF2772 Economic Development Appropriations Act	616.35	637.42	607.32	-30.10
HF2782 Health and Human Services Appropriations Act	4,157.26	4,339.81	4,723.95	384.14
HF2783 Education Appropriations Act	10,969.54	11,026.52	11,088.17	61.65
SF2478 Transportation Appropriations Act	2,345.41	2,657.00	2,657.00	0.00
Non-Appropriated FTEs	30,280.98	31,898.97	31,913.44	14.47
Grand Total	57,933.67	60,942.29	61,597.16	654.87

* The FTE positions associated with the NONAPPR bill designation represent positions for State agencies and programs that are not limited through session law.

Administration and Regulation
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Commerce, Department of						
Alcoholic Beverages						
Tobacco Compliance Employee Training	0.07	0.00	0.00	0.00	NONAPPR	
Liquor Control Act Fund	0.49	0.00	0.00	0.00	NONAPPR	
Total Commerce, Department of	0.56	0.00	0.00	0.00		
Management, Department of						
Management, Dept. of						
Justice Assistance Grants Fund	1.36	2.60	2.60	0.00	NONAPPR	
Department Operations	24.97	28.00	29.00	1.00	HF2768	PG 11 LN 14
Management, Dept. of	26.33	30.60	31.60	1.00		
DOM - Division of Information Technology						
Office of Chief Information Officer	254.13	532.15	532.15	0.00	NONAPPR	
Cybersecurity Office	0.00	24.39	24.39	0.00	HF2768	PG 11 LN 22
DOM - Division of Information Technology	254.13	556.54	556.54	0.00		
Total Management, Department of	280.46	587.14	588.14	1.00		

Administration and Regulation
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Administrative Services, Department of						
Administrative Services						
Operations	42.41	49.60	50.00	0.40	HF2768	PG 1 LN 20
Utilities	1.00	1.00	1.00	0.00	HF2768	PG 2 LN 1
Terrace Hill Operations	3.75	4.37	4.37	0.00	HF2768	PG 2 LN 11
Personnel Development Seminars	4.83	5.50	5.50	0.00	NONAPPR	
Health Insurance Administration Fund	2.92	2.81	2.81	0.00	NONAPPR	
I/3	19.04	20.40	19.75	-0.65	NONAPPR	
Centralized Purchasing - Administration	16.96	22.35	22.35	0.00	NONAPPR	
Vehicle Dispatcher Revolving Fund	2.63	3.35	3.35	0.00	NONAPPR	
Motor Pool Revolving Fund	0.73	1.75	1.75	0.00	NONAPPR	
Self Insurance/Risk Management	1.31	0.90	0.90	0.00	NONAPPR	
Centralized Printing Revolving Fund	14.04	16.00	16.00	0.00	NONAPPR	
Mail Services Revolving Fund	7.58	7.65	7.65	0.00	NONAPPR	
Human Resources Revolving Fund	48.33	52.14	52.14	0.00	NONAPPR	
Facility & Support Revolving Fund	63.27	69.25	69.25	0.00	NONAPPR	
Worker's Compensation Insurance Fund	2.00	2.00	2.00	0.00	NONAPPR	
Central PPE Warehouse and Storage	0.50	2.00	2.00	0.00	NONAPPR	
DAS - Library Services and Technology	4.66	4.00	4.00	0.00	NONAPPR	
Historic Resource Development	0.50	0.50	0.50	0.00	NONAPPR	
Office of the General Council	9.43	12.31	12.31	0.00	NONAPPR	
State Library	17.02	18.15	19.00	0.85	HF2768	PG 2 LN 15
Cultural Activities	0.34	0.00	0.00	0.00	HF2768	
Historical Resources	29.37	25.51	37.00	11.49	HF2768	PG 3 LN 15
Historical Sites	2.33	2.31	3.00	0.69	HF2768	PG 2 LN 32
Administrative Services	294.98	323.85	336.63	12.78		
State Accounting Trust Accounts						
DNR/SPOC Insurance Trust	0.00	-1.00	0.00	1.00	NONAPPR	
DAS - State Library of Iowa						
DE - Library Services and Technology	0.08	0.00	0.00	0.00	NONAPPR	
State Library	0.29	0.00	0.00	0.00	HF2768	
DAS - State Library of Iowa	0.37	0.00	0.00	0.00		
Total Administrative Services, Department of	295.35	322.85	336.63	13.78		

Administration and Regulation
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Auditor of State						
Auditor of State						
Auditor of State - General Office	103.03	103.70	98.00	-5.70	HF2768	PG 3 LN 23
Total Auditor of State	103.03	103.70	98.00	-5.70		
Ethics and Campaign Disclosure Board, Iowa						
Campaign Finance Disclosure						
Ethics & Campaign Disclosure Board	6.73	6.62	7.00	0.38	HF2768	PG 4 LN 11
Total Ethics and Campaign Disclosure Board, Iowa	6.73	6.62	7.00	0.38		
Insurance & Financial Services, Department of						
IDR - Alcoholic Beverages						
Alcoholic Beverages Operations	0.21	0.00	0.00	0.00	HF2768	
DIFS - Banking Division						
Money Services Licensing Fund	1.79	2.00	2.00	0.00	NONAPPR	
Banking Division - CMRF	74.28	79.00	79.00	0.00	HF2768	PG 10 LN 5
DIFS - Banking Division	76.07	81.00	81.00	0.00		
DIFS - Credit Union						
Credit Union Division - CMRF	15.35	16.00	16.00	0.00	HF2768	PG 10 LN 11
DIFS - Insurance						
Insurance Division Regulatory	0.15	0.15	0.00	-0.15	NONAPPR	
Insurance Division - CMRF	118.72	131.85	131.85	0.00	HF2768	PG 10 LN 17
Captive Insurance Fund	1.18	1.50	2.00	0.50	HF2768	
Insurance Division Education Fund	0.27	0.25	0.40	0.15	NONAPPR	
DIFS - Insurance	120.32	133.75	134.25	0.50		
Total Insurance & Financial Services, Department of	211.95	230.75	231.25	0.50		
Utilities Commission						
Utilities Commission						
Dual Party Relay Service	0.86	0.85	0.85	0.00	NONAPPR	
Utilities Division - CMRF	75.19	96.50	80.00	-16.50	HF2768	PG 15 LN 28
Total Utilities Commission	76.05	97.35	80.85	-16.50		

Administration and Regulation
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Governor/Lt. Governor's Office						
Governor's Office						
Governor's/Lt. Governor's Office	23.15	25.00	25.00	0.00	HF2768	PG 4 LN 28
Terrace Hill Quarters	1.42	1.93	2.00	0.07	HF2768	PG 4 LN 34
Total Governor/Lt. Governor's Office	24.56	26.93	27.00	0.07		
Health and Human Services, Department of						
HHS - Human Rights						
Weatherization - D.O.E.	0.12	0.00	0.00	0.00	NONAPPR	
Juvenile Justice Action Grants	0.00	0.00	0.00	0.00	NONAPPR	
Low Income Energy Assistance	0.04	0.00	0.00	0.00	NONAPPR	
CSBG - Community Action Agency	0.06	0.00	0.00	0.00	NONAPPR	
Disability Donations & Grants	0.02	0.00	0.00	0.00	NONAPPR	
Total Health and Human Services, Department of	0.23	0.00	0.00	0.00		

Administration and Regulation
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Department of Inspections, Appeals, and Licensing						
Inspections, Appeals, & Licensing, Department of						
Administration Division	26.37	35.10	11.55	-23.55	HF2768	PG 5 LN 7
Administrative Hearings Division	38.79	43.00	23.00	-20.00	HF2768	PG 5 LN 13
Investigations Division	44.74	56.00	56.00	0.00	HF2768	PG 5 LN 19
Health Facilities Division	122.13	132.00	132.00	0.00	HF2768	PG 5 LN 33
Employment Appeal Board	10.47	11.00	11.00	0.00	HF2768	PG 6 LN 25
Indian Gaming Monitoring Fund	0.92	1.20	1.20	0.00	NONAPPR	
Amusement Devices Special Fund	4.08	3.35	3.35	0.00	NONAPPR	
Food and Consumer Safety	35.70	35.65	0.00	-35.65	HF2768	
Licensing and Regulation Fund	158.59	60.35	60.35	0.00	NONAPPR	
Iowa Civil Rights Commission	23.87	27.00	30.00	3.00	HF2768	PG 7 LN 6
Labor Services Division	39.97	50.00	50.00	0.00	HF2768	PG 7 LN 15
Workers' Compensation Division	21.97	26.00	26.00	0.00	HF2768	PG 7 LN 26
Professional Licensing Division	13.54	139.00	139.00	0.00	HF2768	PG 7 LN 37
PERB to Employment Appeal Board	0.57	0.00	0.00	0.00	HF2768	
Inspections, Appeals, & Licensing, Department of	541.70	619.65	543.45	-76.20		
DIAL - Racing and Gaming Commission						
Gaming Regulation - GRF	50.32	53.70	57.70	4.00	HF2768	PG 9 LN 11
Total Department of Inspections, Appeals, and Licensing	592.02	673.35	601.15	-72.20		
Iowa Public Employees' Retirement System						
IPERS Administration						
Administration - IPERS	87.73	77.00	110.00	33.00	HF2768	PG 12 LN 23
Total Iowa Public Employees' Retirement System	87.73	77.00	110.00	33.00		
Public Information Board						
Public Information Board						
Iowa Public Information Board	2.86	3.00	4.00	1.00	HF2768	PG 12 LN 35
Total Public Information Board	2.86	3.00	4.00	1.00		

Administration and Regulation
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Revenue, Department of						
Revenue, Dept. of						
Tobacco Compliance Training	4.53	4.50	4.50	0.00	NONAPPR	
Liquor Control Act Fund	48.52	56.33	56.33	0.00	NONAPPR	
Tax Gap Collections	185.53	194.39	194.39	0.00	NONAPPR	
Operations	163.73	166.66	166.66	0.00	HF2768	PG 13 LN 7
Total Revenue, Department of	402.30	421.88	421.88	0.00		
Lottery Authority, Iowa						
IDR - Iowa Lottery						
Lottery Fund	96.39	101.44	101.44	0.00	NONAPPR	
Total Lottery Authority, Iowa	96.39	101.44	101.44	0.00		
Secretary of State, Office of the						
Secretary of State						
SOS Technology Modernization Fund	2.24	2.25	0.00	-2.25	NONAPPR	
State Election Fund - HAVA 2020	3.34	4.15	5.15	1.00	NONAPPR	
Administration and Elections	13.22	19.25	19.25	0.00	HF2768	PG 14 LN 3
Business Services	12.04	16.75	16.75	0.00	HF2768	PG 14 LN 13
Address Confidentiality Program - ACRF	1.11	1.90	1.90	0.00	NONAPPR	PG 14 LN 19
Total Secretary of State, Office of the	31.95	44.30	43.05	-1.25		
Treasurer of State, Office of						
Treasurer of State						
Treasurer - General Office	27.82	28.00	28.00	0.00	HF2768	PG 15 LN 7
Total Treasurer of State, Office of	27.82	28.00	28.00	0.00		
Total Administration and Regulation	2,240.00	2,724.31	2,678.39	-45.92		

Agriculture and Natural Resources
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Agriculture and Land Stewardship, Dept of						
Agriculture and Land Stewardship						
Administrative Division	315.04	341.39	420.00	78.61	HF2771	PG 1 LN 10
GW - Ag Drain Wells/Sinkholes	2.90	2.00	2.00	0.00	NONAPPR	
Water Protection Fund	6.71	6.85	6.85	0.00	NONAPPR	
EPA Non Point Source Pollution	1.00	1.00	1.00	0.00	NONAPPR	
Abandoned Mined Lands Grant	8.10	9.00	9.00	0.00	NONAPPR	
Brucellosis Eradication	0.51	0.00	0.00	0.00	NONAPPR	
Branding Administration Fund	0.10	0.00	0.00	0.00	NONAPPR	
Conservation Reserve Prog - EFF	10.18	0.00	0.00	0.00	NONAPPR	PG 14 LN 30
Fuel Inspection - UST	0.00	0.00	0.00	0.00	NONAPPR	
Commercial Establishment Fund	5.85	2.00	2.00	0.00	NONAPPR	
Water Quality Initiative Fund	9.81	11.50	11.50	0.00	NONAPPR	
Foreign Animal Disease Fund	4.13	2.00	2.00	0.00	NONAPPR	
Water Quality Infrastructure Fund	7.11	10.00	10.00	0.00	NONAPPR	
Choose Iowa Fund	2.67	3.00	3.00	0.00	NONAPPR	
Hemp Fund	0.06	0.00	0.00	0.00	NONAPPR	
Renewable Fuel Infrastructure Fund	0.60	0.00	0.00	0.00	NONAPPR	
Choose Iowa Food Purchasing Program	0.02	0.00	0.00	0.00	NONAPPR	PG 5 LN 28
Butchery Innovation and Revitalization	0.01	0.00	0.00	0.00	NONAPPR	
Milk Inspections	1.70	2.00	2.00	0.00	NONAPPR	PG 2 LN 35
Total Agriculture and Land Stewardship, Dept of	376.50	390.74	469.35	78.61		
Natural Resources, Department of						
Natural Resources						
Animal Agriculture Compliance	13.18	15.50	15.50	0.00	NONAPPR	
Natural Resources Operations	921.79	1,004.45	1,145.95	141.50	HF2771	PG 6 LN 21
Total Natural Resources, Department of	934.98	1,019.95	1,161.45	141.50		
Regents, Board of						
Regents, Board of						
ISU - Veterinary Diagnostic Laboratory	50.00	50.00	51.00	1.00	HF2771	PG 10 LN 14
SUI - Iowa Center for Ag Safety & Health (I-CASH)	6.00	6.00	6.00	0.00	NONAPPR	PG 11 LN 29
ISU - Vet Diagnostic Lab - Iowa Nutrient Research Fund	1.00	1.00	1.00	0.00	NONAPPR	PG 11 LN 16
ISU - Management of Private Forests	1.00	1.00	1.00	0.00	HF2771	PG 10 LN 36
SUI - Groundwater Planning and Resource Assessment	0.00	1.00	1.00	0.00	NONAPPR	PG 12 LN 24
Total Regents, Board of	58.00	59.00	60.00	1.00		
Total Agriculture and Natural Resources	1,369.47	1,469.69	1,690.80	221.11		

Economic Development
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Economic Development Authority						
Economic Development Authority						
Economic Development Appropriation	57.41	66.25	70.15	3.90	HF2772	PG 3 LN 3
High Quality Jobs Creations Assistance	8.37	0.50	0.00	-0.50	HF2772	
Economic Dev Energy Projects Fund	4.75	8.95	8.95	0.00	HF2772	
Wine, Beer, and Spirits Promotion Board	0.98	1.00	1.00	0.00	HF2772	
Small Business Credit Initiative Fund	0.00	0.00	4.50	4.50	HF2772	
Strategic Investment Fund	1.03	0.70	0.70	0.00	NONAPPR	
Innovation & Commercialization Fund	2.23	2.64	2.64	0.00	NONAPPR	
Nuisance Property Fund	0.14	0.25	0.25	0.00	NONAPPR	
Catalyst Building Remediation Fund	0.97	0.95	0.95	0.00	NONAPPR	
IA Energy Center - Main	0.66	0.88	0.88	0.00	NONAPPR	
Butchery Innovation and Revitalization Fund	0.00	0.00	0.00	0.00	NONAPPR	
Energy Infrastructure Revolving Loan Fund	0.23	0.25	0.25	0.00	NONAPPR	
State Small Business Credit Initiative	0.44	1.50	1.50	0.00	NONAPPR	
State Historical Preservation Program Fund	9.30	9.85	9.85	0.00	HF2772	
Partner State Program Fund	1.00	1.00	1.00	0.00	NONAPPR	
Destination Iowa Fund	0.00	0.50	0.50	0.00	NONAPPR	
Business Incentives for Growth Fund	0.00	11.35	11.35	0.00	HF2772	
Iowa Arts Council	4.56	5.95	5.70	-0.25	HF2772	PG 5 LN 32
Great Places	0.93	0.75	0.00	-0.75	HF2772	
Total Economic Development Authority	92.99	113.27	120.17	6.90		
Iowa Finance Authority						
Iowa Finance Authority						
Finance Authority	94.10	92.37	92.37	0.00	NONAPPR	
Total Iowa Finance Authority	94.10	92.37	92.37	0.00		

Economic Development
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Workforce Development, Department of						
IWD - Vocational Rehabilitation Services						
Vocational Rehabilitation	231.71	0.00	0.00	0.00	HF2772	
Independent Living	0.02	0.00	0.00	0.00	HF2772	
Entrepreneurs with Disabilities Program	1.02	0.00	0.00	0.00	NONAPPR	
IWD - Vocational Rehabilitation Services	232.76	0.00	0.00	0.00		
Iowa Workforce Development						
Field Office Operating Fund	190.88	156.09	157.09	1.00	HF2772	PG 8 LN 7
Offender Reentry Program	3.74	4.00	4.00	0.00	HF2772	PG 8 LN 18
Workplace Injury and Safety Surveys	1.51	1.90	1.90	0.00	HF2772	PG 8 LN 33
Vocational Rehabilitation Services	0.00	268.00	233.00	-35.00	HF2772	PG 9 LN 5
Employee Misclassification Program	2.34	3.00	0.00	-3.00	HF2772	
Future Ready Iowa Coordinator - SWJCF	0.02	0.00	0.00	0.00	NONAPPR	
Special Contingency Fund	93.16	82.70	89.70	7.00	NONAPPR	
IWD Major Federal Programs	201.45	205.24	207.24	2.00	NONAPPR	
Workforce Minor Programs	117.64	126.78	134.78	8.00	NONAPPR	
Boiler Safety Fund	0.04	0.00	0.00	0.00	NONAPPR	
Elevator Safety Fund	0.04	0.00	0.00	0.00	NONAPPR	
Adult Ed and Literacy for the Workforce - SWJCF	0.95	1.15	1.15	0.00	NONAPPR	PG 14 LN 28
Disability Determination Services	0.00	197.13	197.13	0.00	NONAPPR	
Workforce Prep Outcome Rep - SWJCF	0.00	1.00	1.00	0.00	NONAPPR	PG 14 LN 23
Iowa Workforce Development	611.75	1,046.99	1,026.99	-20.00		
Total Workforce Development, Department of	844.51	1,046.99	1,026.99	-20.00		
Public Employment Relations Board						
Public Employment Relations						
General Office	0.01	0.00	0.00	0.00	HF2772	
Total Public Employment Relations Board	0.01	0.00	0.00	0.00		

Economic Development
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Regents, Board of						
Regents, Board of						
ISU - Economic Development - SWJCF	50.94	50.94	50.94	0.00	HF2772	PG 12 LN 10
SUI - Economic Development - SWJCF	6.00	6.00	6.00	0.00	HF2772	PG 13 LN 13
SUI - Entrepreneur and Econ Growth - SWJCF	8.00	8.00	8.00	0.00	HF2772	PG 13 LN 25
UNI - Economic Development - SWJCF	13.00	13.00	13.00	0.00	HF2772	PG 13 LN 30
ISU - Biosciences Innovation Ecosystem	14.81	14.81	14.81	0.00	HF2772	PG 16 LN 6
SUI - Biosciences Innovation Ecosystem	4.35	4.35	4.35	0.00	HF2772	PG 16 LN 15
UNI - Additive Manufacturing	2.73	2.73	2.73	0.00	HF2772	PG 16 LN 24
Total Regents, Board of	99.83	99.83	99.83	0.00		
Total Economic Development	1,131.44	1,352.46	1,339.36	-13.10		

Education
FTE Positions

	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Net Final Act. FY27 vs Est. Net FY 2026	Bill Number	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)
Blind, Department for the						
Department for the Blind						
Department for the Blind	75.83	103.74	103.74	0.00	HF2783	PG 1 LN 9
Total Blind, Department for the	75.83	103.74	103.74	0.00		
Education, Department of						
Education, Dept. of						
Dept. of Education Administration	54.79	71.87	71.87	0.00	HF2783	PG 2 LN 2
Career Technical Education Administration	8.19	10.80	10.80	0.00	HF2783	PG 2 LN 8
School Food Service	24.45	27.83	27.83	0.00	HF2783	PG 2 LN 25
Student Achievement/Teacher Quality	5.12	5.83	5.83	0.00	HF2783	PG 3 LN 24
Attendance Center/Website & Data System	1.51	1.60	1.60	0.00	HF2783	PG 4 LN 37
Education of Handicapped Act	33.12	43.92	43.92	0.00	NONAPPR	
Drinking Drivers Course	2.42	2.90	2.90	0.00	NONAPPR	
NCES - NAEP Assessments	1.00	1.00	1.00	0.00	NONAPPR	
Improving Teacher Quality Grants	2.58	4.35	4.35	0.00	NONAPPR	
Community Learning Centers	1.85	2.75	2.75	0.00	NONAPPR	
State Assessment	19.37	20.68	20.68	0.00	NONAPPR	
Adult Education	0.01	0.00	0.00	0.00	NONAPPR	
Veterans Education	2.00	1.90	1.90	0.00	NONAPPR	
DE Nonfederal Grants	11.74	1.85	1.85	0.00	NONAPPR	
ESEA Title 1	10.08	17.08	17.08	0.00	NONAPPR	
English Language Acquisition	1.27	0.75	0.75	0.00	NONAPPR	
School Bus Driver Permit	4.25	4.75	4.75	0.00	NONAPPR	
Miscellaneous Federal Grants	5.22	3.34	4.04	0.70	NONAPPR	
Headstart Collaborative Grant	0.81	0.75	0.75	0.00	NONAPPR	
Vocational Education Act	4.38	6.40	6.40	0.00	NONAPPR	
Homeless Child and Adults	1.27	1.55	1.55	0.00	NONAPPR	
Child Development - Standing	0.04	1.75	1.75	0.00	NONAPPR	PG 18 LN 34
Board of Educational Examiners	14.67	14.00	14.00	0.00	NONAPPR	
Workforce Training & Econ Dev Funds - SWJCF	0.04	1.60	0.00	-1.60	NONAPPR	PG 12 LN 28
Postsecondary Registration Fund	2.95	2.99	2.99	0.00	NONAPPR	
Education Savings Account Fund	1.41	2.25	2.00	-0.25	NONAPPR	
DE - Public/Private Partnership	0.46	0.42	0.42	0.00	NONAPPR	
Stafford Loan Program (GSL)	16.60	21.01	21.01	0.00	NONAPPR	
LEAD-K Program	0.33	1.00	1.00	0.00	NONAPPR	PG 9 LN 34
Professional Development	0.45	1.00	1.00	0.00	NONAPPR	PG 10 LN 10
ISD - Iowa School for the Deaf	109.05	102.85	132.00	29.15	HF2783	PG 8 LN 5
Ed. Services for the Blind & Visually Impaired	77.06	68.72	68.72	0.00	HF2783	PG 8 LN 11
STEM Collaborative Initiative	5.00	5.00	7.00	2.00	HF2783	PG 8 LN 18

Education
FTE Positions

	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Net Final Act. FY27 vs Est. Net FY 2026	Bill Number	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)
Special Education Division	11.32	29.50	60.00	30.50	HF2783	PG 10 LN 2
College Aid Commission	4.31	4.95	4.95	0.00	HF2783	PG 10 LN 15
IBSSS Restricted	2.92	2.66	2.66	0.00	NONAPPR	
Education, Dept. of	442.04	491.60	552.10	60.50		
Iowa PBS						
Iowa PBS Operations	54.53	53.20	53.20	0.00	HF2783	PG 2 LN 14
CPB/CSG FY 90/91	16.41	5.55	0.00	-5.55	NONAPPR	
CPB/CSG FY 91/93	8.14	18.62	3.81	-14.81	NONAPPR	
NTIA Equipment Grants	0.62	0.63	0.88	0.25	NONAPPR	
Contributions Holding Account	0.73	1.00	2.00	1.00	NONAPPR	
Friends Funded Programming	6.90	8.90	35.20	26.30	NONAPPR	
Education Telecommunications Project	0.99	0.21	0.21	0.00	NONAPPR	
IPTV Educational & Contractual Fund	1.04	1.43	1.43	0.00	NONAPPR	
Iowa PBS	89.34	89.54	96.73	7.19		
Total Education, Department of	531.39	581.14	648.83	67.69		

Education
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Workforce Development, Department of						
IWD - Vocational Rehabilitation Services						
DDS Account	193.35	0.00	0.00	0.00	NONAPPR	
Transition Outcomes	1.67	0.00	0.00	0.00	NONAPPR	
Total Workforce Development, Department of	195.02	0.00	0.00	0.00		

Education
FTE Positions

	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Net Final Act. FY27 vs Est. Net FY 2026	Bill Number	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)
Regents, Board of						
Regents, Board of						
Regents Board Office	0.00	2.48	2.48	0.00	HF2783	PG 14 LN 23
University of Iowa - General	5,058.55	5,058.32	5,058.32	0.00	HF2783	PG 15 LN 15
SUI - Oakdale Campus	38.25	38.25	38.25	0.00	HF2783	PG 15 LN 21
SUI - Hygienic Laboratory	102.51	102.51	102.51	0.00	HF2783	PG 15 LN 27
SUI - Family Practice Program	2.71	2.71	2.71	0.00	HF2783	PG 15 LN 33
SUI - Specialized Children Health Services	4.16	4.16	4.16	0.00	HF2783	PG 16 LN 3
SUI - Iowa Cancer Registry	2.10	2.10	2.10	0.00	HF2783	PG 16 LN 12
SUI - Substance Abuse Consortium	0.99	0.99	0.99	0.00	HF2783	PG 16 LN 17
SUI - Biocatalysis	6.28	6.28	6.28	0.00	HF2783	PG 16 LN 23
SUI - Primary Health Care	6.22	6.22	6.22	0.00	HF2783	PG 16 LN 28
SUI - Iowa Birth Defects Registry	0.38	0.38	0.38	0.00	HF2783	PG 16 LN 38
SUI - Iowa Nonprofit Resource Center	2.75	2.75	2.75	0.00	HF2783	PG 17 LN 4
Iowa State University - General	3,647.41	3,647.41	4,062.34	414.93	HF2783	PG 17 LN 29
ISU - Agricultural Experiment Station	174.52	174.52	0.00	-174.52	HF2783	
ISU - Cooperative Extension	240.41	240.41	0.00	-240.41	HF2783	
University of Northern Iowa - General	1,250.28	1,250.28	1,250.28	0.00	HF2783	PG 17 LN 36
UNI - Real Estate Education Program	0.86	0.86	0.86	0.00	HF2783	PG 18 LN 3
SUI - Iowa Flood Center	13.38	13.38	13.38	0.00	NONAPPR	PG 17 LN 16
SUI - Iowa Online Advanced Placement Acad.	2.41	2.41	2.41	0.00	NONAPPR	PG 17 LN 10
UI Restricted	8,986.38	8,986.38	8,986.37	-0.01	NONAPPR	
ISD Restricted	0.00	2.95	2.95	0.00	NONAPPR	
IBSSS Restricted	0.00	2.84	2.84	0.00	NONAPPR	
UNI Restricted	1,000.00	1,000.00	1,000.00	0.00	NONAPPR	
ISU - Restricted	4,660.09	4,660.09	4,660.09	0.00	NONAPPR	
UIHC Fund	12,398.44	13,477.07	13,477.07	0.00	NONAPPR	
BOR - John Pappajohn Centers	1.50	1.25	1.50	0.25	NONAPPR	PG 15 LN 5
SUI - College of Nursing	21.46	21.46	21.46	0.00	NONAPPR	PG 17 LN 20
ISU - Future Ready Workforce	9.01	9.01	0.00	-9.01	NONAPPR	
UNI - Center for Civic Education	0.00	1.50	1.50	0.00	NONAPPR	PG 18 LN 13
Total Regents, Board of	37,631.05	38,718.97	38,710.20	-8.77		
Total Education	38,433.29	39,403.85	39,462.77	58.92		

Health and Human Services
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Public Health, Department of						
Public Health						
Health Care Workforce Shortage	0.02	0.00	0.00	0.00	NONAPPR	
Future Ready Iowa Mentoring Program - SWJCF	0.02	0.00	0.00	0.00	NONAPPR	
Total Public Health, Department of	0.03	0.00	0.00	0.00		
Health and Human Services, Department of						
HHS - Aging						
Aging Programs	0.39	0.00	0.00	0.00	HF2782	
Office of LTC Ombudsman	0.16	0.00	0.00	0.00	HF2782	
HHS - Aging	0.55	0.00	0.00	0.00		
HHS - Assistance Payment						
Family Investment Program/PROMISE JOBS	0.39	0.00	0.00	0.00	HF2782	
Medical Assistance	0.17	0.00	0.00	0.00	HF2782	
Health Program Operations	0.06	0.00	0.00	0.00	HF2782	
Child Care Assistance	0.07	0.00	0.00	0.00	HF2782	
Child and Family Services	0.12	0.00	0.00	0.00	HF2782	
Health Care Facility Fines	0.02	0.00	0.00	0.00	NONAPPR	
Volunteers	0.02	0.00	0.00	0.00	HF2782	
Child Care Facility Fund	0.02	0.00	0.00	0.00	NONAPPR	
HHS - Assistance Payment	0.85	0.00	0.00	0.00		
HHS - Eldora State Training School						
Eldora Training School	2.66	0.00	0.00	0.00	HF2782	
HHS - Cherokee Mental Health Institution						
Cherokee MHI	2.46	0.00	0.00	0.00	HF2782	
HHS - Independence Mental Health Institution						
Independence MHI	2.55	0.00	0.00	0.00	HF2782	
HHS - Glenwood Resource Center						
Glenwood Resource Center	2.77	0.00	0.00	0.00	HF2782	
HHS - Woodward Resource Center						
Woodward Warehouse Revolving Fund	0.09	0.00	0.00	0.00	NONAPPR	
Woodward Resource Center	8.36	0.00	0.00	0.00	HF2782	
HHS - Woodward Resource Center	8.45	0.00	0.00	0.00		
HHS - Civil Commitment Unit / Sexual Offenders						
Civil Commitment Unit for Sexual Offenders	2.18	0.00	0.00	0.00	HF2782	
HHS - Community Services						
Child Support Services	6.60	0.00	0.00	0.00	HF2782	

Health and Human Services
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
MI/MR/DD Case Management	0.79	0.00	0.00	0.00	NONAPPR	
Iowa Refugee Service Center	0.46	0.00	0.00	0.00	NONAPPR	
Field Operations	24.32	0.00	0.00	0.00	HF2782	
HHS - Community Services	32.16	0.00	0.00	0.00		
HHS - Human Services						
Child Abuse Project	0.09	0.00	0.00	0.00	NONAPPR	
Community MH Block Grant	0.07	0.00	0.00	0.00	NONAPPR	
IV-E Independent Living Grant	0.08	0.00	0.00	0.00	NONAPPR	
General Administration	5.14	0.00	0.00	0.00	HF2782	
DHS Grant Fund	0.07	0.00	0.00	0.00	NONAPPR	
HHS - Human Services	5.44	0.00	0.00	0.00		
HHS - Human Rights						
Central Administration	0.07	0.00	0.00	0.00	HF2782	
Community Advocacy and Services	0.09	0.00	0.00	0.00	HF2782	
Criminal & Juvenile Justice	0.15	0.00	0.00	0.00	HF2782	
HHS - Human Rights	0.31	0.00	0.00	0.00		
Health and Human Services						
Vital Records Fund	25.51	30.00	30.00	0.00	NONAPPR	
Targeted Case Management	46.00	49.50	49.50	0.00	NONAPPR	
Community Programs Fund -ICVS Iowa Comm. Volunteer Serv.	0.00	0.10	0.10	0.00	NONAPPR	
Iowa Refugee Service Center	23.87	0.00	0.00	0.00	NONAPPR	
Iowa State Commission Fund	0.00	23.40	23.40	0.00	NONAPPR	
DHS Grant Fund	6.15	0.10	0.00	-0.10	NONAPPR	
Woodward Warehouse Revolving Fund	6.17	6.10	6.10	0.00	NONAPPR	
Aging and Disability Services	75.25	83.00	101.00	18.00	HF2782	PG 2 LN 27
Behavioral Health	56.23	64.00	70.00	6.00	HF2782	PG 3 LN 34
Public Health	238.48	342.15	348.60	6.45	HF2782	PG 5 LN 9
Community Access and Eligibility	820.60	807.00	883.90	76.90	HF2782	PG 7 LN 22
Child Support Services	400.02	412.00	464.00	52.00	HF2782	PG 9 LN 12
Health Program Operations	67.37	82.00	97.00	15.00	HF2782	PG 12 LN 19
Child Care Assistance	33.71	53.00	53.00	0.00	HF2782	PG 16 LN 18
Early Intervention and Supports	20.22	27.00	28.00	1.00	HF2782	PG 16 LN 39
Child Protective Services	836.16	859.20	977.00	117.80	HF2782	PG 17 LN 27
State-Operated Specialty Care	1,177.16	1,329.45	1,304.45	-25.00	HF2782	PG 20 LN 3
Accountability, Compliance, and Program Integrity	361.77	270.01	382.00	111.99	HF2782	PG 20 LN 38
Health and Human Services	4,194.65	4,438.01	4,818.05	380.04		
HHS - Public Health						
Vital Records Modernization	0.39	0.00	0.00	0.00	NONAPPR	
IDPH Gifts & Grants Fund	4.55	0.00	0.00	0.00	NONAPPR	
Addictive Disorders	0.16	0.00	0.00	0.00	HF2782	

Health and Human Services
FTE Positions

	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Net Final Act. FY27 vs Est. Net FY 2026	Bill Number	Page and Line #
	(1)	(4)	(5)	(8)	(9)	(10)
Healthy Children and Families	0.15	0.00	0.00	0.00	HF2782	
Chronic Conditions	0.18	0.00	0.00	0.00	HF2782	
Community Capacity	0.07	0.00	0.00	0.00	HF2782	
Infectious Diseases	0.08	0.00	0.00	0.00	HF2782	
Public Protection	0.78	0.00	0.00	0.00	HF2782	
Resource Management	0.05	0.00	0.00	0.00	HF2782	
HHS - Public Health	6.40	0.00	0.00	0.00		
Total Health and Human Services, Department of	4,261.44	4,438.01	4,818.05	380.04		

Health and Human Services
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (4)	Final Action FY 2027 (5)	Net Final Act. FY27 vs Est. Net FY 2026 (8)	Bill Number (9)	Page and Line # (10)
Veterans Affairs, Department of						
Veterans Affairs, Dept. of						
Iowa Veterans Cemetery Fund	3.15	4.00	4.00	0.00	NONAPPR	
General Administration	10.14	11.00	15.00	4.00	HF2782	PG 2 LN 3
Veterans Affairs, Dept. of	13.29	15.00	19.00	4.00		
Veterans Affairs, Dept. of						
Iowa Veterans Home	622.34	720.41	720.41	0.00	NONAPPR	PG 2 LN 9
Total Veterans Affairs, Department of	635.63	735.41	739.41	4.00		
Total Health and Human Services	4,897.09	5,173.42	5,557.46	384.04		

Justice System
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Attorney General						
Justice, Dept. of						
General Office AG	210.43	222.38	238.00	15.62	HF2770	PG 2 LN 3
Victim Compensation Fund	28.48	29.00	31.00	2.00	HF2770	PG 3 LN 19
Justice, Dept. of	238.91	251.38	269.00	17.62		
Consumer Advocate						
Consumer Advocate - CMRF	14.61	17.00	18.00	1.00	HF2770	PG 5 LN 22
Total Attorney General	253.52	268.38	287.00	18.62		
Corrections, Department of						
Fort Madison						
IMCC Inmate Tele Rebate	1.00	1.00	1.00	0.00	NONAPPR	
Ft. Madison Institution	343.23	392.00	392.00	0.00	HF2770	PG 6 LN 9
Fort Madison	344.23	393.00	393.00	0.00		
Anamosa						
Anamosa Institution	309.44	342.40	350.40	8.00	HF2770	PG 6 LN 13
Oakdale						
Oakdale Institution	476.79	500.85	500.85	0.00	HF2770	PG 6 LN 17
Newton						
Newton Institution	246.94	261.00	261.00	0.00	HF2770	PG 6 LN 25
Mount Pleasant						
Mount Pleasant Institution	244.18	254.00	254.00	0.00	HF2770	PG 6 LN 29
Rockwell City						
Rockwell City Institution	89.56	94.00	94.00	0.00	HF2770	PG 6 LN 33
Clarinda						
Clarinda Institution	230.33	245.00	245.00	0.00	HF2770	PG 7 LN 2
Mitchellville						
Mitchellville Institution	197.03	219.20	219.20	0.00	HF2770	PG 7 LN 11
Fort Dodge						
Fort Dodge Institution	250.27	281.00	285.00	4.00	HF2770	PG 7 LN 15
CBC District 1						
CBC District I	165.40	181.75	181.75	0.00	HF2770	PG 9 LN 26
Central Office						
Corrections Administration	48.72	50.80	50.80	0.00	HF2770	PG 7 LN 30
CBC District 2						

Justice System
FTE Positions

	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Net Final Act. FY27 vs Est. Net FY 2026	Bill Number	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)
CBC District II	123.12	134.80	134.80	0.00	HF2770	PG 9 LN 32
CBC District 3						
CBC District III	83.30	88.00	88.00	0.00	HF2770	PG 10 LN 3
CBC District 4						
CBC District IV	60.34	62.00	63.00	1.00	HF2770	PG 10 LN 6
CBC District 5						
CBC District V	232.00	255.69	255.69	0.00	HF2770	PG 10 LN 9
CBC District 6						
CBC District VI	171.76	184.58	184.58	0.00	HF2770	PG 10 LN 16
CBC District 7						
CBC District VII	114.41	120.60	120.60	0.00	HF2770	PG 10 LN 22
CBC District 8						
CBC District VIII	87.14	94.80	94.80	0.00	HF2770	PG 10 LN 28
Industries						
Iowa State Industries	71.40	72.50	72.50	0.00	NONAPPR	
Corrections - Farm Account						
Consolidated Farm Operations	4.12	4.50	4.50	0.00	NONAPPR	
Total Corrections, Department of	3,550.47	3,840.47	3,853.47	13.00		

Justice System
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Health and Human Services, Department of						
HHS - Human Rights						
Justice Assistance Grants	0.14	0.00	0.00	0.00	NONAPPR	
Total Health and Human Services, Department of	0.14	0.00	0.00	0.00		
Department of Inspections, Appeals, and Licensing						
DIAL - State Public Defender						
Public Defender	232.93	266.00	276.00	10.00	HF2770	PG 13 LN 31
Total Department of Inspections, Appeals, and Licensing	232.93	266.00	276.00	10.00		
Judicial Branch						
Judicial Branch						
Judicial Branch	1,767.42	1,845.75	1,845.75	0.00	HF2769	PG 1 LN 9
Jury & Witness Fee Rev Fund	2.29	2.30	2.30	0.00	HF2769	
Judicial-Prev. Serv. -Title IV E Reimbur.	12.68	14.00	14.00	0.00	NONAPPR	
Graduated Sanctions	8.94	10.25	10.25	0.00	HF2769	PG 3 LN 16
Total Judicial Branch	1,791.33	1,872.30	1,872.30	0.00		
Law Enforcement Academy						
Iowa Law Enforcement Academy						
Law Enforcement Academy	28.50	31.00	31.00	0.00	HF2770	PG 12 LN 28
Total Law Enforcement Academy	28.50	31.00	31.00	0.00		
Parole, Board of						
Parole Board						
Parole Board	10.35	10.60	10.60	0.00	HF2770	PG 14 LN 21
Total Parole, Board of	10.35	10.60	10.60	0.00		

Justice System
FTE Positions

	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Net Final Act. FY27 vs Est. Net FY 2026	Bill Number	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)
Public Defense, Department of						
Public Defense, Dept. of						
National Guard Facilities Improvement Fund	15.74	14.00	14.00	0.00	NONAPPR	
Public Defense, Department of	228.36	238.00	242.00	4.00	HF2770	PG 14 LN 31
Total Public Defense, Department of	244.10	252.00	256.00	4.00		
Homeland Security and Emergency Mgmt.						
Homeland Security & Emergency Mgmt.						
Levee Improvement Fund	0.00	0.84	0.84	0.00	NONAPPR	
Homeland Security Grant Program	0.00	7.82	7.82	0.00	NONAPPR	
Pre-Disaster Mitigation - Competitive	0.00	0.08	0.08	0.00	NONAPPR	
Power Plant Funds	0.00	1.77	1.77	0.00	NONAPPR	
Hazard Mitigation	0.00	7.34	7.34	0.00	NONAPPR	
Flood Mitigation Assistance	0.00	0.63	0.63	0.00	NONAPPR	
State & Local Assistance	0.00	3.14	3.14	0.00	NONAPPR	
Emergency Response Fund	0.00	-1.00	0.00	1.00	NONAPPR	
State and Local Cybersecurity Grant Program Fund	0.00	0.50	0.50	0.00	NONAPPR	
2004 Distribution #1518 Public Assist.	0.00	28.54	28.54	0.00	NONAPPR	
Homeland Security & Emer. Mgmt.	77.07	25.44	25.44	0.00	HF2770	PG 15 LN 13
911 Emerg Comm Admin - 911 Surcharge	0.00	1.81	1.81	0.00	NONAPPR	PG 20 LN 8
Total Homeland Security and Emergency Mgmt.	77.07	76.91	77.91	1.00		

Justice System
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Public Safety, Department of						
Public Safety, Dept. of						
Public Safety Administration	40.33	33.00	33.00	0.00	HF2770	PG 16 LN 2
Public Safety DCI	169.24	184.00	184.00	0.00	HF2770	PG 16 LN 8
Narcotics Enforcement	59.66	71.00	71.00	0.00	HF2770	PG 16 LN 26
Fire Marshal	19.65	21.00	21.00	0.00	HF2770	PG 17 LN 15
Iowa State Patrol	560.74	613.00	613.00	0.00	HF2770	PG 17 LN 26
Human Trafficking Office	0.41	0.00	0.00	0.00	HF2770	PG 18 LN 21
Office of Drug Control Policy - DPS	3.79	4.00	4.00	0.00	HF2770	PG 18 LN 30
DPS Gaming Enforcement - GEF	58.53	65.00	68.00	3.00	HF2770	PG 19 LN 13
Peace Officers Retirement Fund	1.56	2.00	2.00	0.00	NONAPPR	
Notary Information Fees	2.74	0.00	0.00	0.00	NONAPPR	
Interoperable & Broadband Comm Fund	1.75	2.00	2.00	0.00	NONAPPR	
School Safety Fund	8.14	9.00	9.00	0.00	NONAPPR	
DPS-Task Force Assistance	4.03	0.00	0.00	0.00	HF2770	
Total Public Safety, Department of	930.58	1,004.00	1,007.00	3.00		
Total Justice System	7,119.00	7,621.66	7,671.28	49.62		

Transportation, Infrastructure, and Capitals
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Health and Human Services, Department of						
HHS - Public Health						
HHS - Iowa Commission on Volunteer Service	20.60	0.00	0.00	0.00	NONAPPR	
Total Health and Human Services, Department of	20.60	0.00	0.00	0.00		
Telecommunications and Tech Commission						
Iowa Communications Network						
ICN Operations	70.79	69.00	69.00	0.00	NONAPPR	
Total Telecommunications and Tech Commission	70.79	69.00	69.00	0.00		
Public Health, Department of						
Public Health						
HHS - Comm Volunteer Ser - Community Prog Fund	0.05	0.00	0.00	0.00	NONAPPR	
Total Public Health, Department of	0.05	0.00	0.00	0.00		
Homeland Security and Emergency Mgmt.						
Homeland Security & Emergency Mgmt.						
Mass Notification & Emer Messaging - TRF	0.00	0.79	0.79	0.00	NONAPPR	PG 11 LN 5
Total Homeland Security and Emergency Mgmt.	0.00	0.79	0.79	0.00		
Transportation, Department of						
Transportation, Dept. of						
Highway Beautification Fund	6.41	9.00	9.00	0.00	NONAPPR	
Materials And Equipment Revolving Fund	64.85	81.00	81.00	0.00	NONAPPR	
Highway	2,065.49	2,363.00	2,363.00	0.00	SF2478	
Motor Vehicle Division	279.92	294.00	294.00	0.00	SF2478	
Total Transportation, Department of	2,416.67	2,747.00	2,747.00	0.00		
Total Transportation, Infrastructure, and Capitals	2,508.11	2,816.79	2,816.79	0.00		

Unassigned Standings
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Agriculture and Land Stewardship, Dept of						
Agriculture and Land Stewardship						
IDALS ARP Fund	0.75	0.00	0.00	0.00	NONAPPR	
Total Agriculture and Land Stewardship, Dept of	0.75	0.00	0.00	0.00		
Education, Department of						
Education, Dept. of						
ISD Restricted	0.36	0.61	0.61	0.00	NONAPPR	
State Foundation School Aid	0.05	1.80	0.00	-1.80	NONAPPR	
Special Education Division - SWRF	0.00	29.50	29.50	0.00	NONAPPR	
Total Education, Department of	0.41	31.91	30.11	-1.80		
Legislative Branch						
Legislative Branch						
Legislative Branch	232.28	342.80	342.80	0.00	NONAPPR	
Total Legislative Branch	232.28	342.80	342.80	0.00		
Health and Human Services, Department of						
Health and Human Services						
Behavioral Health Fund	0.00	4.00	4.00	0.00	NONAPPR	
Total Health and Human Services, Department of	0.00	4.00	4.00	0.00		
Department of Inspections, Appeals, and Licensing						
Inspections, Appeals, & Licensing, Department of						
Fireworks Fee Fund-DPS	0.00	0.20	0.20	0.00	NONAPPR	
DIAL - State Public Defender						
Title IV-E Juvenile Justice Improvement Fd-State Public Def.	0.83	1.00	1.00	0.00	NONAPPR	
Total Department of Inspections, Appeals, and Licensing	0.83	1.20	1.20	0.00		
Management, Department of						
Management, Dept. of						
State Appeal Board Claims	1.00	1.00	1.00	0.00	NONAPPR	
Total Management, Department of	1.00	1.00	1.00	0.00		

Unassigned Standings
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Net Final Act. FY27 vs Est. Net FY 2026 (4)	Bill Number (5)	Page and Line # (6)
Homeland Security and Emergency Mgmt.						
Homeland Security & Emergency Mgmt.						
Flood Recovery Fund	0.00	0.20	0.20	0.00	NONAPPR	
FEMA and State Only Disasters	0.00	-1.00	1.00	2.00	NONAPPR	
Total Homeland Security and Emergency Mgmt.	0.00	-0.80	1.20	2.00		
Total Unassigned Standings	235.26	380.11	380.31	0.20		

Subcommittee Appropriations Acts

FUNDING SUMMARY

General Fund FY 2027: Appropriates a total of $73.3 million from the General Fund and authorizes 1,489.5 full-time equivalent (FTE) positions for FY 2027. This is a decrease of $413,000 and 45.0 FTE positions compared to estimated net FY 2026. This includes the elimination of the Department of Inspections, Appeals, and Licensing (DIAL) Food and Consumer Safety appropriation.

Other Funds FY 2027: Appropriates a total of $78.9 million from other funds. This is a decrease of $59.9 million compared to estimated net FY 2026. This includes an elimination of the DIAL Professional Licensing appropriation from the State Housing Trust Fund, the removal of one-time funding for the Iowa Public Employees' Retirement System (IPERS) Pension Administration System (PAS) appropriation from the IPERS Trust Fund, and the removal of one-time funding for the Department of Insurance and Financial Services (DIFS) Pharmacy Services Administrative Organizations (PSAO) Report appropriation from the Commerce Revolving Fund (CMRF).

Standing Appropriations FY 2027: The attached tracking includes a standing limited appropriation of $18,000 for FY 2027 from the General Fund for the enforcement of Iowa Code chapter 453D (Tobacco Product Manufacturers — Enforcement of Financial Obligations). This is no change compared to estimated net FY 2026. Additionally, the attached tracking reflects a standing unlimited appropriation of $125,000 for FY 2026 from the General Fund for the printing of cigarette stamps pursuant to Iowa Code section 453A.7.

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Treasurer of State (TOS) Iowa's Achieving a Better Life Experience (IABLE) Savings Plan Trust: Appropriates $200,000 from the General Fund to the TOS for the IABLE Savings Plan Trust. This is a new appropriation for FY 2027. The IABLE Savings Plan Trust was previously funded in the Department of Health and Human Services (HHS) budget in the Accounting, Compliance, and Program Integrity General Fund appropriation. Page 15, Line 12

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Department of Administrative Services (DAS) Operations: Appropriates $3.6 million and 50.0 FTE positions from the General Fund. This is a decrease of $111,000 and an increase of 0.4 FTE position compared to estimated net FY 2026. Page 1, Line 20

DIAL: Appropriates $20.5 million from the General Fund and 478.6 FTE positions. This is a net decrease of $502,000 and 76.2 FTE positions compared to estimated net FY 2026. The changes include: Page 5, Line 1
- A decrease of $125,000 and 23.6 FTE positions for the Administration Division.
- No change in funding and a decrease of 20.0 FTE positions for the Administrative Hearings Division.
- A decrease of $20,000 and no change in FTE positions for the Employment Appeal Board.
- A decrease of $510,000 and 35.7 FTE positions for the Food and Consumer Safety Bureau.
- An increase of $153,000 and 3.0 FTE positions for the Iowa Office of Civil Rights.

DIAL — Racing and Gaming Commission — Racing and Gaming Regulation: Appropriates $8.0 million from the Gaming Regulatory Revolving Fund and 57.7 FTE positions. This is an increase of $428,000 and 4.0 FTE positions compared to estimated net FY 2026. Page 9, Line 11

IPERS General Office: Appropriates $26.3 million from the IPERS Trust Fund and 110.0 FTE positions. This maintains the current level of funding and is an increase of 33.0 FTE positions compared to estimated net FY 2026. Page 12, Line 23

Iowa Public Information Board (IPIB): Appropriates $496,000 from the General Fund and 4.0 FTE positions. This is an increase of $29,000 and 1.0 FTE position compared to estimated net FY 2026. Page 12, Line 35

Iowa Department of Revenue (IDR): Appropriates $15.3 million from the General Fund and 166.7 FTE positions. This is a decrease of $29,000 in funding and no change in FTE positions compared to estimated net FY 2026. Page 13, Line 7

STUDIES AND INTENT

Intent

Requires the DAS to coordinate with the Iowa Economic Development Authority (IEDA) Tourism Office to promote attendance at the State Historical Building and the State's historic sites. Page 2, Line 28

Requires any funds received by the DAS for workers' compensation to be used for the payment of workers' compensation claims and administrative costs. Permits any funds remaining to carry forward for the payment of claims and administrative costs in subsequent fiscal years. Page 2, Line 37

Permits the DAS to charge $2 per month to State employers for each employee health insurance contract administered by the DAS for FY 2027. Page 3, Line 15

Permits the AOS to add staff to conduct reimbursable audits. Requires the AOS to notify the DOM, the Legislative Fiscal Committee, and the Legislative Services Agency (LSA) when additional FTE positions are retained.	Page 3, Line 33
Requires the AOS to expend funds appropriated from the General Fund only on audit work related to the Annual Comprehensive Financial Report (ACFR) and other specified activities until the ACFR is completed.	Page 4, Line 5
Requires the Health Facilities Division of the DIAL to provide information to the public relating to inspections, operating costs, and FTE positions within the Division.	Page 5, Line 39
Specifies the intent of the General Assembly that the DIAL is required to continuously solicit input from health facilities regulated by the DIAL and to assess and improve the DIAL's level of collaboration and identify new opportunities for cooperation.	Page 6, Line 20
Permits the Employment Appeal Board to expend funds and to retain additional FTE positions, as necessary, for hearings related to contractor registration. The costs for these hearings are required to be reimbursed by the DIAL.	Page 6, Line 31
Permits the Employment Appeal Board to temporarily exceed and draw more than the $511,000 appropriated for FY 2027 from the General Fund to the Board during the fiscal year and incur a negative cash balance as long as federal funds received by the Board are equal to or greater than the negative balance and the Board's General Fund appropriation is not exceeded at the close of FY 2027.	Page 6, Line 39
Permits the Iowa Office of Civil Rights to contract with a nonprofit organization to provide legal assistance to resolve civil rights complaints.	Page 7, Line 12
Permits the DIAL to reallocate General Fund appropriations in consultation with the DOM to best fulfill the needs of the DIAL. However, the DIAL is not allowed to reallocate appropriations for the Labor Services Division or the Workers' Compensation Division.	Page 8, Line 4
Permits the DIAL to retain license fees to cover the costs of local inspections in FY 2027, with the exception of those fees collected by the DIAL on behalf of a municipal corporation.	Page 8, Line 15
Requires the food establishment and food processing plant fees collected by the DIAL for inspections and licensing on behalf of municipal corporations through a statewide electronic licensing system operated by the DIAL to be remitted back to the municipal corporations less any fees collected for the electronic transactions.	Page 8, Line 21

Requires the DIAL to deposit $290,000 of collected inspection fee revenue into the General Fund prior to June 30, 2027.	Page 8, Line 30
FISCAL IMPACT: This is a decrease of $510,000 in inspection fee revenue deposited into the General Fund compared to estimated net FY 2026.	
Permits examination expenditures of the Iowa Insurance Division (IID) of the DIFS to exceed revenues if the expenditures are reimbursable. The IID is required to notify the DOM, the LSA, and the Legislative Fiscal Committee of the need for examination expenditures to exceed revenues and is required to provide justification and an estimate of the excess expenditures.	Page 10, Line 23
Requires the first $750,000 collected from the sale of certified abstracts of vehicle operating records in FY 2027 to be transferred to the IOWAccess Revolving Fund for developing, implementing, maintaining, and expanding electronic access to government records.	Page 11, Line 39
Requires the IDR to expend $400,000 of the IDR General Fund appropriation to pay the direct costs of compliance related to the local option sales tax (LOST).	Page 13, Line 18
Requires the IDR to prepare and issue a State Appraisal Manual at no cost to cities and counties.	Page 13, Line 22
Prohibits State agencies from charging the Office of the Secretary of State (SOS) a fee to provide data processing services for voter registration file maintenance and storage.	Page 14, Line 9
Allows the SOS to refund certain business service fees. The decision to issue the refund is not subject to administrative review.	Page 14, Line 29
Requires the Office of the TOS to provide administrative support to the Executive Council.	Page 15, Line 17
Permits the IUC to expend additional funds, including expenditures for additional personnel, if the funds are needed for actual expenses that exceed the moneys budgeted and if the funds are reimbursable. The IUC must notify the DOM, the LSA, and the Legislative Fiscal Committee of the expenditure of funds in excess of the amount budgeted for utility regulation and provide justification and an estimate of the excess expenditures.	Page 15, Line 39
Requires any agency receiving an appropriation pursuant to this Act to give first preference to an Iowa product or a product produced by an Iowa-based business and to give second preference to a United States product or a product produced by a business based in the United States.	Page 16, Line 21

Nonreversion

Permits any unencumbered or unobligated funds appropriated in FY 2027 from the General Fund to the DAS for utility costs to carry forward to FY 2028. — Page 2, Line 5

Permits any unencumbered or unobligated funds appropriated in FY 2027 from the General Fund to the DIAL Labor Services Division to carry forward to FY 2028. — Page 7, Line 21

Permits any unencumbered or unobligated funds appropriated in FY 2027 from the General Fund to the DIAL Workers' Compensation Division to carry forward to FY 2028. — Page 7, Line 32

Requires the DIAL to retain fees collected from local inspections and carry forward any unencumbered or unobligated funds to FY 2028. — Page 8, Line 34

Required Reports

Requires the Investigations Division of the DIAL to provide a report to the General Assembly by December 1, 2026, regarding the Division's FY 2026 investigatory efforts related to fraud in public assistance programs. — Page 5, Line 25

Requires the DIAL to annually submit to the DOM and the LSA a report on fees billed and collected and expenditures from the moneys retained by the DIAL from local inspections. — Page 8, Line 34

SIGNIFICANT CODE CHANGES

Requires all fees collected by the DIAL concerning consumer fireworks seller license to be deposited into the Licensing and Regulation Fund rather than the Consumer Fireworks Fee Fund. — Page 17, Line 1

Repeals the Consumer Fireworks Fee Fund. — Page 17, Line 6

Requires all fees collected by the DIAL concerning consumer fireworks wholesaler registration to be deposited into the Licensing and Regulation Fund rather than the Consumer Fireworks Fee Fund. — Page 17, Line 32

FISCAL IMPACT: As of June 8, 2026, the balance of the Consumer Fireworks Fee Fund was $440,000.

Requires the gross admissions receipt tax and any additional charges from professional boxing events to be deposited into the Licensing and Regulation Fund rather than appropriated to the DIAL. — Page 18, Line 1

Requires annual registration fees paid by manufacturers, distributors, and for-profit owners of electrical and mechanical amusement devices to be deposited into the Licensing and Regulation Fund rather than the Amusement Devices Special Fund. Page 18, Line 15

FISCAL IMPACT: Annual registration fees to the Amusement Devices Special Fund have averaged $294,000 annually between FY 2021 and FY 2025. As of June 8, 2026, the balance of the Amusement Devices Special Fund was $496,000.

Requires that 100.0% of nonexamination revenues payable to the IID or the IDR in connection with the regulation of insurance companies or other entities subject to the regulatory jurisdiction of the IID be deposited into the CMRF rather than 40.0% to the CMRF and 60.0% to the General Fund. Unobligated nonexamination revenues may be deposited into the General Fund. Page 18, Line 34

FISCAL IMPACT: Nonexamination revenues collected from FY 2022 through FY 2025 averaged $20.4 million annually. The required deposit of nonexamination revenues into the General Fund from FY 2022 through FY 2025 has averaged $12.2 million, while the actual deposit has averaged $17.5 million over the same time period.

Requires any unobligated or unencumbered moneys in the Consumer Fireworks Fee Fund and the Amusement Devices Special Fund to be transferred into the Licensing and Regulation Fund on July 1, 2026. Page 19, Line 8

FISCAL IMPACT: As of June 8, 2026, the balance of the Consumer Fireworks Fee Fund was $440,000 and the balance of the Amusement Devices Special Fund was $496,000.

EFFECTIVE DATE

This Act takes effect July 1, 2026.

ENACTMENT DATE

This Act was approved by the General Assembly on April 28th, 2026, and signed by the Governor on June 2, 2026.

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House File 2768 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
17	1	29	Add	10A.519.3.c
17	6	30	Amend	10A.519.7
17	32	31	Amend	10A.520.3
18	1	32	Amend	90A.10.1
18	15	33	Amend	99B.58
18	34	34	Amend	505.7.3

DIVISION I
FY 2026-2027 APPROPRIATIONS

Section 1. DEPARTMENT OF ADMINISTRATIVE SERVICES.
1. There is appropriated from the general fund of the state to the department of administrative services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 3,602,306
..... FTEs 50.00

General Fund appropriation to the Department of Administrative Services (DAS) for general operations.

DETAIL: This is a decrease of $111,412 in funding and is an increase of 0.40 full-time equivalent (FTE) position compared to estimated net FY 2026.

The General Fund appropriation primarily funds the State Accounting Enterprise (SAE) and the maintenance of ceremonial space in the State Capitol and the Ola Babcock Miller Building under the General Services Enterprise (GSE). The remaining DAS operating revenues are generated from utility fees, marketplace fees, and other reimbursements. The approximate total generated from fees in FY 2024 as reported to the Legislative Services Agency's (LSA's) Fee Project was $70,885,898.

b. For the payment of utility costs, and for not more than the following full-time equivalent positions:
..... $ 4,487,598
..... FTEs 1.00

General Fund appropriation to the DAS for utility costs at the Capitol Complex and at the Ankeny Lab Facilities.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

Notwithstanding section 8.33, moneys appropriated for utility costs in this lettered paragraph 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 the close of the succeeding fiscal year.

CODE: Permits any unencumbered or unobligated funds appropriated from the General Fund in FY 2027 to the DAS for utility costs to carry forward to FY 2028.

DETAIL: The amount of funds, if any, that will be carried forward varies annually. The amount of carryforward from previous fiscal years includes the following:

- FY 2025 to FY 2026: $349,705
- FY 2024 to FY 2025: $269,270
- FY 2023 to FY 2024: $254,678
- FY 2022 to FY 2023: $501,736
- FY 2021 to FY 2022: $333,640
- FY 2020 to FY 2021: $2,518
- FY 2019 to FY 2020: $21,352
- FY 2018 to FY 2019: $0
- FY 2017 to FY 2018: $154,374
- FY 2016 to FY 2017: $198,397

2 11 c. For Terrace Hill operations, and for not more than the
2 12 following full-time equivalent positions:
2 13 ..... $ 460,884
2 14 ..... FTEs 4.37

General Fund appropriation to the DAS for Terrace Hill operations for the normal upkeep and routine maintenance of Terrace Hill buildings and grounds.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

2 15 d. For state library services:
2 16 (1) For salaries, support, maintenance, and miscellaneous
2 17 purposes, and for not more than the following full-time
2 18 equivalent positions:
2 19 ..... $ 2,626,613
2 20 ..... FTEs 19.00

General Fund appropriation to the DAS for the State Library.

DETAIL: Maintains the current level of funding and is an increase of 0.85 FTE position compared to estimated net FY 2026. The increase of 0.85 FTE position is to restore the FTE positions to the previously authorized amount in HF 1044 (FY 2026 Administration and Regulation Appropriations Act).

The State Library provides local support services to Iowa libraries and helps ensure consistent availability of services across the State, especially in rural areas. The State Library also provides information services to the three branches of State government, information services to the general public, and U.S. Census data to the residents of Iowa.

2 21 (2) For the enrich Iowa program established under section
2 22 8A.209:
2 23 ..... $ 2,464,823

General Fund appropriation to the DAS for the Enrich Iowa program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

The Enrich Iowa program provides support to local libraries through three programs. The Direct State Aid program helps public libraries pay for computers, books, and other materials. The Open Access program allows reciprocal borrowing for library patrons among participating libraries. The Interlibrary Loan Reimbursement program provides Iowa library patrons with equal access to library resources by encouraging and supporting resource sharing.

2 24 e. (1) For support of the state's historical resources, and
2 25 for not more than the following full-time equivalent positions:
2 26 ..... $ 3,804,774
2 27 ..... FTEs 37.00

General Fund appropriation to the DAS for historical resources.

DETAIL: Maintains the current level of funding and is an increase of 11.49 FTE positions compared to estimated net FY 2026. The increase in FTE positions provides an authorization of 0.99 FTE position less than the total authorized in HF 1044 (FY 2026 Administration and Regulation Appropriations Act).

The DAS is required to oversee the State Historical Museum, State Archives libraries and records, State Historic Preservation Office, State historical libraries, Iowa history publications, historic resource grants, battle flag preservation project, State historic sites, and archiving of former governors' papers.

2 28 (2) The department shall coordinate historical and cultural
2 29 activities with the tourism office of the economic development
2 30 authority to promote attendance at the state historical
2 31 building and at the state's historic sites.

Requires the DAS to coordinate with the Iowa Economic Development Authority (IEDA) Tourism Office to promote attendance at the State Historical Building and the State's historic sites.

2 32 f. For administration and support of the state's historic
2 33 sites, and for not more than the following full-time equivalent
2 34 positions:
2 35 ..... $ 425,751
2 36 ..... FTEs 3.00

General Fund appropriation to the DAS for operation and maintenance of seven State historic sites.

DETAIL: Maintains the current level of funding and is an increase of 0.69 FTE position compared to estimated net FY 2026.

The Historic Sites appropriation is used for the operation and maintenance of historic sites across Iowa that are owned by

the State Historical Society. Many sites are operated in partnership with local historical societies and county conservation boards. The historic sites maintained by this appropriation are as follows:

- The American Gothic House (Eldon, Iowa)
- Blood Run National Historic Landmark (Lyon County, Iowa)
- Matthew Edel Blacksmith Shop (Haverhill, Iowa)
- Abbie Gardner Sharp Cabin (Arnolds Park, Iowa)
- Montauk Historic Site (Iowa City, Iowa)
- Toolesboro Mounds National Historic Landmark (Toolesboro, Iowa)
- Plum Grove Historic Home (Iowa City, Iowa)

2 37 2. Any moneys and premiums collected by the department
2 38 for workers' compensation shall be segregated into a separate
2 39 workers' compensation fund in the state treasury to be used
3 1 for payment of state employees' workers' compensation claims
3 2 and administrative costs. Notwithstanding section 8.33,
3 3 unencumbered or unobligated moneys remaining in this workers'
3 4 compensation fund at the end of the fiscal year shall not
3 5 revert but shall remain available for expenditure for purposes
3 6 of the fund in subsequent fiscal years.

CODE: Requires any funds received by the DAS for workers' compensation purposes to be used for the payment of workers' compensation claims and administrative costs. Permits any unencumbered or unobligated funds remaining in the Workers' Compensation Fund at the end of the fiscal year to carry forward for payment of claims and administrative costs in subsequent fiscal years.

DETAIL: The current estimated amount of carryforward from FY 2025 to FY 2026 is approximately $4,361,461.

3 7 Sec. 2. DEPARTMENT OF ADMINISTRATIVE SERVICES —
3 8 REVOLVING FUNDS. There is appropriated to the department of
3 9 administrative services for the fiscal year beginning July
3 10 1, 2026, and ending June 30, 2027, from the revolving funds
3 11 designated in chapter 8A and from internal service funds
3 12 created by the department such amounts as the department deems
3 13 necessary for the operation of the department consistent with
3 14 the requirements of chapter 8A.

Appropriates funds from the DAS revolving funds and internal service funds for operations of the DAS consistent with Iowa Code chapter 8A for FY 2027.

3 15 Sec. 3. DEPARTMENT OF ADMINISTRATIVE SERVICES — STATE
3 16 EMPLOYEE HEALTH INSURANCE ADMINISTRATION CHARGE. For the
3 17 fiscal year beginning July 1, 2026, and ending June 30, 2027,
3 18 the monthly per contract administrative charge which may be
3 19 assessed by the department of administrative services shall be
3 20 $2.00 per contract on all health insurance plans administered
3 21 by the department.

Permits the DAS to charge $2 per month to State employers for each employee health insurance contract administered by the DAS for FY 2027.

DETAIL: Authorized under Iowa Code section 8A.454, the Health Insurance Administration Fund consists of moneys deposited from a monthly per-contract administrative charge.

The funds are required to be expended by the DAS for health insurance program administrative costs.

Sec. 4. AUDITOR OF STATE.

1. There is appropriated from the general fund of the state to the office of the auditor of state for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 1,002,686
..... FTEs 98.00

General Fund appropriation to the Auditor of State (AOS).

DETAIL: Maintains the current level of funding and is a decrease of 5.70 FTE positions compared to estimated net FY 2026. The decrease of 5.70 FTE positions is to restore the FTE positions to the previously authorized amount in HF 1044 (FY 2026 Administration and Regulation Appropriations Act).

2. The auditor of state may retain additional full-time equivalent positions as is reasonable and necessary to perform governmental subdivision audits which are reimbursable pursuant to section 11.20 or 11.21, to perform audits which are requested by and reimbursable from the federal government, and to perform work requested by and reimbursable from departments or agencies pursuant to section 11.5A or 11.5B. The auditor of state shall notify the department of management, the legislative fiscal committee, and the legislative services agency of the additional full-time equivalent positions retained.

Permits the AOS to add staff to conduct reimbursable audits. Requires the AOS to notify the DOM, the Legislative Fiscal Committee, and the LSA when additional FTE positions are retained.

3. The auditor of state shall allocate moneys from the appropriation in this section solely for audit work related to the annual comprehensive financial report, federally required audits, and investigations of embezzlement, theft, or other significant financial irregularities until the audit of the annual comprehensive financial report is complete.

Requires the AOS to expend the funds from the General Fund appropriation to the AOS on specified work until the audit of the Annual Comprehensive Financial Report (ACFR) is completed.

Sec. 5. IOWA ETHICS AND CAMPAIGN DISCLOSURE BOARD. There is appropriated from the general fund of the state to the Iowa ethics and campaign disclosure board for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For salaries, support, maintenance, and miscellaneous

General Fund appropriation to the Iowa Ethics and Campaign Disclosure Board.

DETAIL: Maintains the current level of funding and is an increase of 0.38 FTE position compared to estimated net FY 2026. The increase of 0.38 FTE position is to restore the FTE positions to the previously authorized amount in

purposes, and for not more than the following full-time equivalent positions:
..... $ 1,045,432
..... FTEs 7.00

Sec. 6. GOVERNOR AND LIEUTENANT GOVERNOR. There is appropriated from the general fund of the state to the offices of the governor and the lieutenant governor for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. GENERAL OFFICE
For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 2,864,932
..... FTEs 25.00

2. TERRACE HILL QUARTERS
For the governor's quarters at Terrace Hill, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 144,222
..... FTEs 2.00

Sec. 7. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING. There is appropriated from the general fund of the state to the department of inspections, appeals, and licensing for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION DIVISION
For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 808,285
..... FTEs 11.55

HF 1044 (FY 2026 Administration and Regulation Appropriations Act).

General Fund appropriation to the Offices of the Governor and Lieutenant Governor.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

General Fund appropriation for the Terrace Hill quarters.

DETAIL: Maintains the current level of funding and is an increase of 0.07 FTE position compared to estimated net FY 2026.

General Fund appropriation to the Administration Division of the Department of Inspections, Appeals, and Licensing (DIAL).

DETAIL: This is a decrease of $125,000 and 23.55 FTE positions compared to estimated net FY 2026. The funding decrease is for decreased general operating costs. The decrease of 23.55 FTE positions is to restore the FTE positions to the previously authorized amount in HF 1044 (FY 2026 Administration and Regulation Appropriations Act).

The Administration Division provides centralized support services for the DIAL. Division staff oversee all strategic planning, finance and budgeting, legislative affairs, administrative rulemaking, personnel, and public information activities for the DIAL.

5 13 2. ADMINISTRATIVE HEARINGS DIVISION
5 14 For salaries, support, maintenance, and miscellaneous
5 15 purposes, and for not more than the following full-time
5 16 equivalent positions:
5 17 ..... $ 654,983
5 18 ..... FTEs 23.00

General Fund appropriation to the Administrative Hearings Division of the DIAL.

DETAIL: Maintains the current level of funding and is a decrease of 20.00 FTE positions compared to estimated net FY 2026. The decrease of 20.00 FTE positions is to restore the FTE positions to the previously authorized amount in HF 1044 (FY 2026 Administration and Regulation Appropriations Act).

The Administrative Hearings Division conducts contested case hearings involving Iowans who claim to have been adversely affected by an action taken by a State agency. The majority of cases involve the suspension or termination of entitlements granted to individuals by the Iowa Department of Health and Human Services (HHS). Other cases involve driver's license suspensions and revocations by the Iowa Department of Transportation (DOT).

5 19 3. INVESTIGATIONS
5 20 a. For salaries, support, maintenance, and miscellaneous
5 21 purposes, and for not more than the following full-time
5 22 equivalent positions:
5 23 ..... $ 2,769,231
5 24 ..... FTEs 56.00

General Fund appropriation to the Investigations Division of the DIAL.

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026.

The Investigations Division investigates alleged fraud involving the State's public assistance programs, investigates Medicaid fraud by health care providers, and conducts professional practice investigations on behalf of State licensing boards.

5 25 b. By December 1, 2026, the department shall submit a
5 26 report to the general assembly concerning the department's
5 27 activities relative to fraud in public assistance programs for
5 28 the fiscal year beginning July 1, 2025, and ending June 30,
5 29 2026. The report must include but is not limited to a summary
5 30 of the number of cases investigated, case outcomes, overpayment
5 31 dollars identified, amount of cost avoidance, and actual
5 32 dollars recovered.

Requires the DIAL to coordinate with the Investigations Division and report to the General Assembly by December 1, 2026, regarding the Division's investigations into fraud in public assistance programs. The DIAL is to report on the number of cases investigated, case outcomes, identified overpayment dollars, amount of cost avoidance, and actual dollars recovered for FY 2026.

5 33 4. HEALTH FACILITIES
5 34 a. For salaries, support, maintenance, and miscellaneous
5 35 purposes, and for not more than the following full-time
5 36 equivalent positions:
5 37 ..... $ 6,206,128
5 38 ..... FTEs 132.00

General Fund appropriation to the Health Facilities Division of the DIAL.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

5 39 b. The department shall make all of the following
6 1 information available to the public as part of the department's
6 2 development efforts to revise the department's internet site:
6 3 (1) The number of inspections of health facilities
6 4 conducted by the department annually by type of service
6 5 provider and type of inspection.
6 6 (2) The total annual operations budget for the department
6 7 that is associated with health facilities regulation, including
6 8 general fund appropriations and federal contract dollars
6 9 received by type of service provider inspected.
6 10 (3) The total number of full-time equivalent positions
6 11 in the department that are associated with health facilities
6 12 regulation, to include the number of full-time equivalent
6 13 positions serving in a supervisory capacity, and serving as
6 14 surveyors, inspectors, or monitors in the field by type of
6 15 service provider inspected.
6 16 (4) Identification of state and federal survey trends,
6 17 cited regulations, the scope and severity of deficiencies
6 18 identified, and federal and state fines assessed and collected
6 19 concerning nursing and assisted living facilities and programs.

Requires the DIAL to provide the following information to the public on the DIAL's website:

- The number of inspections for each type of service provider and type of inspection.
- The annual operations budget.
- The number of inspectors and other FTE positions by type of service provider inspected.
- The survey trends, regulations cited, deficiencies, and State and federal fines.

6 20 c. It is the intent of the general assembly that the
6 21 department continuously solicit input from health facilities
6 22 regulated by the department to assess and improve the
6 23 department's level of collaboration and to identify new

Specifies the intent of the General Assembly that the DIAL is to continuously solicit input from health facilities regulated by the DIAL.

opportunities for cooperation.

5. EMPLOYMENT APPEAL BOARD

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 510,782

..... FTEs 11.00

General Fund appropriation to the Employment Appeal Board.

DETAIL: This is a decrease of $20,000 and no change in FTE positions compared to estimated net FY 2026. The decrease of $20,000 is for reduced mediation costs.

The Employment Appeal Board is comprised of three members appointed by the Governor and serves as the final administrative law forum for State and federal unemployment benefit appeals. The Board also hears appeals of rulings of the federal Occupational Safety and Health Administration (OSHA) and rulings on State employee job classifications.

b. The employment appeal board shall be reimbursed by the department for all costs associated with hearings conducted under chapter 91C related to contractor registration. The board may expend, in addition to the amount appropriated under this subsection, additional amounts as are directly billable to the department under this subsection and to retain the additional full-time equivalent positions as needed to conduct hearings required pursuant to chapter 91C.

Permits the Employment Appeal Board to expend funds and to retain additional FTE positions, as necessary, for hearings related to contractor registration. The costs for these hearings are required to be reimbursed by the DIAL.

c. The employment appeal board may temporarily exceed and draw more than the amount appropriated in this subsection and incur a negative cash balance as long as there are receivables of federal funds equal to or greater than the negative balance and the amount appropriated in this subsection is not exceeded at the close of the fiscal year.

Permits the Employment Appeal Board to temporarily exceed and draw more than the $510,782 appropriated for FY 2027 from the General Fund to the Board during the fiscal year and incur a negative cash balance as long as federal funds received by the Board are equal to or greater than the negative balance and the Board's General Fund appropriation is not exceeded at the close of FY 2027.

6. IOWA OFFICE OF CIVIL RIGHTS

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 1,538,921

..... FTEs 30.00

General Fund appropriation to the Iowa Office of Civil Rights.

DETAIL: This is a net increase of $153,000 and is an increase of 3.00 FTE positions compared to estimated net FY 2026 for the following:

- An increase of $200,000 and 3.00 FTE positions for an increased workload associated with the enactment of 2026 Iowa Acts, Senate File 579 (Local Civil Rights Commission

Act), which removed the requirement for cities with a population of 29,000 or greater to maintain a local civil rights commission.
- A decrease of $20,000 for reduced costs associated with the Docusign contract.
- A decrease of $15,000 for reduced WingSwept Case Management costs.
- A decrease of $12,000 for reduced Paperless Case Management system costs.

b. The Iowa office of civil rights may enter into a contract with a nonprofit organization to provide legal assistance to resolve civil rights complaints.

Permits the Iowa Office of Civil Rights to contract with a nonprofit organization to provide legal assistance to resolve civil rights complaints.

7. LABOR SERVICES
a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 2,965,719
..... FTEs 50.00

General Fund appropriation to the DIAL Labor Services Division.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

The appropriation is used to enforce safety standards in the workplace; provide consultation to employers on occupational safety and health compliance; conduct certain equipment inspections; maintain statistical information on illness and injuries in the workplace; and enforce wage, labor, and child labor laws.

b. Notwithstanding section 8.33, moneys appropriated in this subsection 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 the close of the succeeding fiscal year.

CODE: Permits any unencumbered or unobligated funds appropriated from the General Fund in FY 2027 to the Labor Services Division to carry forward to FY 2028.

8. DIVISION OF WORKERS' COMPENSATION
a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 3,381,044

General Fund appropriation to the DIAL Division of Workers' Compensation.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net

7 31 ..... FTEs 26.00

FY 2026. The appropriation is used to support the following three core functions:

- Adjudication of disputed workers' compensation claims.
- Enforcement of compliance standards.
- Education of Iowans about workers' compensation laws and procedures.

7 32 b. Notwithstanding section 8.33, moneys appropriated in
7 33 this subsection that remain unencumbered or unobligated at the
7 34 close of the fiscal year shall not revert but shall remain
7 35 available for expenditure for the purposes designated until the
7 36 close of the succeeding fiscal year.

CODE: Permits any unencumbered or unobligated funds appropriated from the General Fund in FY 2027 to the Workers' Compensation Division to carry forward to FY 2028.

7 37 9. PROFESSIONAL LICENSING
7 38 For salaries, support, maintenance, and miscellaneous
7 39 purposes, and for not more than the following full-time
8 1 equivalent positions:
8 2 ..... $ 1,627,969
8 3 ..... FTEs 139.00

General Fund appropriation to the Professional Licensing Division of the DIAL.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

8 4 10. APPROPRIATION REALLOCATION
8 5 Notwithstanding section 8.39, the department of inspections,
8 6 appeals, and licensing, in consultation with the department of
8 7 management, may reallocate moneys appropriated in this section
8 8 as necessary to best fulfill the needs of the department
8 9 of inspections, appeals, and licensing provided for in the
8 10 appropriation. However, the department of inspections,
8 11 appeals, and licensing shall not reallocate moneys appropriated
8 12 for labor services or the division of workers' compensation.

CODE: Permits the DIAL to reallocate General Fund appropriations in consultation with the DOM to best fulfill the needs of the DIAL. However, the DIAL is not allowed to reallocate moneys appropriated for the Labor Services Division or the Workers' Compensation Division.

8 13 Sec. 8. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING
8 14 — LICENSE OR REGISTRATION FEES.

8 15 1. For the fiscal year beginning July 1, 2026, and ending
8 16 June 30, 2027, the department of inspections, appeals, and
8 17 licensing shall collect any license or registration fees or
8 18 electronic transaction fees generated during the fiscal year
8 19 as a result of licensing and registration activities under
8 20 chapters 99B, 137C, 137D, and 137F.

Permits the DIAL to retain license fees to cover the costs of local inspections in FY 2027, with the exception of those fees collected by the DIAL on behalf of a municipal corporation. Fees are generated under the following Iowa Code chapters:

- Iowa Code chapter 99B — Social and Charitable Gambling.

- Iowa Code chapter 137C — Hotel Sanitation Code.
- Iowa Code chapter 137D — Home Food Processing Establishments.
- Iowa Code chapter 137F — Food Establishments and Food Processing Plants.

8 21 2. From the fees collected by the department under this
8 22 section on behalf of a municipal corporation with which
8 23 the department has an agreement pursuant to section 137F.3,
8 24 through a statewide electronic licensing system operated by
8 25 the department, notwithstanding section 137F.6, subsection 2,
8 26 the department shall remit the amount of those fees to the
8 27 municipal corporation for whom the fees were collected less
8 28 any electronic transaction fees collected by the department to
8 29 enable electronic payment.

Requires the food establishment and food processing plant fees collected by the DIAL for inspections and licensing on behalf of municipal corporations through a statewide electronic licensing system operated by the DIAL to be remitted back to the municipal corporations less any fees collected for the electronic transactions.

8 30 3. From the fees collected by the department under this
8 31 section, other than those fees described in subsection 2,
8 32 the department shall deposit the amount of $290,435 into the
8 33 general fund of the state prior to June 30, 2027.

Requires the DIAL to deposit $290,435 of collected inspection fee revenue into the General Fund prior to June 30, 2027.

FISCAL IMPACT: This is a decrease of $509,565 in inspection fee revenue required to be deposited into the General Fund compared to estimated net FY 2026.

8 34 4. From the fees collected by the department under this
8 35 section, other than those fees described in subsections 2 and
8 36 3, the department shall retain the remainder of the fees for
8 37 the purposes of enforcing the provisions of chapters 99B, 137C,
8 38 137D, and 137F. Notwithstanding section 8.33, moneys retained
8 39 by the department pursuant to this subsection that remain
9 1 unencumbered or unobligated at the close of the fiscal year
9 2 shall not revert but shall remain available for expenditure
9 3 for the purposes of enforcing the provisions of chapters 99B,
9 4 137C, 137D, and 137F during the succeeding fiscal year. The
9 5 department shall provide an annual report to the department
9 6 of management and the legislative services agency on fees
9 7 billed and collected and expenditures from the moneys retained
9 8 by the department in a format determined by the department
9 9 of management in consultation with the legislative services
9 10 agency.

Requires the DIAL to retain fees collected from local inspections and carry forward any unencumbered or unobligated funds to FY 2028 for the purposes of enforcing Iowa Code chapters 99B, 137C, 137D, and 137F. Also requires the DIAL to annually submit a report to the DOM and the LSA on fees billed and collected and expenditures from the moneys retained by the DIAL.

Sec. 9. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING — RACING AND GAMING COMMISSION — RACING AND GAMING REGULATION. There is appropriated from the gaming regulatory revolving fund created in section 99F.20 to the racing and gaming commission of the department of inspections, appeals, and licensing for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For salaries, support, maintenance, and miscellaneous purposes for regulation, administration, and enforcement of pari-mutuel racetracks, excursion boat gambling, gambling structure laws, sports wagering, and fantasy sports contests, and for not more than the following full-time equivalent positions:
..... $ 8,049,999
..... FTEs 57.70

Gaming Regulatory Revolving Fund appropriation to the Racing and Gaming Commission for regulation of casinos, pari-mutuel wagering facilities, sports wagering, and fantasy sports contests.

DETAIL: This is an increase of $428,000 and 4.00 FTE positions compared to estimated net FY 2026 for the following purposes:

- An increase of $308,000 and 4.00 FTE positions for additional casino regulatory staff for the Cedar Crossing Casino in Cedar Rapids.
- An increase of $15,000 for increased Commission travel costs.
- An increase of $10,000 for ongoing training of new staff.
- A one-time increase of $40,000 for new office and equipment costs.
- A one-time increase of $30,000 for overtime (OT) payments associated with the new casino setup.
- A one-time increase of $15,000 for boat-based to land-based casino transition costs.
- A one-time increase of $10,000 for training of new staff.

Sec. 10. DEPARTMENT OF INSPECTIONS, APPEALS, AND LICENSING — ROAD USE TAX FUND. There is appropriated from the road use tax fund created in section 312.1 to the administrative hearings division of the department of inspections, appeals, and licensing for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For salaries, support, maintenance, and miscellaneous purposes:
..... $ 1,623,897

Road Use Tax Fund appropriation to the Administrative Hearings Division of the DIAL.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. These funds are used to cover costs associated with administrative hearings related to driver's license revocations.

Sec. 11. DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES — COMMERCE REVOLVING FUND. There is appropriated from the commerce revolving fund created in section 546.12 to the department of insurance and financial services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

Appropriates moneys from the Commerce Revolving Fund to the Department of Insurance and Financial Services (DIFS).

10 5 1. BANKING DIVISION
10 6 For salaries, support, maintenance, and miscellaneous
10 7 purposes, and for not more than the following full-time
10 8 equivalent positions:
10 9 ..... $ 14,881,690
10 10 ..... FTEs 79.00

Commerce Revolving Fund appropriation to the Banking Division of the DIFS.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

10 11 2. CREDIT UNION DIVISION
10 12 For salaries, support, maintenance, and miscellaneous
10 13 purposes, and for not more than the following full-time
10 14 equivalent positions:
10 15 ..... $ 3,018,710
10 16 ..... FTEs 16.00

Commerce Revolving Fund appropriation to the Credit Union Division of the DIFS.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

10 17 3. INSURANCE DIVISION
10 18 a. For salaries, support, maintenance, and miscellaneous
10 19 purposes, and for not more than the following full-time
10 20 equivalent positions:
10 21 ..... $ 11,010,719
10 22 ..... FTEs 131.85

Commerce Revolving Fund appropriation to the Iowa Insurance Division (IID) of the DIFS.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

10 23 b. The insurance division expenditures for examination
10 24 purposes may exceed the projected receipts, refunds, and
10 25 reimbursements, estimated pursuant to section 505.7, subsection
10 26 7, including the expenditures for retention of additional
10 27 personnel, if the expenditures are fully reimbursable and the
10 28 division first does all of the following:
10 29 (1) Notifies the department of management, the legislative
10 30 services agency, and the legislative fiscal committee of the
10 31 need for the expenditures.
10 32 (2) Files with each of the entities named in subparagraph
10 33 (1) the legislative and regulatory justification for the
10 34 expenditures, along with an estimate of the expenditures.

Permits examination expenditures of the IID to exceed revenues if the expenditures are reimbursable. The IID is required to notify the DOM, the LSA, and the Legislative Fiscal Committee of the need for examination expenditures to exceed revenues and is required to provide justification and an estimate of the excess expenditures.

10 35 Sec. 12. DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES —
10 36 GENERAL FUND. There is appropriated from the general fund of
10 37 the state to the department of insurance and financial services
10 38 for the fiscal year beginning July 1, 2026, and ending June 30,
10 39 2027, the following amount, or so much thereof as is necessary,
11 1 to be used for the purposes designated:

General Fund appropriation to the DIFS for deposit into the Captive Insurance Regulatory and Supervision Fund for the regulation and supervision of the captive insurance industry.

DETAIL: Maintains the current level of funding and is an increase of 0.50 FTE position compared to estimated net

11 2 For deposit in the captive insurance regulatory and
11 3 supervision fund created in section 521J.12 for use as provided
11 4 in section 521J.12, including salaries, support, maintenance,
11 5 and miscellaneous purposes, and for not more than the following
11 6 full-time equivalent positions:
11 7 ..... $ 450,000
11 8 ..... FTEs 2.00

FY 2026. The increase of 0.50 FTE position is to restore the FTE positions to the previously authorized amount in HF 1044 (FY 2026 Administration and Regulation Appropriations Act).

This funding is for a Captive Insurance Bureau Chief, an Examiner Specialist, and an Examiner to examine and ensure compliance matters related to captive insurance.

11 9 Sec. 13. DEPARTMENT OF MANAGEMENT. There is appropriated
11 10 from the general fund of the state to the department of
11 11 management for the fiscal year beginning July 1, 2026, and
11 12 ending June 30, 2027, the following amounts, or so much thereof
11 13 as is necessary, to be used for the purposes designated:

11 14 1. For enterprise resource planning, providing for a
11 15 salary model administrator, conducting performance audits, the
11 16 department's LEAN process, and criminal and juvenile justice
11 17 planning; for salaries, support, maintenance, and miscellaneous
11 18 purposes; and for not more than the following full-time
11 19 equivalent positions:
11 20 ..... $ 3,666,154
11 21 ..... FTEs 29.00

General Fund appropriation to the DOM for operations.

DETAIL: Maintains the current level of funding and is an increase of 1.00 FTE position compared to estimated net FY 2026. The increase of 1.00 FTE position is to restore the FTE positions to the previously authorized amount in HF 1044 (FY 2026 Administration and Regulation Appropriations Act).

11 22 2. a. For the division of information technology; for
11 23 salaries, support, maintenance, and miscellaneous purposes; and
11 24 for not more than the following full-time equivalent positions:
11 25 ..... $ 4,421,887
11 26 ..... FTEs 24.39

General Fund appropriation to the Department of Management Division of Information Technology (DOM DoIT) Cybersecurity Office.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

11 27 b. Of the moneys appropriated in this subsection, $325,000
11 28 is allocated to providing cybersecurity services to local
11 29 governments.

Allocates $325,000 to provide cybersecurity services to local governments.

11 30 Sec. 14. DEPARTMENT OF MANAGEMENT — INFORMATION TECHNOLOGY
11 31 — REVOLVING AND INTERNAL FUNDS.

11 32 1. There is appropriated to the department of management
11 33 for the fiscal year beginning July 1, 2026, and ending June
11 34 30, 2027, from the revolving funds designated in chapter 8,

Appropriates revenue from internal service funds and revolving funds to the DOM DoIT in the amount necessary to operate the office.

11 35 subchapter XI, and from internal service funds created under
11 36 section 8.92, such amounts as the department deems necessary
11 37 for the operation of the department pursuant to and consistent
11 38 with the requirements of chapter 8, subchapter XI.

DETAIL: Iowa Code section 8.92 permits the DOM DoIT to establish and maintain internal service funds in accordance with generally accepted accounting principles. Internal service funds are primarily funded from billings to governmental entities for services rendered by the DOM DoIT. Billings may include direct, indirect, and developmental costs that have not been funded by an appropriation to the DOM DoIT. The funds may also include gifts, loans, donations, grants, and contributions.

11 39 2. a. Notwithstanding section 321A.3, subsection 1, for the
12 1 fiscal year beginning July 1, 2026, and ending June 30, 2027,
12 2 the first $750,000 collected and transferred to the treasurer
12 3 of state with respect to the fees for transactions involving
12 4 the furnishing of a certified abstract of a vehicle operating
12 5 record under section 321A.3, subsection 1, shall be transferred
12 6 to the IowAccess revolving fund created in section 8.90 for
12 7 the purposes of developing, implementing, maintaining, and
12 8 expanding electronic access to government records as provided
12 9 by law.

CODE: Requires the first $750,000 collected in FY 2027 from the sale of certified abstracts of vehicle operating records to be transferred to the IOWAccess Revolving Fund for developing, implementing, maintaining, and expanding electronic access to government records.

DETAIL: Pursuant to Iowa Code section 321A.3, any remaining fee revenue as a result of the sale of certified abstracts of vehicle operating records will be deposited into the General Fund. In FY 2025, $4,742,639 was deposited into the General Fund.

12 10 b. All fees collected with respect to transactions
12 11 involving IowAccess shall be deposited in the IowAccess
12 12 revolving fund created under section 8.90 and shall be used
12 13 only for the support of IowAccess projects.

Requires all fees related to transactions involving IOWAccess to be deposited in the IOWAccess Revolving Fund and used for IOWAccess projects.

12 14 Sec. 15. DEPARTMENT OF MANAGEMENT — ROAD USE TAX
12 15 FUND. There is appropriated from the road use tax fund created
12 16 in section 312.1 to the department of management for the fiscal
12 17 year beginning July 1, 2026, and ending June 30, 2027, the
12 18 following amount, or so much thereof as is necessary, to be
12 19 used for the purposes designated:
12 20 For salaries, support, maintenance, and miscellaneous
12 21 purposes:
12 22 ..... $ 56,000

Road Use Tax Fund appropriation to the DOM for operations.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. These funds are used for support and services provided to the DOT.

12 23 Sec. 16. IPERS — GENERAL OFFICE. There is appropriated
12 24 from the Iowa public employees' retirement fund created in
12 25 section 97B.7 to the Iowa public employees' retirement system

Iowa Public Employees' Retirement System (IPERS) Trust Fund appropriation to the IPERS for administration.

for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and other operational purposes to pay the costs of the Iowa public employees' retirement system, and for not more than the following full-time equivalent positions:

..... $ 26,330,702

..... FTEs 110.00

DETAIL: Maintains the current level of funding and is an increase of 33.00 FTE positions compared to estimated net FY 2026. Of the increase, 27.00 FTE positions are to restore the FTE positions to the previously authorized amount in HF 1044 (FY 2026 Administration and Regulation Appropriations Act) and the remaining 6.00 FTE positions are for new retirement benefit officers.

Sec. 17. IOWA PUBLIC INFORMATION BOARD. There is appropriated from the general fund of the state to the Iowa public information board for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 496,227

..... FTEs 4.00

General Fund appropriation for the Iowa Public Information Board (IPIB).

DETAIL: This is an increase of $29,000 in funding and 1.00 FTE position compared to estimated net FY 2026. The increase is to assist the IPIB with facilitating mandatory training to new public officials who are members of a governmental body.

Sec. 18. DEPARTMENT OF REVENUE.

1. There is appropriated from the general fund of the state to the department of revenue for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 15,349,678

..... FTEs 166.66

General Fund appropriation to the Department of Revenue (IDR) for operations.

DETAIL: This is a decrease of $29,000 in funding and no change in FTE positions compared to estimated net FY 2026.

b. From the moneys appropriated in this subsection, the department shall use $400,000 to pay the direct costs of compliance related to the collection and distribution of local sales and services taxes imposed pursuant to chapter 423B.

Requires $400,000 of the IDR's General Fund appropriation to be used to pay the direct costs of compliance related to the local option sales tax (LOST) imposed pursuant to Iowa Code chapter 423B.

2. The director of revenue shall prepare and issue a state appraisal manual and the revisions to the state appraisal manual as provided in section 421.17, subsection 17, without

Requires the IDR to prepare and issue a State Appraisal Manual at no cost to cities and counties.

cost to a city or county.

DETAIL: County and city assessors are mandated by statute to use the Manual in completing assessments of real property.

Sec. 19. DEPARTMENT OF REVENUE — MOTOR VEHICLE FUEL TAX FUND. There is appropriated from the motor vehicle fuel tax fund created pursuant to section 452A.77 to the department of revenue for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and for administration and enforcement of the provisions of chapter 452A and the motor vehicle fuel tax program:

..... $ 1,305,775

Motor Vehicle Fuel Tax Fund appropriation to the IDR for the administration and enforcement of the Motor Vehicle Fuel Tax program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

Sec. 20. SECRETARY OF STATE. There is appropriated from the general fund of the state to the office of the secretary of state for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. ADMINISTRATION AND ELECTIONS

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 2,566,697
..... FTEs 19.25

General Fund appropriation to the Office of the Secretary of State (SOS) for administration and elections.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

b. The state department or agency that provides data processing services to support voter registration file maintenance and storage shall provide those services without charge.

Prohibits State agencies from charging the SOS a fee to provide data processing services for voter registration file maintenance and storage.

2. BUSINESS SERVICES

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 1,568,795
..... FTEs 16.75

General Fund appropriation to the SOS for business services operations.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

Sec. 21. SECRETARY OF STATE — ADDRESS CONFIDENTIALITY PROGRAM REVOLVING FUND. There is appropriated from the address confidentiality program revolving fund created in section 9.8 to the office of the secretary of state for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes:

..... $ 195,400

Address Confidentiality Program Revolving Fund appropriation to the SOS.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

2015 Iowa Acts, chapter 96 (Safe at Home Act), established the address confidentiality program for victims of domestic abuse, domestic abuse assault, sexual abuse, stalking, and human trafficking. The program is administered by the SOS.

Sec. 22. SECRETARY OF STATE FILING FEES REFUND. Notwithstanding the obligation to collect fees pursuant to the provisions of section 489.122, subsection 1, paragraphs “c” and “s”, section 490.122, subsection 1, paragraph “a”, and section 504.113, subsection 1, paragraphs “a”, “c”, “d”, “j”, “k”, “l”, and “m”, for the fiscal year beginning July 1, 2026, the secretary of state may refund these fees to the filer pursuant to rules established by the secretary of state. The decision of the secretary of state not to issue a refund under rules established by the secretary of state is final and not subject to review pursuant to chapter 17A.

Allows the SOS to refund certain business service fees. The decision to issue the refund is not subject to administrative review.

DETAIL: This includes various record, filing, and copying fees for business corporations, nonprofits, and limited liability corporations.

Sec. 23. TREASURER OF STATE.

1. There is appropriated from the general fund of the state to the office of treasurer of state for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 1,046,415

..... FTEs 28.00

General Fund appropriation to the Office of the Treasurer of State (TOS) for general office operations.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

b. For deposit in the administrative fund of the Iowa ABLE savings plan trust created in section 12I.4, for implementation and administration activities of the Iowa ABLE savings plan

General Fund appropriation for deposit in the administrative fund of the Iowa's Achieving a Better Life Experience (IABLE) Savings Plan Trust.

trust:
..... $ 200,000

DETAIL: This is a new appropriation of $200,000 in FY 2027 to the TOS for the IABLE Savings Plan Trust. In FY 2026, IABLE was funded in the HHS budget in the Accounting, Compliance, and Program Integrity General Fund appropriation.

2. The office of treasurer of state shall supply administrative support for the executive council.

Requires the Office of the TOS to provide administrative support to the Executive Council.

Sec. 24. TREASURER OF STATE — ROAD USE TAX FUND. There is appropriated from the road use tax fund created in section 312.1 to the office of treasurer of state for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For enterprise resource management costs related to the distribution of road use tax fund moneys:
..... $ 316,788

Road Use Tax Fund appropriation to the Office of the TOS.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This appropriation is used to cover a portion of the fees assessed by the DAS for the State accounting budget system costs related to the administration of the Road Use Tax Fund.

Sec. 25. IOWA UTILITIES COMMISSION.
1. There is appropriated from the commerce revolving fund created in section 546.12 to the Iowa utilities commission for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 12,080,831
..... FTEs 80.00

Commerce Revolving Fund appropriation to the Iowa Utilities Commission (IUC).

DETAIL: Maintains the current level of funding and is a decrease of 16.50 FTE positions compared to estimated net FY 2026. The decrease of 16.50 FTE positions is to restore the FTE positions to the previously authorized amount in HF 1044 (FY 2026 Administration and Regulation Appropriations Act).

2. The Iowa utilities commission may expend additional moneys, including moneys for additional personnel, if those additional expenditures are actual expenses which exceed the moneys budgeted for utility regulation and the expenditures are fully reimbursable. Before the commission expends or encumbers an amount in excess of the moneys budgeted for regulation, the commission shall first do all of the following:
a. Notify the department of management, the legislative services agency, and the legislative fiscal committee of the

Permits the IUC to expend additional funds, including expenditures for additional personnel, if the funds are needed for actual expenses that exceed the moneys budgeted and if the funds are reimbursable. The IUC must notify the DOM, the LSA, and the Legislative Fiscal Committee of the expenditure of funds in excess of the amount budgeted for utility regulation and provide justification and an estimate of the excess expenditures.

need for the expenditures.
b. File with each of the entities named in paragraph “a” the legislative and regulatory justification for the expenditures, along with an estimate of the expenditures.

Sec. 26. CHARGES — IOWA UTILITIES COMMISSION AND DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES. The Iowa utilities commission and each division of the department of insurance and financial services shall include in its charges assessed or revenues generated an amount sufficient to cover the amount stated in its appropriation and any state-assessed indirect costs determined by the department of administrative services.

Requires the IUC and all divisions of the DIFS to include in billings an amount sufficient to cover the Commerce Revolving Fund appropriations and any State-assessed indirect costs.

Sec. 27. IOWA PRODUCTS. As a condition of receiving an appropriation, any agency appropriated moneys pursuant to this division of this Act shall give first preference when purchasing a product to an Iowa product or a product produced by an Iowa-based business, and shall give second preference to a United States product or a product produced by a business based in the United States.

Requires any agency receiving an appropriation pursuant to this Act to give first preference to an Iowa product or a product produced by an Iowa-based business and to give second preference to a United States product or a product produced by a business based in the United States.

Sec. 28. LIMITATION OF STANDING APPROPRIATION. Notwithstanding the standing appropriation in the following designated section for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the amount appropriated from the general fund of the state pursuant to that section for the following designated purpose shall not exceed the following amount:
For the enforcement of chapter 453D relating to tobacco product manufacturers under section 453D.8:
..... $ 17,525

Limits the General Fund standing appropriation to the IDR for FY 2027 tobacco reporting requirements to $17,525.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

Iowa Code section 453D.8 provides a standing limited appropriation of $25,000 from the General Fund for the enforcement of Iowa Code chapter 453D (Tobacco Product Manufacturers – Enforcement of Financial Obligations). The appropriation in this Act represents a reduction of $7,475 to the standing appropriation.

DIVISION II
DEPOSIT OF CERTAIN FEES

Sec. 29. Section 10A.519, subsection 3, Code 2026, is amended by adding the following new paragraph:
NEW PARAGRAPH c. The fees collected by the director under this subsection shall be deposited in the licensing and

CODE: Requires all fees collected by the DIAL concerning consumer fireworks seller licenses to be deposited into the Licensing and Regulation Fund.

regulation fund created in section 10A.507.

DETAIL: The fees are currently deposited into the Consumer Fireworks Fee Fund.

Sec. 30. Section 10A.519, subsection 7, Code 2026, is amended to read as follows:

7. ~~a. A consumer fireworks fee fund is created in the state treasury under the control of the director. Notwithstanding section 12C.7, interest or earnings on moneys in the consumer fireworks fee fund shall be credited to the consumer fireworks fee fund. Moneys in the fund are appropriated to the director to be used to fulfill the responsibilities of the director for the administration and enforcement of this section and section 10A.520 and to provide grants pursuant to paragraph "b". The fund shall include the fees collected by the director under the fee schedule established pursuant to subsection 3 and the fees collected by the director under section 10A.520 for wholesaler registration.~~

~~b.~~ The director shall establish a local fire protection and emergency medical service providers grant program to provide grants in the following order of priority:

~~(1)~~ a. Local fire protection service providers and local emergency medical service providers to establish or provide fireworks safety education programming to members of the public, and for the purchase of necessary enforcement, protection, or emergency response equipment related to the sale and use of consumer fireworks in this state.

~~(2)~~ b. Local volunteer fire protection service providers for the purchase of necessary enforcement, protection, or emergency response equipment.

CODE: Repeals the Consumer Fireworks Fee Fund.

Sec. 31. Section 10A.520, subsection 3, Code 2026, is amended to read as follows:

3. The director shall establish an annual registration fee of one thousand dollars for wholesalers of consumer fireworks within the state. Registration fees collected pursuant to this section shall be deposited in the ~~consumer fireworks fee fund created in section 10A.519~~ licensing and regulation fund created in section 10A.507.

CODE: Requires all fees collected by the DIAL concerning consumer fireworks wholesaler registration to be deposited into the Licensing and Regulation Fund rather than the Consumer Fireworks Fee Fund.

FISCAL IMPACT: As of June 8, 2026, the balance of the Consumer Fireworks Fee Fund was $439,871.

Sec. 32. Section 90A.10, subsection 1, Code 2026, is amended to read as follows:

1. Moneys collected pursuant to section 90A.9 from a

CODE: Requires the gross admissions receipt tax and any additional charges from professional boxing events to be deposited into the Licensing and Regulation Fund rather

professional boxing event ~~are appropriated to the department of inspections, appeals, and licensing and~~ shall be ~~used by the commissioner to award grants to organizations that promote amateur boxing matches in this state~~ deposited in the licensing and regulation fund created in section 10A.507. All other moneys collected by the commissioner pursuant to this chapter are appropriated to the department of inspections, appeals, and licensing and shall be used by the commissioner to administer this chapter. Section 8.33 applies only to moneys in excess of the first twenty thousand dollars appropriated each fiscal year.

than appropriated to the DIAL to award grants to organizations that promote amateur boxing matches.

Sec. 33. Section 99B.58, Code 2026, is amended to read as follows:

99B.58 ELECTRICAL OR MECHANICAL AMUSEMENT DEVICES — ~~SPECIAL FUND~~ DEPOSIT OF FEES .

Fees collected by the department pursuant to sections 99B.53 and 99B.56 shall be deposited in ~~a special fund created in the state treasury. Moneys in the fund are appropriated to the department of inspections, appeals, and licensing and the department of public safety for administration and enforcement of this subchapter, including employment of necessary personnel. The distribution of moneys in the fund to the department of inspections, appeals, and licensing and the department of public safety shall be pursuant to a written policy agreed upon by the departments. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund. Notwithstanding section 8.33, moneys remaining in the fund at the end of a fiscal year shall not revert to the general fund of the state~~ the licensing and regulation fund created in section 10A.507.

CODE: Requires annual registration fees paid by manufacturers, distributors, and for-profit owners of electrical and mechanical amusement devices to be deposited into the Licensing and Regulation Fund rather than the Amusement Devices Special Fund.

FISCAL IMPACT: Annual registration fees to the Amusement Devices Special Fund have averaged $294,356 annually between FY 2021 and FY 2025. As of June 8, 2026, the balance of the Amusement Devices Special Fund was $495,698.

Sec. 34. Section 505.7, subsection 3, Code 2026, is amended to read as follows:

3. ~~Forty percent of the nonexamination~~ Nonexamination revenues payable to the division of insurance or the department of revenue in connection with the regulation of insurance companies or other entities subject to the regulatory jurisdiction of the division shall be deposited in the commerce revolving fund created in section 546.12 and shall be subject to annual appropriation to the division for its operations and is also subject to expenditure under subsection 6. ~~The~~

CODE: Requires that 100.00% of nonexamination revenues payable to the IID or the IDR in connection with the regulation of insurance companies or other entities subject to the regulatory jurisdiction of the IID be deposited in the Commerce Revolving Fund rather than 40.00% to the Commerce Revolving Fund and 60.00% to the General Fund. Permits unobligated nonexamination revenues to be deposited into the General Fund.

19 5 ~~remaining~~ Unobligated nonexamination revenues payable to the
19 6 division of insurance or the department of revenue ~~shall~~ may be
19 7 deposited in the general fund of the state.

FISCAL IMPACT: Nonexamination revenues collected from FY 2022 through FY 2025 averaged $20,416,165 per year. The required deposit of nonexamination revenues into the General Fund from FY 2022 through FY 2025 has averaged $12,249,699, while the actual deposit has averaged $17,500,000 over the same time period.

19 8 Sec. 35. TRANSFER OF MONEYS. On the effective date of
19 9 this division of this Act, unencumbered and unobligated moneys
19 10 remaining in the consumer fireworks fee fund created in section
19 11 10A.519, Code 2026, and the special fund created in section
19 12 99B.58, Code 2026, shall be transferred to the licensing and
19 13 regulation fund created in section 10A.507.

CODE: Requires moneys in the Consumer Fireworks Fee Fund and the Amusement Devices Special Fund to be transferred to the Licensing and Regulation Fund on July 1, 2026.

DETAIL: As of June 8, 2026, the balance of the Consumer Fireworks Fee Fund was $439,871 and the balance of the Amusement Devices Special Fund was $495,698.

Administration and Regulation
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est. Net FY 2026 (4)	Page and Line # (5)
Administrative Services, Department of					
Administrative Services					
Operations	$ 3,713,718	$ 3,713,718	$ 3,602,306	$ -111,412	PG 1 LN 20
Utilities	4,487,598	4,487,598	4,487,598	0	PG 2 LN 1
Terrace Hill Operations	460,884	460,884	460,884	0	PG 2 LN 11
State Library	2,626,613	2,626,613	2,626,613	0	PG 2 LN 15
Enrich Iowa Libraries	2,464,823	2,464,823	2,464,823	0	PG 2 LN 21
Cultural Activities	168,403	0	0	0	
Historical Sites	425,751	425,751	425,751	0	PG 2 LN 32
Historical Resources	3,136,371	3,804,774	3,804,774	0	PG 3 LN 15
Total Administrative Services, Department of	$ 17,484,161	$ 17,984,161	$ 17,872,749	$ -111,412	
Auditor of State					
Auditor of State					
Auditor of State - General Office	$ 1,002,686	$ 1,002,686	$ 1,002,686	$ 0	PG 3 LN 23
AOS - Transition Costs of State Entities	48,000	0	0	0	
Total Auditor of State	$ 1,050,686	$ 1,002,686	$ 1,002,686	$ 0	
Ethics and Campaign Disclosure Board, Iowa					
Campaign Finance Disclosure					
Ethics & Campaign Disclosure Board	$ 897,151	$ 1,045,432	$ 1,045,432	$ 0	PG 4 LN 11
Total Ethics and Campaign Disclosure Board, Iowa	$ 897,151	$ 1,045,432	$ 1,045,432	$ 0	
Insurance & Financial Services, Department of					
DIFS - Insurance					
IID Captive Insurance	$ 450,000	$ 450,000	$ 450,000	$ 0	PG 10 LN 35
Total Insurance & Financial Services, Department of	$ 450,000	$ 450,000	$ 450,000	$ 0	
Governor/Lt. Governor's Office					
Governor's Office					
Presidential Electors	$ 371	$ 0	$ 0	$ 0	
Governor's/Lt. Governor's Office	2,864,932	2,864,932	2,864,932	0	PG 4 LN 28
Terrace Hill Quarters	144,222	144,222	144,222	0	PG 4 LN 34
Total Governor/Lt. Governor's Office	$ 3,009,525	$ 3,009,154	$ 3,009,154	$ 0	

Administration and Regulation
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est. Net FY 2026 (4)	Page and Line # (5)
Department of Inspections, Appeals, and Licensing					
Inspections, Appeals, & Licensing, Department of					
Administration Division	$ 933,285	$ 933,285	$ 808,285	$ -125,000	PG 5 LN 7
Administrative Hearings Division	654,983	654,983	654,983	0	PG 5 LN 13
Investigations Division	2,769,231	2,769,231	2,769,231	0	PG 5 LN 19
Health Facilities Division	6,206,128	6,206,128	6,206,128	0	PG 5 LN 33
Employment Appeal Board	40,006	530,782	510,782	-20,000	PG 6 LN 25
Food and Consumer Safety	509,565	509,565	0	-509,565	
Iowa Civil Rights Commission	1,385,921	1,385,921	1,538,921	153,000	PG 7 LN 6
Labor Services Division	2,965,719	2,965,719	2,965,719	0	PG 7 LN 15
Workers' Compensation Division	3,381,044	3,381,044	3,381,044	0	PG 7 LN 26
Professional Licensing Division	1,627,969	1,627,969	1,627,969	0	PG 7 LN 37
PERB to Employment Appeal Board	1,296,403	0	0	0	
Total Department of Inspections, Appeals, and Licensing	$ 21,770,254	$ 20,964,627	$ 20,463,062	$ -501,565	
Management, Department of					
Management, Dept. of					
Department Operations	$ 2,792,095	$ 3,666,154	$ 3,666,154	$ 0	PG 11 LN 14
DOM - Division of Information Technology					
Cybersecurity Office	$ 4,421,887	$ 4,421,887	$ 4,421,887	$ 0	PG 11 LN 22
Total Management, Department of	$ 7,213,982	$ 8,088,041	$ 8,088,041	$ 0	
Public Information Board					
Public Information Board					
Iowa Public Information Board	$ 363,227	$ 467,227	$ 496,227	$ 29,000	PG 12 LN 35
Total Public Information Board	$ 363,227	$ 467,227	$ 496,227	$ 29,000	
Revenue, Department of					
Revenue, Dept. of					
Operations	$ 15,378,678	$ 15,378,678	$ 15,349,678	$ -29,000	PG 13 LN 7
Tobacco Reporting Requirements	17,525	17,525	17,525	0	PG 16 LN 28
Printing Cigarette Stamps - Standing	98,550	124,652	124,652	0	STANDING
Total Revenue, Department of	$ 15,494,753	$ 15,520,855	$ 15,491,855	$ -29,000	

Administration and Regulation
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est. Net FY 2026 (4)	Page and Line # (5)
Secretary of State, Office of the					
Secretary of State					
Administration and Elections	$ 2,566,697	$ 2,566,697	$ 2,566,697	$ 0	PG 14 LN 3
Business Services	1,568,795	1,568,795	1,568,795	0	PG 14 LN 13
Total Secretary of State, Office of the	$ 4,135,492	$ 4,135,492	$ 4,135,492	$ 0	
Treasurer of State, Office of					
Treasurer of State					
Treasurer - General Office	$ 1,046,415	$ 1,046,415	$ 1,046,415	$ 0	PG 15 LN 7
IABLE	0	0	200,000	200,000	PG 15 LN 12
Total Treasurer of State, Office of	$ 1,046,415	$ 1,046,415	$ 1,246,415	$ 200,000	
Total Administration and Regulation	$ 72,915,646	$ 73,714,090	$ 73,301,113	$ -412,977	

Administration and Regulation
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est. Net FY 2026 (4)	Page and Line # (5)
Management, Department of					
Management, Dept. of					
DOM Operations - RUTF	$ 56,000	$ 56,000	$ 56,000	$ 0	PG 12 LN 14
Total Management, Department of	$ 56,000	$ 56,000	$ 56,000	$ 0	
Iowa Public Employees' Retirement System					
IPERS Administration					
Administration - IPERS	$ 22,789,430	$ 26,330,702	$ 26,330,702	$ 0	PG 12 LN 23
Pension Administrative System (PAS) - IPERS	0	60,000,000	0	-60,000,000	
Total Iowa Public Employees' Retirement System	$ 22,789,430	$ 86,330,702	$ 26,330,702	$ -60,000,000	
Revenue, Department of					
Revenue, Dept. of					
Motor Fuel Tax Admin - MVFT	$ 1,305,775	$ 1,305,775	$ 1,305,775	$ 0	PG 13 LN 26
Total Revenue, Department of	$ 1,305,775	$ 1,305,775	$ 1,305,775	$ 0	
Secretary of State, Office of the					
Secretary of State					
Address Confidentiality Program - ACRF	$ 195,400	$ 195,400	$ 195,400	$ 0	PG 14 LN 19
Total Secretary of State, Office of the	$ 195,400	$ 195,400	$ 195,400	$ 0	
Treasurer of State, Office of					
Treasurer of State					
State Accounting Sys. Expenses - RUTF	$ 316,788	$ 316,788	$ 316,788	$ 0	PG 15 LN 19
Total Treasurer of State, Office of	$ 316,788	$ 316,788	$ 316,788	$ 0	
Department of Inspections, Appeals, and Licensing					
Inspections, Appeals, & Licensing, Department of					
DIAL Professional Licensing - SHTF	$ 62,317	$ 62,317	$ 0	$ -62,317	
DIAL Administrative Hearings - RUTF	1,623,897	1,623,897	1,623,897	0	PG 9 LN 27
Inspections, Appeals, & Licensing, Department of	$ 1,686,214	$ 1,686,214	$ 1,623,897	$ -62,317	
DIAL - Racing and Gaming Commission					
Gaming Regulation - GRF	$ 7,448,600	$ 7,621,999	$ 8,049,999	$ 428,000	PG 9 LN 11
Total Department of Inspections, Appeals, and Licensing	$ 9,134,814	$ 9,308,213	$ 9,673,896	$ 365,683	

Administration and Regulation
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est. Net FY 2026 (4)	Page and Line # (5)
Insurance & Financial Services, Department of					
DIFS - Banking Division					
Banking Division - CMRF	$ 14,343,523	$ 14,881,690	$ 14,881,690	$ 0	PG 10 LN 5
DIFS - Credit Union					
Credit Union Division - CMRF	$ 2,875,989	$ 3,018,710	$ 3,018,710	$ 0	PG 10 LN 11
DIFS - Insurance					
PSAO Report - CMRF	$ 0	$ 225,000	$ 0	$ -225,000	
Insurance Division - CMRF	9,726,541	11,010,719	11,010,719	0	PG 10 LN 17
DIFS - Insurance	$ 9,726,541	$ 11,235,719	$ 11,010,719	$ -225,000	
Total Insurance & Financial Services, Department of	$ 26,946,053	$ 29,136,119	$ 28,911,119	$ -225,000	
Utilities Commission					
Utilities Commission					
Utilities Division - CMRF	$ 11,659,071	$ 12,080,831	$ 12,080,831	$ 0	PG 15 LN 28
Total Utilities Commission	$ 11,659,071	$ 12,080,831	$ 12,080,831	$ 0	
Total Administration and Regulation	$ 72,403,331	$ 138,729,828	$ 78,870,511	$ -59,859,317	

Administration and Regulation
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est. Net FY 2026 (4)	Page and Line # (5)
Management, Department of					
Management, Dept. of					
Department Operations	24.97	28.00	29.00	1.00	PG 11 LN 14
DOM - Division of Information Technology					
Cybersecurity Office	0.00	24.39	24.39	0.00	PG 11 LN 22
Total Management, Department of	24.97	52.39	53.39	1.00	
Administrative Services, Department of					
Administrative Services					
Operations	42.41	49.60	50.00	0.40	PG 1 LN 20
Utilities	1.00	1.00	1.00	0.00	PG 2 LN 1
Terrace Hill Operations	3.75	4.37	4.37	0.00	PG 2 LN 11
State Library	17.02	18.15	19.00	0.85	PG 2 LN 15
Cultural Activities	0.34	0.00	0.00	0.00	
Historical Resources	29.37	25.51	37.00	11.49	PG 3 LN 15
Historical Sites	2.33	2.31	3.00	0.69	PG 2 LN 32
Administrative Services	96.24	100.94	114.37	13.43	
DAS - State Library of Iowa					
State Library	0.29	0.00	0.00	0.00	
Total Administrative Services, Department of	96.53	100.94	114.37	13.43	
Auditor of State					
Auditor of State					
Auditor of State - General Office	103.03	103.70	98.00	-5.70	PG 3 LN 23
Total Auditor of State	103.03	103.70	98.00	-5.70	
Ethics and Campaign Disclosure Board, Iowa					
Campaign Finance Disclosure					
Ethics & Campaign Disclosure Board	6.73	6.62	7.00	0.38	PG 4 LN 11
Total Ethics and Campaign Disclosure Board, Iowa	6.73	6.62	7.00	0.38	

Administration and Regulation
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est. Net FY 2026 (4)	Page and Line # (5)
Insurance & Financial Services, Department of					
IDR - Alcoholic Beverages					
Alcoholic Beverages Operations	0.21	0.00	0.00	0.00	
DIFS - Banking Division					
Banking Division - CMRF	74.28	79.00	79.00	0.00	PG 10 LN 5
DIFS - Credit Union					
Credit Union Division - CMRF	15.35	16.00	16.00	0.00	PG 10 LN 11
DIFS - Insurance					
Insurance Division - CMRF	118.72	131.85	131.85	0.00	PG 10 LN 17
Captive Insurance Fund	1.18	1.50	2.00	0.50	PG 10 LN 35
DIFS - Insurance	119.90	133.35	133.85	0.50	
Total Insurance & Financial Services, Department of	209.74	228.35	228.85	0.50	
Utilities Commission					
Utilities Commission					
Utilities Division - CMRF	75.19	96.50	80.00	-16.50	PG 15 LN 28
Total Utilities Commission	75.19	96.50	80.00	-16.50	
Governor/Lt. Governor's Office					
Governor's Office					
Governor's/Lt. Governor's Office	23.15	25.00	25.00	0.00	PG 4 LN 28
Terrace Hill Quarters	1.42	1.93	2.00	0.07	PG 4 LN 34
Total Governor/Lt. Governor's Office	24.56	26.93	27.00	0.07	

Administration and Regulation
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est. Net FY 2026 (4)	Page and Line # (5)
Department of Inspections, Appeals, and Licensing					
Inspections, Appeals, & Licensing, Department of					
Administration Division	26.37	35.10	11.55	-23.55	PG 5 LN 7
Administrative Hearings Division	38.79	43.00	23.00	-20.00	PG 5 LN 13
Investigations Division	44.74	56.00	56.00	0.00	PG 5 LN 19
Health Facilities Division	122.13	132.00	132.00	0.00	PG 5 LN 33
Employment Appeal Board	10.47	11.00	11.00	0.00	PG 6 LN 25
Food and Consumer Safety	35.70	35.65	0.00	-35.65	
Iowa Civil Rights Commission	23.87	27.00	30.00	3.00	PG 7 LN 6
Labor Services Division	39.97	50.00	50.00	0.00	PG 7 LN 15
Workers' Compensation Division	21.97	26.00	26.00	0.00	PG 7 LN 26
Professional Licensing Division	13.54	139.00	139.00	0.00	PG 7 LN 37
PERB to Employment Appeal Board	0.57	0.00	0.00	0.00	
Inspections, Appeals, & Licensing, Department of	378.11	554.75	478.55	-76.20	
DIAL - Racing and Gaming Commission					
Gaming Regulation - GRF	50.32	53.70	57.70	4.00	PG 9 LN 11
Total Department of Inspections, Appeals, and Licensing	428.43	608.45	536.25	-72.20	
Iowa Public Employees' Retirement System					
IPERS Administration					
Administration - IPERS	87.73	77.00	110.00	33.00	PG 12 LN 23
Total Iowa Public Employees' Retirement System	87.73	77.00	110.00	33.00	
Public Information Board					
Public Information Board					
Iowa Public Information Board	2.86	3.00	4.00	1.00	PG 12 LN 35
Total Public Information Board	2.86	3.00	4.00	1.00	
Revenue, Department of					
Revenue, Dept. of					
Operations	163.73	166.66	166.66	0.00	PG 13 LN 7
Total Revenue, Department of	163.73	166.66	166.66	0.00	

Administration and Regulation
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est. Net FY 2026 (4)	Page and Line # (5)
Secretary of State, Office of the					
Secretary of State					
Administration and Elections	13.22	19.25	19.25	0.00	PG 14 LN 3
Business Services	12.04	16.75	16.75	0.00	PG 14 LN 13
Total Secretary of State, Office of the	25.26	36.00	36.00	0.00	
Treasurer of State, Office of					
Treasurer of State					
Treasurer - General Office	27.82	28.00	28.00	0.00	PG 15 LN 7
Total Treasurer of State, Office of	27.82	28.00	28.00	0.00	
Total Administration and Regulation	1,276.58	1,534.54	1,489.52	-45.02	

FUNDING SUMMARY

General Fund FY 2027: Appropriates a total of $47.3 million from the General Fund and 1,618.0 full-time equivalent (FTE) positions for FY 2027. This is a net increase of $700,000 and an increase of 221.1 FTE positions compared to estimated net FY 2026.

The General Fund changes include the following:

- An increase of $356,000 to the Department of Agriculture and Land Stewardship (DALS) Administrative Division.
- An increase of $300,000 to the Choose Iowa Fund.
- A new appropriation of $122,000 to the Iowa State University (ISU) Veterinary Laboratory to assist in moving equipment and materials into its refurbished facility.
- A decrease of $78,000 to the State University of Iowa (SUI) for groundwater planning and resources assessment.

Other Funds FY 2027: Appropriates a total of $119.2 million from other funds. This is a net increase of $18.2 million compared to estimated net FY 2026. This Bill appropriates $53.1 million from the Fish and Wildlife Trust Fund, $42.0 million from the Environment First Fund (EFF), $18.0 million from the Rebuild Iowa Infrastructure Fund (RIIF), $4.0 million from the Groundwater Protection Fund (GWPF), and $2.1 million from various other funds.

Iowa Code section 8.57A contains a standing appropriation of $42.0 million from the RIIF to the EFF, and this Bill appropriates the following amounts to the following departments for FY 2027:

- $17.3 million to the DALS.
- $24.0 million to the Department of Natural Resources (DNR).
- $695,000 to the SUI.

This Bill appropriates $12.0 million from the EFF to the Resource Enhancement and Protection (REAP) Fund in lieu of the $20.0 million General Fund standing appropriation in Iowa Code chapter 455A and allocates $1.0 million from the Open Spaces Account of the REAP to be used for State park maintenance, repair, and refurbishment for FY 2027. This Bill also appropriates $375,000 from the EFF for the Floodplain Management and Dam Safety Program in addition to a $1.5 million appropriation from the General Fund.

NEW PROGRAMS, SERVICES, OR ACTIVITIES

General Fund — Choose Iowa School Purchasing Program: Appropriates $200,000 from the General Fund to the DALS in FY 2027 for the Choose Iowa School Purchasing Program. This appropriation is contingent upon the enactment of 2026 Iowa Acts, House File 2748 (Agricultural Programs and Activities Bill), or successor legislation. — Page 6, Line 1

NOTE: House File 2748 (Agricultural Programs and Activities Bill) was not passed by the General Assembly.

Other Funds — Water Quality Monitoring — DNR: Appropriates $300,000 for FY 2027 from the GWPF to the DNR to support water quality monitoring. This is a new appropriation for FY 2027. — Page 8, Line 7

Other Funds — Groundwater Protection Fund — Water Quality: Appropriates $176,000 to the DNR from the GWPF in FY 2027 for water quality. This is a new appropriation for FY 2027 and will be used to support the DNR's protection of the State's groundwater and will include administration, regulation, programs, salaries, support, maintenance, equipment, and miscellaneous purposes. — Page 8, Line 21

General Fund — ISU Veterinary Diagnostic Laboratory Moving Assistance: Appropriates $122,000 from the General Fund to the ISU Veterinary Diagnostic Laboratory. This is a new appropriation for FY 2027 to assist in the installation and moving of equipment into its refurbished facility. In FY 2026, there was an appropriation of $250,000 from the Iowa Animal Disease Prevention Fund (IADPF) for this purpose. — Page 10, Line 30

Other Funds — Iowa Geological Survey Groundwater Planning and Resource Assessment: Appropriates $78,000 to Iowa Geological Survey at the SUI. This is a new appropriation for FY 2027. The assessment project involves mapping groundwater aquifers and measuring the amount of water contained within by the Iowa Geological Survey at the SUI. — Page 13, Line 10

Other Funds — Rebuild Iowa Infrastructure Fund (RIIF) — Iowa Finance Authority (IFA) — Water Quality Financial Assistance Fund: Appropriates $8.0 million from the RIIF for FY 2027 to the IFA to support the Wastewater and Drinking Water Treatment Financial Assistance Program. This is a new appropriation for FY 2027 to provide financial assistance for the installation and upgrade of wastewater and drinking water treatment facilities and systems. — Page 21, Line 31

Other Funds — RIIF — IFA — Rural Iowa Infrastructure Bank Revolving Loan Program: Appropriates $10.0 million for FY 2027 from the RIIF to the IFA to the Rural Infrastructure Bank Revolving — Page 22, Line 8

Loan Program created in the Bill. This is a new appropriation for FY 2027 to provide loans to small or medium sized communities to upgrade water or wastewater infrastructure.

Other Funds — Water Quality Monitoring (Standing) — Water Quality Financial Assistance Fund (WQFAF): Creates a new standing appropriation of $500,000 from the WQFAF to the DNR for the purpose of water quality monitoring. Page 22, Line 16

Rural Iowa Infrastructure Bank Revolving Loan Program: Requires the IFA to establish and administer a Rural Iowa Infrastructure Bank Revolving Loan Program. Page 24, Line 13

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

General Fund — DALS Administrative Division: Appropriates a total of $20.7 million and 420.0 FTE positions from the General Fund for FY 2027. This is an increase of $356,000 and 78.6 FTE positions compared to estimated net FY 2026. Page 1, Line 10

General Fund — Choose Iowa Fund: Appropriates a total of $2.1 million from the General Fund for the Choose Iowa Fund for FY 2027. This is an increase of $300,000 compared to estimated net FY 2026. The Choose Iowa Fund provides funding for the administration of the Value Added Agricultural Grant Program, Choose Iowa Promotional Program, and Dairy Innovation Revitalization Program. Page 5, Line 4

General Fund — Iowa Geological Survey Groundwater Planning and Resource Assessment: Appropriates a total of $122,000 from the General Fund for FY 2027 to the Iowa Geological Survey at the SUI to support groundwater planning and resources assessment. This is a decrease of $78,000 compared to estimated net FY 2026. Page 12, Line 24

Other Funds — Iowa Animal Disease Prevention Fund (IADPF) — DALS Foreign Animal Disease Equipment: Appropriates a total of $150,000 from the IADPF to the DALS to purchase and maintain equipment to further the implementation of the Foreign Animal Disease Preparedness and Response Strategy. This is a decrease in funding of $100,000 compared to estimated net FY 2026. Page 21, Line 9

Other Funds — IADPF — Foreign Animal Disease Preparedness and Response Fund: Appropriates a total of $200,000 from the IADPF to the Foreign Animal Disease Preparedness and Response Fund. This is an increase in funding of $100,000 compared to estimated net FY 2026. Page 21, Line 18

Other Funds — IADPF — DALS Information Technology (IT) Resources: Appropriates a total of $160,000 from the IADPF to the DALS for IT upgrades. This is a decrease in funding of $290,000 compared to estimated net FY 2026. — Page 21, Line 21

Changes the standing appropriations from the WQFAF to the following distributions: — Page 22, Line 16

- Appropriates $500,000 to the DNR for water quality monitoring, which can include continuous monitoring.
- Appropriates 65.0% of the moneys remaining in the WQFAF to the IFA to support the Wastewater and Drinking Water Financial Assistance Program.
- Appropriates 15.0% of the remaining moneys in the WQFAF to the Division of Soil Conservation and Water Quality in the DALS to support the Water Quality Urban Infrastructure Program.
- Appropriates 20.0% of the moneys remaining in the WQFAF to the Division of Soil Conservation and Water Quality in the DALS for deposit in the Water Quality Initiative Fund to provide technical assistance and support conservation practices in counties located in six different watersheds.

Allocates $25.0 million from any unencumbered or unobligated moneys in the Water Quality Financing Program Fund to a regional water authority with membership consisting of public utilities, rural water districts, and other governmental entities, which serves a population of at least 600,000 and is headquartered in the most populous county in the State based on the 2020 decennial census, for the purpose of constructing and installing additional nutrient removal technology. Allows these moneys to remain available for expenditure until June 30, 2029. — Page 23, Line 26

Transfers any unencumbered or unobligated moneys in the Water Quality Financing Program Fund remaining after July 31, 2026, to the WQFAF to provide technical assistance and support conservation practices in counties located in eight different watersheds. Any moneys obligated prior to July 1, 2026, are to remain in the Water Quality Financing Program Fund. — Page 24, Line 1

STUDIES AND INTENT

Intent

Requires the DALS to enter into a cost-sharing agreement with ISU to support the Local Food and Farm Program Coordinator position as part of the University's cooperative extension service in agriculture and home economics pursuant to Iowa Code chapter 267A. — Page 3, Line 10

Permits the DNR to use unappropriated funds from the State Fish and Game Protection Fund to provide funding of insurance premiums from unused sick leave balances of retiring conservation peace officers. — Page 7, Line 21

Permits the DNR to use unappropriated funds from the State Fish and Game Protection Fund for salary adjustment costs for FY 2027.	Page 7, Line 27
Requires any grant awarded from the moneys appropriated from the GWPF for water quality monitoring to be agreed upon by the DALS, DNR, and College of Agriculture and Life Sciences at ISU.	Page 8, Line 26
Specifies that the amount appropriated cannot exceed the total amount of interest and earnings on moneys in the GWPF and its accounts accrued during FY 2027 and the amount appropriated can only be made available after the maximum amount of interest and earnings is made available to the SUI.	Page 8, Line 31
Specifies that the appropriated amount cannot exceed the total amount of interest and earnings on moneys in the GWPF and its accounts accrued during FY 2027.	Page 13, Line 31
Allows the DNR to use up to $1.0 million from the Open Spaces Account for State park maintenance, repair, and refurbishment in FY 2027.	Page 20, Line 29

Nonreversion

Allows any unencumbered or unobligated funds from the Dairy Survey Program to carry forward for expenditure in FY 2028.	Page 3, Line 1
Allows any unencumbered or unobligated funds from the Local Food and Farm Program appropriation to carry forward for expenditure in FY 2028.	Page 3, Line 15
Allows any unencumbered or unobligated from the Iowa FFA Association appropriation to carry forward for expenditure in FY 2028.	Page 3, Line 25
Allows any unencumbered or unobligated funds from the Farmers With Disabilities Program appropriation to carry forward for expenditure in FY 2028.	Page 4, Line 13
Allows the unexpended funds from the Choose Iowa Food Purchasing Program appropriation to carry forward for expenditure in FY 2028.	Page 5, Line 33
Allows any unencumbered or unobligated funds from the Choose Iowa School Purchasing Program appropriation to carry forward for expenditure in FY 2028.	Page 6, Line 11
Allows any unencumbered or unobligated funds from the Floodplain Management and Dam Safety appropriation to carry forward for expenditure in FY 2028.	Page 9, Line 24

Allows any unencumbered or unobligated funds from the Forestry Health Management appropriation to carry forward for expenditure in FY 2028.	Page 9, Line 33
Allows any unencumbered or unobligated funds from the Groundwater Planning and Resources Assessment appropriation to remain available for expenditure.	Page 13, Line 5
Allows any unencumbered or unobligated funds from the EFF appropriations to remain available for expenditure until the close of FY 2028 or until a specific project is completed, whichever is earlier.	Page 17, Line 31
Allows any unencumbered or unobligated funds from the EFF appropriations for soil and water conservation practices to remain available for expenditure until the close of FY 2030.	Page 18, Line 1
Specifies that the Hungry Canyons allocation to the Loess Hills Development and Conservation Fund in this Bill is exempt from reversion.	Page 18, Line 10
Allows any unencumbered or unobligated funds from the IADPF to carry forward for expenditure in FY 2028.	Page 21, Line 24

Required Reports

Requires the DALS to submit a quarterly report to the General Assembly and the Department of Management (DOM) detailing the expenditure of the moneys appropriated for DALS administration, regulation, and programs.	Page 2, Line 2
Requires the DNR to submit a quarterly report to the General Assembly and the DOM detailing the expenditure of moneys appropriated for DNR administration, regulation, and programs.	Page 7, Line 1

Reversion Requirements

Specifies that any unencumbered or unobligated funds appropriated in FY 2026 to Iowa's Center for Agricultural Safety and Health (I-CASH) will revert to the General Fund at the end of FY 2027. If moneys are reverted, the SUI is required to transfer to the General Fund from other unencumbered General Fund appropriations or other funds the difference between the amount reverted and the amount appropriated.	Page 12, Line 16

SIGNIFICANT CODE CHANGES

Increases the maximum grant from the Wastewater and Drinking Water Treatment Financial Assistance Program from $500,000 to $1.0 million.	Page 22, Line 12

Prohibits the IFA from initiating any new loans under the Water Quality Financing Program after June 30, 2026. Any loans or interest payments received on or after July 1, 2026, are deposited in the WQFAF to support the Wastewater and Drinking Water Treatment Financial Assistance Program. — Page 23, Line 16

Repeals the Water Quality Financing Program and Fund on the date all loans made from the Program are paid in full and requires the IFA to notify the Iowa Code Editor when all loans are paid in full. — Page 24, Line 10

EFFECTIVE DATE

This Act takes effect on July 1, 2026.

Specifies that Division I, Part B, regarding the Choose Iowa School Purchasing Program appropriation is effective July 1, 2026, if 2026 Iowa Acts, House File 2748 (Agricultural Programs and Activities Bill), or successor legislation, is enacted. — Page 6, Line 16

NOTE: House File 2748 (Agricultural Programs and Activities Bill) was not passed by the General Assembly.

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 1, 2026.

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House File 2771 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
22	12	27	Amend	16.134.4.i
22	16	28	Amend	16.134A.3
23	16	29	Add	16.152.5,6,7,8
24	13	30	New	16.240

DIVISION I
DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

PART A
GENERAL APPROPRIATIONS

Section 1. GENERAL FUND.

1. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the department, including its divisions, for administration, regulation, and programs; for salaries, support, maintenance, and miscellaneous purposes; and for not more than the following full-time equivalent positions:

..... $ 20,733,294
..... FTEs 420.00

General Fund appropriation to the Department of Agriculture and Land Stewardship (DALS) for operations.

DETAIL: This is an increase of $356,000 and 78.61 full-time equivalent (FTE) positions compared to estimated net FY 2026. The increase of 78.61 FTE positions is to restore the FTE positions to the previously authorized amount in 2025 Iowa Acts chapter 156 (FY 2026 Agriculture and Natural Resources Appropriations Bill).

2. Of the amount appropriated in subsection 1, the following amount is transferred to Iowa state university of science and technology to be used for the university's midwest grape and wine industry institute:

..... $ 325,000

Transfers $325,000 of the General Fund appropriation to the DALS for the Midwest Grape and Wine Industry Institute at Iowa State University (ISU).

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

3. The department shall submit a report each quarter of the fiscal year to the general assembly and the department of management. The report must describe in detail the expenditure of moneys appropriated in this section to support the department's administration, regulation, and programs.

Requires the DALS to submit a quarterly report to the General Assembly and the Department of Management (DOM) detailing the expenditure of the moneys appropriated for DALS administration, regulation, and programs.

Sec. 2. UNCLAIMED PARI-MUTUEL WAGERING WINNINGS — HORSE AND DOG RACING. There is appropriated from the moneys available under section 99D.13 to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting the department's administration and enforcement of horse and dog racing law pursuant to section

Appropriation to the DALS from unclaimed pari-mutuel winnings for enforcement of horse and dog racing laws.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

99D.22, including for salaries, support, maintenance, and miscellaneous purposes:
..... $ 305,516

Sec. 3. RENEWABLE FUEL INFRASTRUCTURE FUND — MOTOR FUEL INSPECTION. There is appropriated from the renewable fuel infrastructure fund created in section 159A.16 to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For purposes of the inspection of motor fuel, including salaries, support, maintenance, and miscellaneous purposes:
..... $ 500,000

Renewable Fuel Infrastructure Fund (RFIF) appropriation to the DALS for motor fuel inspections.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

Sec. 4. SPECIAL APPROPRIATIONS FROM GENERAL FUND. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DAIRY REGULATION
a. For purposes of performing functions pursuant to section 192.109, including conducting a survey of grade "A" milk and certifying the results to the secretary of agriculture:
..... $ 189,196

General Fund appropriation to the DALS for the Dairy Survey Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The DALS is responsible for annually certifying all milk labeled Grade "A" pasteurized and Grade "A" raw milk for pasteurization. When the survey results show that requirements for production, processing, and distribution are not met, the DALS initiates procedures to suspend the permit of the violator.

b. Notwithstanding section 8.33, moneys appropriated in this subsection 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 the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds from the Dairy Survey Program to carry forward for expenditure in FY 2028.

2. LOCAL FOOD AND FARM PROGRAM
a. For purposes of supporting the local food and farm program pursuant to chapter 267A:

General Fund appropriation to the DALS for the Local Food and Farm Program.

3 9 ..... $ 125,000

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Program requires the DALS to work in cooperation with ISU Extension and Outreach. The Program facilitates communication among farmers, food entrepreneurs, and consumers while encouraging coordination among various government agencies, universities, organizations, and businesses. In addition, the Program funds special projects in local food markets.

3 10 b. The department shall enter into a cost-sharing agreement
3 11 with Iowa state university of science and technology to support
3 12 the local food and farm program coordinator position as part of
3 13 the university's cooperative extension service in agriculture
3 14 and home economics pursuant to chapter 267A.

Requires the DALS to enter into a cost-sharing agreement with ISU to support the Local Food and Farm Program Coordinator position as part of the University's cooperative extension service in agriculture and home economics pursuant to Iowa Code chapter 267A.

3 15 c. Notwithstanding section 8.33, moneys appropriated in
3 16 this subsection that remain unencumbered or unobligated at the
3 17 close of the fiscal year shall not revert but shall remain
3 18 available for expenditure for the purposes designated until the
3 19 close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds from the Local Food and Farm Program appropriation to carry forward for expenditure in FY 2028.

3 20 3. AGRICULTURAL EDUCATION
3 21 a. For purposes of allocating moneys to an Iowa association
3 22 affiliated with a national organization that promotes
3 23 agricultural education providing for future farmers:
3 24 ..... $ 150,000

General Fund appropriation to the DALS for the Iowa FFA Association.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The FFA Association is a student organization for students interested in agriculture, education, and leadership. The organization works with individual students and guides them to achieve personal growth through agricultural education.

3 25 b. Notwithstanding section 8.33, moneys appropriated in
3 26 this subsection that remain unencumbered or unobligated at the
3 27 close of the fiscal year shall not revert but shall remain
3 28 available for expenditure for the purposes designated until the
3 29 close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds from the Iowa FFA Association appropriation to carry forward for expenditure in FY 2028.

3 30 4. FOREIGN ANIMAL DISEASES AFFLICTING LIVESTOCK
3 31 For deposit in the foreign animal disease preparedness and
3 32 response fund created in section 163.3B:
3 33 ..... $ 1,050,000

General Fund appropriation to the DALS for the Foreign Animal Disease Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Foreign Animal Disease Preparedness and Response Strategy works to develop practical, cost-effective plans to control and/or eradicate foreign animal diseases.

3 34 5. FARMERS WITH DISABILITIES PROGRAM
3 35 a. For purposes of supporting a program for farmers with
3 36 disabilities:
3 37 ..... $ 230,000

General Fund appropriation to the DALS for the Farmers With Disabilities Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The moneys will be used by the Easter Seals Society of Iowa for the Rural Solutions Program. The funding provides assistance to farm family members and rural residents with disabilities. The Easter Seals Society of Iowa offers agricultural work site and home modification consultations, peer support, and services for each family. The Rural Solutions Program began in 1986 and provides assistance to farm family members and rural residents with disabilities.

3 38 b. The moneys appropriated in this subsection shall be
3 39 used for the public purpose of providing a grant to a national
4 1 nonprofit organization with over 80 years of experience in
4 2 assisting children and adults with disabilities and special
4 3 needs. The moneys shall be used to support a nationally
4 4 recognized program that began in 1986 and has been replicated
4 5 in at least 30 other states, but is not available through
4 6 any other entity in this state, and that provides assistance
4 7 to farmers with disabilities in all 99 counties to allow the
4 8 farmers to remain in their own homes and be gainfully engaged
4 9 in farming through provision of agricultural worksite and home
4 10 modification consultations, peer support services, services
4 11 to families, information and referral, and equipment loan
4 12 services.

Specifies requirements for the use of appropriated moneys through the Farmers With Disabilities Program.

4 13 c. Notwithstanding section 8.33, moneys appropriated in
4 14 this subsection that remain unencumbered or unobligated at the
4 15 close of the fiscal year shall not revert but shall remain
4 16 available for expenditure for the purposes designated until the
4 17 close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds from the Farmers With Disabilities Program appropriation to carry forward for expenditure in FY 2028.

4 18 6. LOESS HILLS DEVELOPMENT AND CONSERVATION FUND
4 19 a. For deposit in the loess hills development and
4 20 conservation fund created pursuant to section 161D.2:
4 21 ..... $ 300,000

General Fund appropriation to the Loess Hills Development and Conservation Fund.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The funds are used by the Loess Hills Development and Conservation Authority to protect natural resources in the deep loess soil region of western Iowa.

4 22 b. (1) Of the amount appropriated in this subsection,
4 23 $260,000 shall be allocated to the fund's hungry canyons
4 24 account.

Allocates $260,000 from the Loess Hills Development and Conservation Fund appropriation to the Hungry Canyons Account.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

4 25 (2) Not more than 10 percent of the moneys allocated in this
4 26 paragraph may be used for administrative costs.

Prohibits the use of more than 10.00% ($26,000) of the funds allocated to the Hungry Canyons Account for administration.

4 27 c. (1) Of the amount appropriated in this subsection,
4 28 $40,000 shall be allocated to the fund's loess hills alliance
4 29 account.

Allocates $40,000 from the Loess Hills Development and Conservation Fund to the Loess Hills Alliance Account.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

4 30 (2) Not more than 10 percent of the moneys allocated in this
4 31 paragraph may be used for administrative costs.

Prohibits the use of more than 10.00% ($4,000) of the funds allocated to the Loess Hills Alliance Account for administration.

4 32 7. SOUTHERN IOWA DEVELOPMENT AND CONSERVATION FUND
4 33 a. For deposit in the southern Iowa development and
4 34 conservation fund created pursuant to section 161D.12:
4 35 ..... $ 100,000

General Fund appropriation to the Southern Iowa Development and Conservation Fund.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Southern Iowa Development and Conservation Authority (SIDCA) was established in 1999 in response to soil erosion, water resource degradation, and stream channel destabilization linked to disturbance of the fragile glacial till soils of southern Iowa.

b. Not more than 10 percent of the moneys appropriated in this subsection may be used for administrative costs.

Prohibits the use of more than 10.00% ($10,000) of the funds appropriated to the Southern Iowa Development and Conservation Fund for administration.

8. GRAIN REGULATION
For the administration and enforcement of chapters 203 and 203C, including salaries, support, maintenance, and miscellaneous purposes:
..... $ 350,000

General Fund appropriation to the DALS for the administration and enforcement of grain dealer regulation and agricultural product warehouses.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The appropriation was first funded in the 2020 Iowa Acts, chapter 1121 (FY 2021 Omnibus Appropriations Bill).

9. CHOOSE IOWA FUND
a. For deposit in the choose Iowa fund created in section 187.201:
..... $ 2,113,000

General Fund appropriation to the DALS for the Choose Iowa Fund.

DETAIL: This is an increase of $300,000 compared to estimated net FY 2026. 2024 Iowa Acts, chapter 1177 (Agricultural Commodity, Product, and Marketing Regulation and Programs Bill), combined the Value Added Agricultural Grant Program, Choose Iowa Promotional Program, and Dairy Innovation and Revitalization Program into the Choose Iowa Fund, which is used to administer those three programs.

b. (1) Of the amount appropriated in this subsection, the department shall use at least $500,000 to support the value-added agricultural grant program created in section 187.321.

Requires the DALS to use $500,000 from the Choose Iowa Fund for the Value Added Agricultural Grant Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The purpose of the Program is to identify, evaluate, and support programs that add value to agriculture products, enable new technologies, and support marketing strategies.

(2) Of the amount appropriated in this subsection, the department may use up to $1,113,000 to support the choose Iowa promotional program as provided in chapter 187, subchapter III, part 1.

Allows DALS to use $1,113,000 from the Choose Iowa Fund for the Choose Iowa Promotional Program.

DETAIL: This is an increase of $300,000 in funding compared to estimated net FY 2026. The funds are for the State branding program to advertise food items that contain

agricultural commodities grown in Iowa.

(3) Of the amount appropriated in this subsection, the department shall use at least $500,000 to support the dairy innovation and revitalization program created in section 187.311.

Requires DALS to use $500,000 from the Choose Iowa Fund for the Dairy Innovation and Revitalization Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Program provides financial assistance to businesses related to the dairy industry to help expand or refurbish or establish new milk plants and mobile dairy processing units, rent buildings or equipment, or incorporate methods or technologies that reduce farm labor.

c. The department may increase or decrease the amount of moneys used to support a program described in paragraph "b" based on the amount of moneys awarded to persons participating in the program. The department shall publish a notice of the department's action to increase or decrease the amount on the department's internet site where the programs are advertised at least thirty days prior to the day that the department takes such action.

Allows the DALS to increase or decrease the amount of moneys used to support a program based on the amount of moneys awarded to persons participating in the program and requires the DALS to publish a notice of any increase or decrease 30 days prior to the change.

10. CHOOSE IOWA FOOD BANK PURCHASING PROGRAM

a. For purposes of supporting the choose Iowa food bank purchasing program to assist eligible participants in purchasing qualified food products pursuant to section 187.331:
..... $ 200,000

General Fund appropriation to the DALS for the Choose Iowa Food Bank Purchasing Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Choose Iowa Food Bank Purchasing Program provides assistance to food banks for the purchase of locally sourced foods. The Choose Iowa Food Bank Purchasing Program was named the Choose Iowa Food Purchasing Pilot Project in FY 2026 and received the same amount of funding.

b. Notwithstanding section 8.33, moneys appropriated in this subsection 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 the close of the succeeding fiscal year.

CODE: Allows unexpended funds from the Choose Iowa Food Purchasing Program appropriation to carry forward for expenditure in FY 2028.

5 38 PART B
5 39 CONTINGENT APPROPRIATIONS

6 1 Sec. 5. CHOOSE IOWA SCHOOL PURCHASING PROGRAM.
6 2 1. There is appropriated from the general fund of the state
6 3 to the department of agriculture and land stewardship for the
6 4 fiscal year beginning July 1, 2026, and ending June 30, 2027,
6 5 the following amount, or so much thereof as is necessary, to be
6 6 used for the purposes designated:
6 7 For purposes of supporting the choose Iowa school purchasing
6 8 program to assist eligible schools and school districts in
6 9 purchasing qualified food products pursuant to section 187.307:
6 10 ..... $ 200,000

General Fund appropriation to DALS for the Choose Iowa School Purchasing Program.

DETAIL: This is a new appropriation of $200,000 for FY 2027. This appropriation is contingent upon the enactment of 2026 Iowa Acts, House File 2748 (Agricultural Programs and Activities Bill), or successor legislation.

NOTE: House File 2748 (Agricultural Programs and Activities Bill) was not passed by the General Assembly.

6 11 2. Notwithstanding section 8.33, moneys appropriated in
6 12 this section that remain unencumbered or unobligated at the
6 13 close of the fiscal year shall not revert but shall remain
6 14 available for expenditure for the purposes designated until the
6 15 close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds from the Choose Iowa School Purchasing Program appropriation to carry forward for expenditure in FY 2028.

6 16 Sec. 6. CONTINGENT EFFECTIVE DATE. This part of this
6 17 division of this Act takes effect July 1, 2026, if 2026 Iowa
6 18 Acts, House File 2748, or successor legislation, is enacted.

Specifies that Division I, Part B of the Bill, regarding the Choose Iowa School Purchasing Program appropriation is effective July 1, 2026, if 2026 Iowa Acts, House File 2748 (Agricultural Programs and Activities Bill), or successor legislation, is enacted.

NOTE: House File 2748 (Agricultural Programs and Activities Bill) was not passed by the General Assembly.

6 19 DIVISION II
6 20 DEPARTMENT OF NATURAL RESOURCES

6 21 Sec. 7. GENERAL FUND.
6 22 1. There is appropriated from the general fund of the state
6 23 to the department of natural resources for the fiscal year
6 24 beginning July 1, 2026, and ending June 30, 2027, the following
6 25 amount, or so much thereof as is necessary, to be used for the
6 26 purposes designated:
6 27 For purposes of supporting the department, including its
6 28 divisions, for administration, regulation, and programs; for

General Fund appropriation to the Department of Natural Resources (DNR) for operations.

DETAIL: Maintains the current level of funding and is an increase of 141.50 FTE positions compared to estimated net FY 2026. The increase of 141.50 FTE positions is to restore the FTE positions to the previously authorized amount in

6 29 salaries, support, maintenance, and miscellaneous purposes; and
6 30 for not more than the following full-time equivalent positions:
6 31 ..... $ 12,816,738
6 32 ..... FTEs 1,145.95

2025 Iowa Acts chapter 156 (FY 2026 Agriculture and Natural Resources Appropriations Bill).

6 33 2. Of the number of full-time equivalent positions
6 34 authorized to the department pursuant to subsection 1, 50.00
6 35 full-time equivalent positions shall be allocated by the
6 36 department for seasonal employees for purposes of providing
6 37 maintenance, upkeep, and sanitary services at state parks.
6 38 This subsection shall not impact conservation officer, park
6 39 ranger, or park manager positions within the department.

Requires the DNR to allocate 50.00 FTE positions to State park operations for seasonal maintenance and upkeep. This does not affect the number of Conservation Officer, Park Ranger, or Park Manager FTE positions.

7 1 3. The department shall submit a report each quarter of
7 2 the fiscal year to the general assembly and the department of
7 3 management. The report must describe in detail the expenditure
7 4 of moneys appropriated under this section to support the
7 5 department's administration, regulation, and programs.

Requires the DNR to submit a quarterly report to the General Assembly and the DOM detailing the expenditure of moneys appropriated for DNR administration, regulation, and programs.

7 6 Sec. 8. STATE FISH AND GAME PROTECTION FUND — REGULATION
7 7 AND ADVANCEMENT OF OUTDOOR ACTIVITIES.
7 8 1. There is appropriated from the state fish and game
7 9 protection fund created pursuant to section 456A.17 to the
7 10 department of natural resources for the fiscal year beginning
7 11 July 1, 2026, and ending June 30, 2027, the following amount,
7 12 or so much thereof as is necessary, to be used for the purposes
7 13 designated:
7 14 For purposes of supporting the regulation or advancement of
7 15 hunting, fishing, or trapping, or the protection, propagation,
7 16 restoration, management, or harvest of fish or wildlife,
7 17 including for administration, regulation, law enforcement, and
7 18 programs; and for salaries, support, maintenance, equipment,
7 19 and miscellaneous purposes:
7 20 ..... $ 53,095,606

State Fish and Game Protection Fund appropriation to the law enforcement, fisheries, and wildlife programs of the DNR.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

7 21 2. Notwithstanding section 455A.10, the department may use
7 22 the unappropriated balance remaining in the state fish and game
7 23 protection fund to provide for the funding of health and life
7 24 insurance premium payments from unused sick leave balances
7 25 of conservation peace officers employed in a protection
7 26 occupation, as described in section 97B.49B, who retire.

CODE: Permits the DNR to use unappropriated funds from the State Fish and Game Protection Fund to provide funding of insurance premiums from unused sick leave balances of retiring conservation peace officers.

7 27 3. Notwithstanding section 455A.10, the department may
7 28 use the unappropriated balance remaining in the state fish
7 29 and game protection fund for the fiscal year beginning July
7 30 1, 2026, and ending June 30, 2027, as is necessary to fund
7 31 salary adjustments for departmental employees for which the
7 32 general assembly has made an operating budget appropriation in
7 33 subsection 1.

CODE: Permits the DNR to use unappropriated funds from the State Fish and Game Protection Fund for salary adjustment costs for FY 2027.

7 34 Sec. 9. GROUNDWATER PROTECTION FUND — WATER QUALITY. There
7 35 is appropriated from the groundwater protection fund created
7 36 in section 455E.11 to the department of natural resources for
7 37 the fiscal year beginning July 1, 2026, and ending June 30,
7 38 2027, from those moneys that are not allocated pursuant to
7 39 that section, the following amount, or so much thereof as is
8 1 necessary, to be used for the purposes designated:
8 2 For purposes of supporting the department's protection
8 3 of the state's groundwater, including for administration,
8 4 regulation, and programs, and for salaries, support,
8 5 maintenance, equipment, and miscellaneous purposes:
8 6 ..... $ 3,455,850

Groundwater Protection Fund (GWPF) appropriation to the DNR for programs specified in Iowa Code section 455E.11.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The allocations include the following:

- $100,303 for the Storage Tanks Program. The funds are used for the administration of the State Underground Storage Tank (UST) Program.
- $447,324 for the Household Hazardous Waste Program. The funds are allocated to regional collection centers and for administration of the Program.
- $62,461 for administration of the Private Well Testing Program. The funds are used by the DNR for administering the closure of private wells.
- $1,686,751 for groundwater monitoring. The funds are used for monitoring groundwater at sanitary disposal projects.
- $618,993 for the Landfill Alternatives Program. The Program is now called the Solid Waste Alternatives Program (SWAP), and the funds are used to provide financial assistance to local governments; public and private groups, businesses, and individuals for education; market development projects; and utilization of best practices to reduce landfill waste.
- $192,500 for the Waste Reduction and Assistance Program. The Program is now called the Pollution Prevention Services Program and provides confidential and nonregulatory assistance to facility operators.
- $50,000 to administer the SWAP.
- $297,518 for the Geographic Information System (GIS) Program. The funds are used to maintain the GIS Program

and a comprehensive water resource data system that can be used by the public.

Sec. 10. GROUNDWATER PROTECTION FUND — INTEREST AND EARNINGS — WATER QUALITY.

1. There is appropriated from interest and earnings on moneys in the groundwater protection fund created in section 455E.11 and accounts therein, as described in section 455E.11, subsection 1, paragraph “a”, to the department of natural resources for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated, in the following order of priority:

a. For purposes of water quality monitoring, including providing grants to organizations across the state of Iowa and, at the department’s discretion, continuous monitoring:

..... $ 300,000

Groundwater Protection Fund appropriation to the DNR.

DETAIL: This is a new appropriation of $300,000 for FY 2027. The appropriation is to support water quality monitoring, including providing grants to organizations across the State, and for continuous monitoring at the discretion of the DNR.

b. For purposes of supporting the department’s protection of the state’s groundwater, including for administration, regulation, and programs, and for salaries, support, maintenance, equipment, and miscellaneous purposes:

..... $ 176,150

Groundwater Protection Fund appropriation to the DNR for water quality.

DETAIL: This is a new appropriation of $176,150 for FY 2027. The appropriation will be used to support the DNR's protection of the State's groundwater and will include administration, regulation, and programs, as well as salaries, support, maintenance, equipment, and miscellaneous purposes.

2. Any awarding of a grant to an organization pursuant to subsection 1, paragraph “a”, must be agreed to by the department of agriculture and land stewardship, the department of natural resources, and the college of agriculture and life sciences at Iowa state university of science and technology.

Requires any grant awarded from the moneys appropriated from the GWPF for water quality monitoring to be agreed upon by the DALS, DNR, and College of Agriculture and Life Sciences at ISU.

3. Notwithstanding subsection 1, the amounts appropriated in this section shall not exceed the total amount of interest and earnings on moneys in the groundwater protection fund and

CODE: Specifies that the amount appropriated cannot exceed the total amount of interest and earnings on moneys in the GWPF and its accounts accrued during FY 2027 and

8 34 accounts therein accrued during the fiscal year beginning July
8 35 1, 2026. In addition, the amounts appropriated in this section
8 36 shall only be made available after the maximum amount of such
8 37 interest and earnings appropriated in this Act to the state
8 38 university of Iowa is made available to the university.

the amount appropriated can only be made available after the maximum amount of interest and earnings is made available to the SUI.

8 39 Sec. 11. SPECIAL SNOWMOBILE FUND — SNOWMOBILE
9 1 PROGRAM. There is appropriated from the special snowmobile
9 2 fund created under section 321G.7 to the department of natural
9 3 resources for the fiscal year beginning July 1, 2026, and
9 4 ending June 30, 2027, the following amount, or so much thereof
9 5 as is necessary, to be used for the purposes designated:
9 6 For purposes of administering and enforcing the state
9 7 snowmobile programs:
9 8 ..... $ 100,000

Special Snowmobile Fund appropriation to the DNR for administration and enforcement of the State Snowmobile Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. These funds are used for snowmobile safety education and trail maintenance and to provide cost-share grants to local snowmobile organizations.

9 9 Sec. 12. SPECIAL APPROPRIATIONS FROM GENERAL FUND. There
9 10 is appropriated from the general fund of the state to the
9 11 department of natural resources for the fiscal year beginning
9 12 July 1, 2026, and ending June 30, 2027, the following amounts,
9 13 or so much thereof as is necessary, to be used for the purposes
9 14 designated:

9 15 1. FLOODPLAIN MANAGEMENT AND DAM SAFETY
9 16 a. For purposes of supporting floodplain management and dam
9 17 safety:
9 18 ..... $ 1,510,000

General Fund appropriation to the DNR for the Floodplain Management and Dam Safety Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Section 19 of the Bill appropriates an additional $375,000 from the Environment First Fund (EFF) for the Program. The goal of the Program is the protection of life and property from damage by flooding. The Program does the following:

- Supports a network of stream gauges.
- Provides funding for the Dam Safety Program, which maintains information on more than 3,800 dams.
- Funds floodplain mapping projects.
- Provides technical assistance for community enrollment for flood insurance.
- Regulates the construction of floodplains and floodways.

b. Of the amount appropriated in this subsection, up to $400,000 may be used by the department to acquire or install stream gages for purposes of tracking and predicting flood events and for compiling necessary data to improve flood frequency analysis.

Allocates up to $400,000 for the purchase and installation of stream gauges to assist with predicting flood events.

c. Notwithstanding section 8.33, moneys appropriated in this subsection 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 the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds from the Floodplain Management and Dam Safety appropriation to carry forward for expenditure in FY 2028.

2. FORESTRY HEALTH MANAGEMENT

a. For purposes of providing for forestry health management programs:

..... $ 525,000

General Fund appropriation to the DNR for forestry health management programs.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Forestry health management programs are dedicated to monitoring, managing, and reducing insects and diseases that damage and harm Iowa's forests.

b. Notwithstanding section 8.33, moneys appropriated in this subsection 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 the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds from the Forestry Health Management appropriation to carry forward for expenditure in FY 2028.

3. STATE PARK OPERATIONS

For supporting operations at state parks, including maintenance and repair of grounds and facilities:

..... $ 1,000,000

General Fund appropriation to the DNR to support operations at State parks, including maintenance and repair of facilities.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

4. STATE PARK MAINTENANCE

For structural and infrastructural repairs in state parks:

..... $ 300,000

General Fund appropriation to the DNR for structural and infrastructure repairs in State parks.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

DIVISION III

10 7 IOWA STATE UNIVERSITY

10 8 Sec. 13. SPECIAL APPROPRIATIONS FROM GENERAL FUND. There
10 9 is appropriated from the general fund of the state to Iowa
10 10 state university of science and technology for the fiscal year
10 11 beginning July 1, 2026, and ending June 30, 2027, the following
10 12 amounts, or so much thereof as is necessary, to be used for the
10 13 purposes designated:

10 14 1. VETERINARY DIAGNOSTIC LABORATORY —— OPERATION
10 15 a. For purposes of supporting the college of veterinary
10 16 medicine for the operation of the veterinary diagnostic
10 17 laboratory, and for not more than the following full-time
10 18 equivalent positions:
10 19 ..... $ 4,799,898
10 20 ..... FTEs 51.00

General Fund appropriation to ISU for operations at the Veterinary Diagnostic Laboratory.

DETAIL: Maintains the current level of funding and an increase of 1.00 FTE position compared to estimated net FY 2026. The increase of 1.00 FTE position is to restore the FTE positions to the previously authorized amount in 2025 Iowa Acts chapter 156 (FY 2026 Agriculture and Natural Resources Appropriations Bill).

10 21 b. (1) Iowa state university of science and technology
10 22 shall not reduce the amount that it allocates to support the
10 23 college of veterinary medicine from any other source due to the
10 24 appropriation made in this subsection.

Prohibits ISU from reducing funding from other sources to the College of Veterinary Medicine as a result of this appropriation.

10 25 (2) Subparagraph (1) does not apply to a reduction made
10 26 to support the college of veterinary medicine if the same
10 27 percentage of reduction imposed on the college of veterinary
10 28 medicine is also imposed on all of Iowa state university of
10 29 science and technology's budget units.

Allows ISU to reduce funding to the College of Veterinary Medicine if the same percentage of reduction is applied to other ISU budget units.

10 30 2. VETERINARY DIAGNOSTIC LABORATORY —— TRANSITION TO
10 31 REFURBISHED FACILITY.
10 32 To assist the college of veterinary medicine veterinary
10 33 diagnostic laboratory in installing and moving equipment into
10 34 its refurbished facility:
10 35 ..... $ 122,000

General Fund appropriation to the ISU Veterinary Diagnostic Laboratory to assist in the installation and moving of equipment into its refurbished facility.

DETAIL: This is a new appropriation of $122,000 for FY 2027. In FY 2026, there was an appropriation of $250,000 from the Iowa Animal Disease Prevention Fund (IADPF) for this purpose.

10 36 3. MANAGEMENT OF PRIVATE FORESTS
10 37 a. For purposes of supporting the Iowa cooperative

General Fund appropriation to ISU for forestry management.

10 38 extension service in agriculture and home economics in
10 39 providing technical support to landowners and loggers regarding
11 1 the management of private forests in northeast Iowa, and for
11 2 not more than the following full-time equivalent positions:
11 3 ..... $ 150,000
11 4 ..... FTEs 1.00

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. The appropriation is to support ISU Extension and Outreach in providing technical support to landowners and loggers in the management of private forests in northeast Iowa.

11 5 b. The department of natural resources shall cooperate with
11 6 the Iowa cooperative extension service in agriculture and home
11 7 economics in administering this subsection.

Requires the DNR to cooperate with ISU Extension and Outreach.

11 8 4. LIVESTOCK DISEASE RESEARCH
11 9 a. For deposit in the livestock disease research fund
11 10 created in section 267.8:
11 11 ..... $ 291,390

General Fund appropriation to the Livestock Disease Research Fund.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

11 12 b. Moneys appropriated under this subsection shall be used
11 13 by Iowa state university of science and technology to support
11 14 animal disease research in areas of importance to livestock
11 15 producers.

Requires the funds to be used by ISU to support animal disease research in areas of importance to livestock producers.

11 16 Sec. 14. IOWA NUTRIENT RESEARCH FUND — VETERINARY
11 17 DIAGNOSTIC LABORATORY. Notwithstanding section 466B.46, there
11 18 is appropriated from the Iowa nutrient research fund created
11 19 in section 466B.46 to Iowa state university of science and
11 20 technology for the fiscal year beginning July 1, 2026, and
11 21 ending June 30, 2027, the following amount, or so much thereof
11 22 as is necessary, to be used for the purposes designated:
11 23 For purposes of supporting the college of veterinary
11 24 medicine for the operation of the veterinary diagnostic
11 25 laboratory:
11 26 ..... $ 120,000

Iowa Nutrient Research Fund appropriation to the College of Veterinary Medicine at ISU.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This appropriation is used to provide additional support to the ISU Veterinary Diagnostic Laboratory.

11 27 DIVISION IV
11 28 STATE UNIVERSITY OF IOWA

11 29 Sec. 15. IOWA'S CENTER FOR AGRICULTURAL SAFETY AND HEALTH
11 30 (I-CASH).
11 31 1. There is appropriated from the general fund of the state
11 32 to the state university of Iowa for the fiscal year beginning

General Fund appropriation to Iowa's Center for Agricultural Safety and Health (I-CASH) at the University of Iowa (SUI) as part of the College of Public Health.

July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For supporting the operations of Iowa's center for agricultural safety and health, as part of the university's college of public health, and in cooperation with the department of agriculture and land stewardship, to anticipate, recognize, and prevent occupational illness and injury among members of the agricultural community:

..... $ 128,154

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

2. a. As a condition of the appropriation made in subsection 1, the state university of Iowa shall retain the director of Iowa's center for agricultural safety and health employed on the effective date of this division of this Act for at least the same number of hours for the fiscal year beginning July 1, 2026, as worked by the director during the fiscal year beginning July 1, 2025.

Requires the SUI to retain the I-CASH Director for the same number of hours during FY 2027 as in FY 2026.

b. As a condition of the appropriation made in subsection 1, the state university of Iowa shall not reduce the amount allocated to support Iowa's center for agricultural safety and health from any other source due to the appropriation made in subsection 1.

Specifies that the SUI cannot reduce other funding that supports the I-CASH due to this appropriation.

3. If moneys appropriated in subsection 1 revert as required pursuant to section 8.33, the state university of Iowa shall transfer to the general fund of the state from any otherwise unencumbered or unobligated moneys from any other general fund appropriation or from any moneys available from other funding sources an amount equal to the amount appropriated in subsection 1 less any amount that reverted to the general fund of the state pursuant to section 8.33.

Specifies that any unencumbered or unobligated funds appropriated in FY 2027 to the I-CASH will revert to the General Fund at the end of FY 2027. If moneys are reverted, the SUI is required to transfer to the General Fund from other unencumbered General Fund appropriations or other funds the difference between the amount reverted and the amount appropriated.

Sec. 16. IOWA GEOLOGICAL SURVEY — GROUNDWATER PLANNING AND RESOURCE ASSESSMENT PROJECT.

General Fund appropriation to the SUI to support groundwater planning and resource assessment.

1. There is appropriated from the general fund of the state to the state university of Iowa for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For purposes of supporting a groundwater planning and

DETAIL: This is a decrease of $78,000 compared to estimated net FY 2026. The assessment project involves mapping groundwater aquifers and measuring the amount of water contained within by the Iowa Geological Survey at the SUI.

resource assessment project to be administered by the Iowa geological survey of the state created pursuant to section 456.1:
..... $ 122,000

2. The moneys appropriated in subsection 1 shall be used by the Iowa geological survey to map and assess the condition of this state's aquifers. The Iowa geological survey may measure the volume of groundwater that is available for various uses, the current and predicted allocations of groundwater to support those uses, the recharge rate for the aquifers, and the development of models for budgeting this state's water resources.

Requires that the Iowa Geological Survey will use the moneys appropriated to survey and map the condition of the State's aquifers, including measuring the volume of groundwater, the recharge rates of aquifers, and to develop models for budgeting the State's water resources.

3. Notwithstanding section 8.33, moneys appropriated in subsection 1 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 in subsection 1.

CODE: Allows any unencumbered or unobligated funds from the Groundwater Planning and Resources Assessment appropriation to remain available for expenditure.

Sec. 17. GROUNDWATER PROTECTION FUND — IOWA GEOLOGICAL SURVEY.

Ground Water Protection Fund appropriation to the SUI to support groundwater planning and resource assessment.

1. There is appropriated from interest and earnings on moneys in the groundwater protection fund created in section 455E.11 and accounts therein, as described in section 455E.11, subsection 1, paragraph "a", to the state university of Iowa for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
To support a groundwater planning and resource assessment project to be administered by the Iowa geological survey of the state:
..... $ 78,000

DETAIL: This is a new appropriation of $78,000 for FY 2027. The assessment project involves mapping groundwater aquifers and measuring the amount of water contained within by the Iowa Geological Survey at the SUI.

2. Moneys appropriated in subsection 1 shall be used by the Iowa geological survey to map and assess the condition of this state's aquifers. The Iowa geological survey may measure the volume of groundwater that is available for various uses, the current and predicted allocations of groundwater to support these uses, the recharge rate for the aquifers, and the development of models for budgeting this state's water resources.

Requires that the Iowa Geological Survey will use the moneys appropriated to survey and map the condition of the State's aquifers, including measuring the volume of groundwater, the recharge rates of aquifers, and to develop models for budgeting the State's water resources.

13 31 3. Notwithstanding subsection 1, the amount appropriated
13 32 in this section shall not exceed the total amount of interest
13 33 and earnings on moneys in the groundwater protection fund and
13 34 accounts therein accrued during the fiscal year beginning July
13 35 1, 2026.

Specifies that the appropriated amount cannot exceed the total amount of interest and earnings on moneys in the GWPF and its accounts accrued during FY 2027.

13 36 DIVISION V
13 37 ENVIRONMENT FIRST FUND — GENERAL APPROPRIATIONS

13 38 Sec. 18. DEPARTMENT OF AGRICULTURE AND LAND
13 39 STEWARDSHIP. There is appropriated from the environment first
14 1 fund created in section 8.57A to the department of agriculture
14 2 and land stewardship for the fiscal year beginning July 1,
14 3 2026, and ending June 30, 2027, the following amounts, or so
14 4 much thereof as is necessary, to be used for the purposes
14 5 designated:

Iowa Code section 8.57A contains a standing appropriation of $42,000,000 from the Rebuild Iowa Infrastructure Fund (RIIF) to the EFF. Moneys in the EFF are appropriated by the General Assembly for the protection, conservation, enhancement, or improvement of natural resources or the environment. This Bill appropriates a total of $17,300,000 to the DALS from the EFF for FY 2027.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

14 6 1. CONSERVATION RESERVE ENHANCEMENT PROGRAM (CREP)
14 7 a. For the conservation reserve enhancement program to
14 8 restore and construct wetlands for the purposes of intercepting
14 9 tile line runoff, reducing nutrient loss, improving water
14 10 quality, and enhancing agricultural production practices:
14 11 ..... $ 1,000,000

Environment First Fund appropriation to the DALS for the Conservation Reserve Enhancement Program (CREP).

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The CREP is a federally administered voluntary program for agricultural landowners that provides financial incentives to establish wetlands for water quality improvement in tile-drained regions of Iowa. The Program includes 37 counties in north central Iowa in an area that has been identified as a contributor to high nitrate loads in the Mississippi River Basin. The Program is administered by the federal Farm Services Agency (FSA) in the United States Department of Agriculture (USDA).

14 12 b. Not more than 10 percent of the moneys appropriated
14 13 in paragraph “a” may be used for costs of administration and
14 14 implementation of soil and water conservation practices.

Prohibits the use of more than 10.00% ($100,000) of the cost-share funds for administration and costs associated with the implementation of soil and water conservation practices.

c. Notwithstanding section 8.57A, subsection 3, or any other provision of law to the contrary, the department may use moneys appropriated in this subsection, in combination with other appropriate environment first fund appropriations, for cost sharing to match United States department of agriculture, natural resources conservation service, wetlands reserve enhancement program (WREP) funding available to Iowa.

Permits funds to be used in combination with other EFF appropriations or as cost-share funds for federal projects.

2. WATERSHED PROTECTION

a. For continuation of a program that provides multiobjective resource protections for flood control, water quality, erosion control, and natural resource conservation: ..... $ 900,000

Environment First Fund appropriation to the DALS for the Watershed Protection Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The purpose of the Program is to provide financial assistance for projects that establish permanent soil and water conservation practices. Project practices are integrated into a larger watershed plan and meet multiple objectives. This appropriation offers watershed grants to Soil and Water Conservation Districts for locally led watershed projects.

b. Not more than 10 percent of the moneys appropriated in paragraph “a” may be used for costs of administration and implementation of soil and water conservation practices.

Prohibits the use of more than 10.00% ($90,000) of the cost-share funds for administration and costs associated with the implementation of soil and water conservation practices.

3. CONSERVATION BUFFER STRIP PROGRAM

a. To encourage and assist farmers to establish and maintain conservation buffer strip practices and to work with them to enhance their revegetation efforts to improve water quality and habitat: ..... $ 900,000

Environment First Fund appropriation to the DALS for the Conservation Buffer Strip Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Conservation Buffer Strip Program is a voluntary program administered by the federal government for agricultural landowners. The Program provides landowners with annual rental payments and cost-share assistance for removing agricultural land from production and establishing conservation practices. The Program is administered by the federal FSA in the USDA and is a major federal conservation program. Land enrolled in the Program increases wildlife habitat, reduces soil erosion, and improves water quality.

b. Not more than 10 percent of the moneys appropriated in paragraph “a” may be used for costs of administration and implementation of soil and water conservation practices.

Prohibits the use of more than 10.00% ($90,000) of the cost-share funds for administration and costs associated with the implementation of soil and water conservation practices.

4. SOIL AND WATER CONSERVATION

a. For use by the department in providing for soil and water conservation:

..... $ 8,325,000

Environment First Fund appropriation to the DALS for the Soil and Water Conservation Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

b. (1) Of the amount appropriated in paragraph “a”, for transfer to the hungry canyons account of the loess hills development and conservation fund created in section 161D.2:

..... $ 140,000

Transfers $140,000 from the Soil and Water Conservation appropriation to the Hungry Canyons Account of the Loess Hills Development and Conservation Fund.

(2) Not more than 10 percent of the moneys transferred in subparagraph (1) may be used for administrative costs.

Prohibits the use of more than 10.00% ($14,000) of the funds for administration costs.

c. Of the remaining amount appropriated in paragraph “a”, for use by the department in providing for soil and water conservation administration, the conservation of soil and water resources, or the support of soil and water conservation districts:

..... $ 8,185,000

Allocates $8,185,000 from the Soil and Water Conservation appropriation to the Soil and Water Conservation Cost Share Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Soil and Water Conservation Cost Share Program funding provides financial incentives to landowners who implement approved soil and water conservation practices. State funds are divided among the Soil and Water Conservation Districts. The landowner pays for at least 50.00% of the cost of the conservation practice.

d. Of the amount appropriated in paragraph “c” that the department allocates to a soil and water conservation district, the first $15,000 may be expended by the district for the purpose of providing financial incentives under section 161A.73 to establish management practices for the control of soil erosion on land that is row-cropped, including but not limited to nontill planting, ridge-till planting, and contouring strip-cropping. Of any remaining amount of that appropriation allocated by the department to a district, 30 percent may be

Permits each Soil and Water Conservation District to use up to $15,000 of the allocation to establish management practices for the control of soil erosion on row-cropped land. Also permits up to 30.00% of remaining funds to be expended for the same purpose.

expended by the district for that same purpose.

e. Not more than 5 percent of the moneys appropriated in paragraph “c” may be allocated for cost sharing to address complaints filed under section 161A.47.

Permits the DALS to use up to 5.00% ($409,250) of the cost-share funds to address complaints filed for land erosion caused by sediment.

f. Of the moneys appropriated in paragraph “c”, 5 percent shall be allocated for financial incentives to establish practices to protect watersheds above publicly owned lakes of the state from soil erosion and sediment as provided in section 161A.73.

Requires 5.00% ($409,250) of cost-share funds to be used for financial incentives to establish practices to protect watersheds above publicly owned lakes from soil erosion and sediment.

g. The department’s division of soil conservation and water quality may allocate moneys appropriated in paragraph “c” to conduct research and demonstration projects to promote conservation tillage and nonpoint source pollution control practices.

Permits the State Soil Conservation and Water Quality Committee to allocate funds for research and demonstration projects to promote conservation tillage and nonpoint source pollution control practices.

h. The allocation of moneys as financial incentives as provided in section 161A.73 may be used in combination with moneys allocated by the department of natural resources.

Permits financial incentive payments to be used in combination with funds from the DNR.

i. Not more than 15 percent of the moneys appropriated in paragraph “c” may be used for costs of administration and implementation of soil and water conservation practices.

Prohibits the use of more than 15.00% ($1,227,750) of the cost-share funds for administration and costs associated with the implementation of soil and water conservation practices.

5. SOIL AND WATER CONSERVATION —— ADMINISTRATION

a. For use by the department for costs of administration and implementation of soil and water conservation practices:

..... $ 3,800,000

Environment First Fund appropriation to the DALS for soil and water conservation administration.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

b. Of the moneys appropriated in paragraph “a”, $150,000 is allocated to support field staff providing technical assistance.

Allocates $150,000 of the above appropriation to support field staff providing technical assistance.

Sec. 19. DEPARTMENT OF NATURAL RESOURCES. There is appropriated from the environment first fund created in section 8.57A to the department of natural resources for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be

Iowa Code section 8.57A contains a standing appropriation of $42,000,000 from the RIIF to the EFF. Moneys in the EFF are appropriated by the General Assembly for the protection, conservation, enhancement, or improvement of natural resources or the environment. This Bill appropriates a total of

used for the purposes designated:

$24,005,000 to the DNR from the EFF for FY 2026.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

1. STATE PARK MAINTENANCE AND OPERATIONS
For regular maintenance and operations of state parks and staff time associated with these activities:
..... $ 6,235,000

Environment First Fund appropriation to the DNR for State park maintenance and operations.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. State parks are under the administration of the Parks Bureau in the DNR. Funding pays for seasonal staff, facilities maintenance, equipment replacement, and other related expenditures.

2. GEOGRAPHIC INFORMATION SYSTEM (GIS)
To provide local watershed managers with geographic information system data for their use in developing, monitoring, and displaying results of their watershed work:
..... $ 195,000

Environment First Fund appropriation to the DNR for the GIS Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The GIS Program is responsible for the development, management, and coordination of the Natural Resources Geographic Information System (NRGIS) for the DNR. The NRGIS is used to provide local watershed managers with data to develop, monitor, and display watershed improvements.

3. WATER QUALITY MONITORING
For continuing the establishment and operation of water quality monitoring stations:
..... $ 2,955,000

Environment First Fund appropriation to the DNR for the Water Quality Monitoring Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Appropriated dollars are allocated for the administration, research, and operation of water quality monitoring stations. The DNR contracts with experts from the U.S. Geological Survey and State universities for water quality research, analysis, and modeling. The appropriation supports six water quality monitoring programs. Water samples are collected to develop a baseline of information on Iowa streams, lakes, and wetlands. The DNR tracks water temperature, dissolved oxygen, pH, and many other physical conditions and chemicals. The Water Quality Monitoring Program records fish kills and statewide water data and assesses the ability of water bodies to

meet their intended uses (impaired waters) as defined by the federal Clean Water Bill.

16 32 4. PUBLIC WATER SUPPLY SYSTEM ACCOUNT
16 33 For deposit in the public water supply system account of the
16 34 water quality protection fund created in section 455B.183A:
16 35 ..... $ 500,000

Environment First Fund appropriation to the DNR for the Public Water Supply System Account of the Water Quality Protection Fund.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. A public water supply is defined as a system that has at least 15 service connections or serves at least 25 persons for at least 60 days throughout the year. These systems are regulated by the Water Supply Engineering Section of the DNR.

16 36 5. REGULATION OF ANIMAL FEEDING OPERATIONS
16 37 For the regulation of animal feeding operations, including
16 38 as provided for in chapters 459, 459A, and 459B:
16 39 ..... $ 1,320,000

Environment First Fund appropriation to the DNR for the Animal Feeding Operations Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This appropriation is used to regulate animal feeding operations. This includes processing permits for the construction of new sites and reviewing nutrient management plans. Other activities include inspection of earthen basins, construction sites, and operations as well as inspecting and investigating manure, fertilizer, and chemical spills.

17 1 6. FLOODPLAIN MANAGEMENT AND DAM SAFETY
17 2 For supporting floodplain management and dam safety:
17 3 ..... $ 375,000

Environment First Fund appropriation to the DNR for the Floodplain Management and Dam Safety Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Section 12 of this Bill appropriates an additional $1,510,000 from the General Fund for the Program. The goal of the Program is the protection of life and property from damage by flooding. The Program does the following:

- Supports a network of stream gauges.
- Provides funding for the Dam Safety Program, which maintains information on 3,800 dams.
- Funds floodplain mapping projects.
- Provides technical assistance for community enrollment for flood insurance.

- Regulates the construction of floodplains and floodways.

7. AMBIENT AIR QUALITY
For the abatement, control, and prevention of ambient air pollution in this state, including measures as necessary to assure attainment and maintenance of ambient air quality standards from particulate matter:
..... $ 425,000

Environment First Fund appropriation to the DNR for the Ambient Air Quality Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Appropriated funds finance the administration of ambient air monitoring activities and an annual contract with the State Hygienic Laboratory (SHL) at the SUI to conduct air monitoring. The SHL collects air monitoring data, provides quality assurance results, and reports data to the public.

Sec. 20. STATE UNIVERSITY OF IOWA — IOWA GEOLOGICAL SURVEY. There is appropriated from the environment first fund created in section 8.57A to the state university of Iowa for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

Iowa Code section 8.57A contains a standing appropriation of $42,000,000 from the RIIF to the EFF. Moneys in the EFF are appropriated by the General Assembly for the protection, conservation, enhancement, or improvement of natural resources or the environment. This Bill appropriates a total of $695,000 to the SUI from the EFF for FY 2027.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

1. IOWA GEOLOGICAL SURVEY OPERATIONS
For purposes of supporting the operations of the Iowa geological survey of the state, including but not limited to providing analysis; data maintenance, collection, and compilation; investigative programs; and information for water supply development and protection:
..... $ 200,000

Environment First Fund appropriation to the SUI for the Geological and Water Survey Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This appropriation funds the development of programs that provide comprehensive information regarding mineral and water resources in Iowa. This includes educational programs as well as technology transfer programs and an emphasis on new water supply developments and monitoring water quality. The Geological and Water Survey Program provides information to the federal government and State agencies.

2. WATER RESOURCE MANAGEMENT
For purposes of supporting the Iowa geological survey in measuring, assessing, and evaluating the quantity of water sources in this state and assisting the department of natural

Environment First Fund appropriation to the SUI for the Water Quantity Program.

resources in regulating water quantity as provided in chapter 455B, subchapter III, part 4, pursuant to sections 455B.262B and 456.14:
..... $ 495,000

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Water Quantity Program was established due to an increase in the number of industries that are dependent on large quantities of water for their operations (ethanol plants). The goal of the Program is to provide long-term planning for water use for industrial operations, drinking water, and other water uses.

Sec. 21. REVERSION.

1. a. Except as provided in paragraph "b", and notwithstanding section 8.33, moneys appropriated for the fiscal year beginning July 1, 2026, in this division of this Act 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 the close of the succeeding fiscal year, or until the project for which the appropriation was made is completed, whichever is earlier.

CODE: Allows any unencumbered or unobligated funds from the EFF appropriations to remain available for expenditure until the close of FY 2028 or until a specific project is completed, whichever is earlier.

b. Notwithstanding section 8.33, moneys appropriated for the fiscal year beginning July 1, 2026, in this division of this Act to the department of agriculture and land stewardship to provide financial assistance for the establishment of permanent soil and water conservation practices 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 the close of the fiscal year beginning July 1, 2029.

CODE: Allows any unencumbered or unobligated funds from the EFF appropriations for soil and water conservation practices to remain available for expenditure until the close of FY 2030.

2. Subsection 1 does not apply to moneys transferred pursuant to this division of this Act to the loess hills development and conservation fund created in section 161D.2, which shall not revert as provided in that section.

Specifies that the Hungry Canyons allocation to the Loess Hills Development and Conservation Fund in this Bill is exempt from reversion.

DIVISION VI
ENVIRONMENT FIRST FUND — SPECIAL APPROPRIATIONS

Sec. 22. WATER QUALITY INITIATIVE — DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP.

1. There is appropriated from the environment first fund

Environment First Fund appropriation to the DALS for the Water Quality Initiative (WQI).

created in section 8.57A to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For deposit in the water quality initiative fund created in section 466B.45, for purposes of supporting the water quality initiative administered by the division of soil conservation and water quality as provided in section 466B.42, including salaries, support, maintenance, and miscellaneous purposes:

..... $ 2,375,000

DETAIL: Maintains the current level of funding from the EFF compared to estimated net FY 2026.

The Nutrient Reduction Strategy Report was introduced in November 2012 as a collaborative effort by the DALS, the DNR, and ISU to assess and reduce nutrient flow into Iowa waters. The WQI was created in 2013 Iowa Acts, chapter 132 (Agriculture and Natural Resources Appropriations Bill), to provide funding for watershed practices in high-priority watersheds as designated by the Water Resources Coordinating Council (WRCC).

2. a. The moneys appropriated in subsection 1 shall be used to support projects in subwatersheds as designated by the division that are part of high-priority watersheds identified by the water resources coordinating council established pursuant to section 466B.3.

Requires the funds appropriated above to be used to support projects in high-priority watersheds as identified by the WRCC.

b. The moneys appropriated in subsection 1 shall be used to support projects in watersheds generally, including regional watersheds, as designated by the division and high-priority watersheds identified by the water resources coordinating council established pursuant to section 466B.3.

Requires the funds appropriated above to be used to support projects in watersheds.

3. In supporting projects in subwatersheds and watersheds as provided in subsection 2, all of the following apply:

a. The demonstration projects shall utilize water quality practices as described in the Iowa nutrient reduction strategy as defined in section 455B.171.

b. The division shall implement demonstration projects as provided in paragraph “a” by providing for participation by persons who hold a legal interest in agricultural land used in farming. To every extent practical, the division shall provide for collaborative participation by such persons who hold a legal interest in agricultural land located within the same subwatershed.

c. The division shall implement a demonstration project on a cost-share basis as determined by the division. However, except for edge-of-field practices, the state’s share of the amount shall not exceed 50 percent of the estimated cost of establishing the practice as determined by the division or

Specifies criteria for projects in high-priority watersheds as follows:

- Requires demonstration projects to utilize water quality practices described in the Iowa Nutrient Reduction Strategy as defined in Iowa Code section 455B.171.
- Requires the DALS to collaborate with agricultural landowners in targeted watersheds.
- Prohibits the State's cost-share amount of water quality protection practices from exceeding 50.00% of the value of the practices, except for edge-of-field practices.
- Requires demonstration projects to educate the public about water quality practices.
- Requires the DALS to conduct water quality evaluations within targeted watersheds and to create a database of water quality practices. Specifies that all information

50 percent of the actual cost of establishing the practice, whichever is less.

d. The demonstration projects shall be used to educate other persons about the feasibility and value of establishing similar water quality practices. The division shall promote field day events for purposes of allowing interested persons to establish water quality practices on their agricultural land.

e. The division shall conduct water quality evaluations within supported subwatersheds. Within a reasonable period after accumulating information from such evaluations, the division shall create an aggregated database of water quality practices. Any information identifying a person holding a legal interest in agricultural land or specific agricultural land shall be a confidential record under section 22.7.

received is to be a confidential record and exempt from public access.

4. The moneys appropriated in subsection 1 shall be used to support education and outreach in a manner that encourages persons who hold a legal interest in agricultural land used for farming to implement water quality practices, including the establishment of such practices in watersheds generally, and not limited to subwatersheds or high-priority watersheds.

Requires the DALS to use funds to support education and outreach to encourage agricultural producers to establish water quality practices.

5. The moneys appropriated in subsection 1 may be used to contract with persons to coordinate the implementation of efforts provided in this section.

Permits the DALS to use funds for contracts that will assist with the implementation of the WQI.

6. The moneys appropriated in subsection 1 may be used by the department to support urban soil and water conservation efforts, which may include but are not limited to management practices related to bioretention, landscaping, the use of permeable or pervious pavement, and soil quality restoration. The moneys shall be allocated on a cost-share basis as provided in chapter 161A.

Permits the DALS to use funds to support urban soil and water conservation practices and to allocate funds on a cost-share basis.

7. Notwithstanding any other provision of law to the contrary, the department may use moneys appropriated in subsection 1 to carry out the provisions of this section on a cost-share basis in combination with other moneys available to the department from a state or federal source.

Permits the DALS to use funds as cost-share moneys for projects.

8. Not more than 10 percent of the moneys appropriated in this section may be used to pay for the costs of administering and implementing the water quality initiative by the department's division of soil conservation and water quality as provided in section 466B.42 and this section.

Prohibits the DALS from using more than 10.00% ($237,500) of the funds appropriated for administration and implementation of WQI practices.

DIVISION VII
RESOURCES ENHANCEMENT AND PROTECTION — OPEN SPACES

Sec. 23. REAP — IN LIEU OF GENERAL FUND APPROPRIATION. In lieu of the standing appropriation in section 455A.18, there is appropriated from the environment first fund created in section 8.57A to the Iowa resources enhancement and protection fund for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, to be allocated as provided in section 455A.19:

..... $ 12,000,000

Appropriates $12,000,000 from the EFF to the Resources Enhancement and Protection (REAP) Fund in lieu of the $20,000,000 General Fund standing appropriation established in Iowa Code section 455A.18.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

Sec. 24. REAP — OPEN SPACES ACCOUNT — STATE PARK MAINTENANCE, OPERATIONS, AND FACILITY REFURBISHMENT. Notwithstanding section 455A.19, subsection 1, paragraph "a", subparagraph (1), of the moneys allocated to the open spaces account of the Iowa resources enhancement and protection fund, up to $1,000,000 may be used by the department of natural resources for state park maintenance, development, operations, and facility refurbishment for the fiscal year beginning July 1, 2026, and ending June 30, 2027.

CODE: Allows the DNR to use up to $1,000,000 from the Open Spaces Account for State park maintenance, repair, and refurbishment in FY 2027.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

DIVISION VIII
ANIMAL DISEASE PREPAREDNESS AND RESPONSE

Sec. 25. IOWA ANIMAL DISEASE PREVENTION FUND — DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP.

1. There is appropriated from the Iowa animal disease prevention fund created in section 165.18 to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

21 9 a. For purposes of purchasing and maintaining equipment
21 10 to further the implementation of the foreign animal disease
21 11 preparedness and response strategy developed under section
21 12 163.3C:
21 13 ..... $ 150,000

Iowa Animal Disease Prevention Fund appropriation to the DALS to purchase and maintain equipment to further the implementation of the Foreign Animal Disease Preparedness and Response Strategy.

DETAIL: This is a decrease of $100,000 compared to estimated net FY 2026. The DALS is required to develop the Foreign Animal Disease Preparedness and Response Strategy in order to prevent, control, or eradicate the transmission of foreign animal diseases among populations of animals. The strategy is required to provide additional expertise and resources to increase biosecurity efforts that assist in the prevention of a foreign animal disease outbreak in the State. This appropriation previously received funding from the General Fund.

21 14 b. For purposes of assisting in the development of vaccines
21 15 against foreign animal diseases by a company based in Iowa that
21 16 develops livestock and other animal vaccines:
21 17 ..... $ 100,000

Iowa Animal Disease Prevention Fund appropriation to the DALS to assist in the development of vaccines against foreign animal diseases.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

21 18 c. For deposit in the foreign animal disease preparedness
21 19 and response fund created in section 163.3B:
21 20 ..... $ 200,000

Iowa Animal Disease Prevention Fund appropriation to the Foreign Animal Disease Preparedness and Response Fund.

DETAIL: This is an increase of $100,000 compared to estimated net FY 2026. The Foreign Animal Disease Preparedness and Response Fund shall be used exclusively to develop, establish, and implement a foreign animal disease preparedness and response strategy. The Foreign Animal Disease Preparedness and Response Strategy is used by the DALS in order to prevent, control, or eradicate the transmission of foreign animal diseases among populations of animals.

21 21 d. For purposes of upgrading information technology
21 22 resources used by the department:
21 23 ..... $ 160,000

Iowa Animal Disease Prevention Fund appropriation to the DALS for upgrading information technology resources.

DETAIL: This is a decrease of $290,000 compared to estimated net FY 2026.

2. Notwithstanding section 8.33, moneys appropriated in this section 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 the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds from the IADPF to carry forward for expenditure in FY 2028.

DIVISION IX
WATER QUALITY FUNDING

Sec. 26. REBUILD IOWA INFRASTRUCTURE FUND — SPECIAL APPROPRIATIONS. There is appropriated from the rebuild Iowa infrastructure fund created in section 8.57 to the Iowa finance authority for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

Rebuild Iowa Infrastructure Fund appropriation to the Iowa Finance Authority (IFA) for the Water Quality Financial Assistance Fund (WQFAF).

1. a. For deposit in the water quality financial assistance fund created in section 16.134A for the purposes of supporting the wastewater and drinking water treatment financial assistance program created in section 16.134:
..... $ 8,000,000

DETAIL: This is a new appropriation of $8,000,000 for FY 2027. The moneys will be used to support the Wastewater and Drinking Water Treatment Financial Assistance Program in the IFA. The Program provides financial assistance for the installation and upgrade of wastewater and drinking water treatment facilities and systems.

b. The moneys appropriated in paragraph “a” shall be used to provide financial assistance, including grants, for projects designed to improve water quality by addressing point and nonpoint sources, with a higher prioritization provided to collaborative effort.

Requires the moneys appropriated from the RIIF to the WQFAF to be used to provide financial assistance, including grants, for projects designed to improve water quality by addressing point and nonpoint sources, and to give a higher prioritization to projects with a collaborative effort.

2. For deposit in the rural Iowa infrastructure bank program fund created in section 16.240, as enacted in this division of this Act:
..... $ 10,000,000

Rebuild Iowa Infrastructure Fund appropriation to the IFA for the Iowa Infrastructure Bank Program Fund.

DETAIL: This is a new appropriation of $10,000,000 for FY 2027. The Rural Iowa Infrastructure Bank Revolving Loan Program, created in this Bill, provides loans to small or

Sec. 27. Section 16.134, subsection 4, paragraph i, Code 2026, is amended to read as follows:

i. An applicant shall not receive a grant that exceeds ~~five hundred thousand~~ one million dollars.

Sec. 28. Section 16.134A, subsection 3, Code 2026, is amended to read as follows:

3. ~~For~~ Except for moneys deposited in the fund for a specified purpose, for each fiscal year in the period beginning July 1, ~~2018~~ 2026, and ending June 30, 2039, there is appropriated the following ~~percentages of~~ amounts from the balance of the fund for all of the following purposes:

a. ~~Forty percent to the Iowa finance authority to support the wastewater and drinking water treatment financial assistance program created in section 16.134~~ Five hundred thousand dollars to the department of natural resources for the purposes of water quality monitoring, including, at the department's discretion, continuous monitoring.

b. ~~Forty-five percent to the Iowa finance authority to be credited to the water quality financing program fund created pursuant to section 16.153.~~ The following percentages of moneys remaining in the fund for the following purposes:

(1) Sixty-five percent to the Iowa finance authority to support the wastewater and drinking water treatment financial assistance program created in section 16.134.

~~c.~~ (2) Fifteen percent to the division of soil conservation and water quality of the department of agriculture and land stewardship to support the water quality urban infrastructure program created in section 466B.44.

(3) Twenty percent to the division of soil conservation and water quality of the department of agriculture and land stewardship for deposit in the water quality initiative fund created in section 466B.45 to provide technical assistance and support conservation practices, including but not limited to buffers, cover crops, edge-of-field structures, grazing systems, and working lands, in counties located in the following United States geological survey hydrologic unit code 8 watersheds:

(a) Boone.

medium sized communities to upgrade water or wastewater infrastructure.

CODE: Increases the maximum grant from the Wastewater and Drinking Water Treatment Financial Assistance Program from $500,000 to $1,000,000.

CODE: Changes the standing appropriations from the WQFAF to the following distributions:

- Appropriates $500,000 to the DNR for water quality monitoring, which can include continuous monitoring.
- Appropriates 65.00% of the moneys remaining in the WQFAF to the IFA to support the Wastewater and Drinking Water Financial Assistance Program.
- Appropriates 15.00% of the remaining moneys in the WQFAF to the Division of Soil Conservation and Water Quality in the DALS to support the Water Quality Urban Infrastructure Program.
- Appropriates 20.00% of the moneys remaining in the WQFAF to the Division of Soil Conservation and Water Quality in the DALS for deposit in the Water Quality Initiative Fund to provide technical assistance and support conservation practices in counties located in six different watersheds.

(b) East fork Des Moines.
(c) Middle Des Moines.
(d) North Raccoon.
(e) South Raccoon.
(f) Upper Des Moines.

Sec. 29. Section 16.152, Code 2026, is amended by adding the following new subsections:

CODE: Prohibits the IFA from initiating any new loans under the Water Quality Financing Program after June 30, 2026. Any loans or interest payments received on or after July 1, 2026, are deposited in the WQFAF to support the Wastewater and Drinking Water Treatment Financial Assistance Program.

NEW SUBSECTION 5. The authority shall not initiate any new loans under this part after June 30, 2026. Any loan or interest payments received by the authority on or after July 1, 2026, shall be deposited in the water quality financial assistance fund created pursuant to section 16.134A for the purposes of supporting the wastewater and drinking water treatment financial assistance program created in section 16.134.

CODE: Allocates $25,000,000 from any unencumbered or unobligated moneys in the Water Quality Financing Program Fund to a regional water authority with membership consisting of public utilities, rural water districts, and other governmental entities, which serves a population of at least 600,000 and is headquartered in the most populous county in the State based on the 2020 decennial census, for the purpose of constructing and installing additional nutrient removal technology. Allows these moneys to remain available for expenditure until June 30, 2029.

NEW SUBSECTION 6. For the fiscal year beginning July 1, 2026, and ending June 30, 2027, the authority shall allocate a sum not to exceed twenty-five million dollars from any unencumbered or unobligated moneys in the water quality financing program fund to a regional water authority, with membership consisting of public utilities, as defined in section 476.1, rural water districts organized and existing under chapter 357A, and other governmental entities, which serves a population of at least six hundred thousand and is headquartered in the most populous county in the state based on the 2020 federal decennial census, for the purpose of constructing and installing additional nutrient removal technology. These moneys shall remain available for expenditure until June 30, 2029.

CODE: Transfers any unencumbered or unobligated moneys in the Water Quality Financing Program Fund remaining after July 31, 2026, to the WQFAF to provide technical assistance and support conservation practices in counties located in eight different watersheds. Any moneys obligated prior to July 1, 2026, are to remain in the Water Quality Financing Program Fund.

NEW SUBSECTION 7. Any unencumbered or unobligated moneys in the water quality financing program fund created pursuant to section 16.153 remaining after July 31, 2026, are transferred to the water quality financial assistance fund created pursuant to section 16.134A, to be used for purposes specified in section 16.134A, subsection 3, paragraph “b”, subparagraph (3). An amount equal to the amount of moneys obligated by the authority prior to July 1, 2026, shall remain in the water quality financing program fund.

24 10 NEW SUBSECTION 8. This part is repealed on the date that
24 11 all loans made pursuant to this part are paid in full. The
24 12 authority shall notify the Iowa Code editor of this occurrence.

CODE: Repeals the Water Quality Financing Program and Fund on the date all loans made from the Program are paid in full and requires the IFA to notify the Iowa Code Editor when all loans are paid in full.

24 13 Sec. 30. NEW SECTION 16.240 RURAL IOWA INFRASTRUCTURE BANK
24 14 REVOLVING LOAN PROGRAM — FUND.

24 15 1. As used in this section, "small or medium sized
24 16 community" means a city with a population of eleven thousand or
24 17 less.

CODE: Defines a "small or medium sized community" as a city with a population of 11,000 or less, for the purposes of the Rural Infrastructure Bank Revolving Loan Program.

24 18 2. The authority shall establish and administer a rural
24 19 Iowa infrastructure bank revolving loan program. The purpose
24 20 of the program is to provide loans to small or medium sized
24 21 communities to upgrade water or wastewater infrastructure.

CODE: Requires the IFA to establish and administer a Rural Infrastructure Bank Revolving Program to provide loans to small or medium sized communities to upgrade water or wastewater infrastructure.

24 22 3. a. A small or medium size community shall apply to the
24 23 authority for a loan under the program in a manner approved by
24 24 the authority.

CODE: Requires a small or medium sized community to apply to the IFA in a manner approved by the IFA.

24 25 b. Loan agreements may contain terms and conditions the
24 26 authority deems advisable, but the interest rate on any loan
24 27 shall not exceed one percent.

CODE: Specifies that applications for loans under the Program must be in a manner approved by the IFA, and that loan agreements may contain terms and conditions the IFA deems advisable, but the interest rate cannot exceed 1.00%.

24 28 4. A rural Iowa infrastructure bank program fund is created
24 29 in the state treasury under the control of the authority and
24 30 consisting of moneys appropriated by the general assembly and
24 31 any other moneys available to and obtained or accepted by the
24 32 authority for placement in the fund. Moneys in the fund are
24 33 appropriated to the authority for the purpose of providing
24 34 loans to small or medium sized communities under the program
24 35 established in this section. Repayments of moneys loaned and
24 36 recaptures of loans shall be deposited in the fund. Moneys
24 37 in the fund are not subject to section 8.33. Notwithstanding
24 38 section 12C.7, interest or earnings on moneys in the fund shall
24 39 be credited to the fund.

CODE: Creates the Rural Iowa Infrastructure Bank Program Fund under the control of the IFA. Appropriates moneys in the Fund to the IFA to provide loans to small or medium sized communities. Allows interest or earnings on moneys in the Fund to be credited to the Fund.

25 1 5. The authority may adopt rules pursuant to chapter 17A to
25 2 administer this section.

CODE: Allows the IFA to adopt administrative rules to administer the Rural Iowa Infrastructure Bank Program.

25 3 Sec. 31. CODE EDITOR DIRECTIVE. The Code editor is directed
25 4 to designate section 16.240, as enacted by this division of
25 5 this Act, as chapter 16, subchapter X, part 12, entitled “Rural
25 6 Iowa Infrastructure Bank Revolving Loan Program”.

Provides direction to the Iowa Code Editor.

Agriculture and Natural Resources
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (4)	Final Action vs Est Net FY 2026 (5)	Page and Line # (6)
Agriculture and Land Stewardship, Dept of					
Agriculture and Land Stewardship					
Administrative Division	$ 20,162,310	$ 20,377,294	$ 20,733,294	$ 356,000	PG 1 LN 10
Milk Inspections	189,196	189,196	189,196	0	PG 2 LN 35
Local Food and Farm	75,000	125,000	125,000	0	PG 3 LN 6
Agricultural Education	150,000	150,000	150,000	0	PG 3 LN 20
Foreign Animal Disease	1,050,000	1,050,000	1,050,000	0	PG 3 LN 30
Foreign Animal Disease Capitals	250,000	0	0	0	
Farmers with Disabilities	230,000	230,000	230,000	0	PG 3 LN 34
Loess Hills Development and Conservation Fund	400,000	300,000	300,000	0	PG 4 LN 18
Southern Iowa Development and Conservation Fund	200,000	100,000	100,000	0	PG 4 LN 32
Grain Regulation	350,000	350,000	350,000	0	PG 4 LN 38
Choose Iowa Fund	1,813,000	1,813,000	2,113,000	300,000	PG 5 LN 4
Choose Iowa Food Purchasing Program	200,000	200,000	200,000	0	PG 5 LN 28
Butchery Innovation and Revitalization	249,695	0	0	0	
Total Agriculture and Land Stewardship, Dept of	$ 25,319,201	$ 24,884,490	$ 25,540,490	$ 656,000	
Natural Resources, Department of					
Natural Resources					
Natural Resources Operations	$ 12,500,000	$ 12,816,738	$ 12,816,738	$ 0	PG 6 LN 21
Floodplain Management Program	1,510,000	1,510,000	1,510,000	0	PG 9 LN 15
Forestry Health Management	525,000	525,000	525,000	0	PG 9 LN 29
State Park Operations	1,000,000	1,000,000	1,000,000	0	PG 9 LN 38
State Park Maintenance	0	300,000	300,000	0	PG 10 LN 3
Total Natural Resources, Department of	$ 15,535,000	$ 16,151,738	$ 16,151,738	$ 0	
Regents, Board of					
Regents, Board of					
ISU - Veterinary Diagnostic Laboratory	$ 4,500,000	$ 4,799,898	$ 4,799,898	$ 0	PG 10 LN 14
ISU - Vet Lab Moving Assistance	0	0	122,000	122,000	PG 10 LN 30
ISU - Management of Private Forests	150,000	150,000	150,000	0	PG 10 LN 36
ISU - Livestock Disease Research	291,390	291,390	291,390	0	PG 11 LN 8
SUI - Iowa Center for Ag Safety & Health (I-CASH)	128,154	128,154	128,154	0	PG 11 LN 29
SUI - Groundwater Planning and Resource Assessment	0	200,000	122,000	-78,000	PG 12 LN 24
Total Regents, Board of	$ 5,069,544	$ 5,569,442	$ 5,613,442	$ 44,000	
Total Agriculture and Natural Resources	$ 45,923,745	$ 46,605,670	$ 47,305,670	$ 700,000	

Agriculture and Natural Resources
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (4)	Final Action vs Est Net FY 2026 (5)	Page and Line # (6)
Agriculture and Land Stewardship, Dept of					
Agriculture and Land Stewardship					
Native Horse & Dog Prog - Unclaimed Winnings	$ 305,516	$ 305,516	$ 305,516	$ 0	PG 2 LN 7
Motor Fuel Inspection - RFIF	500,000	500,000	500,000	0	PG 2 LN 19
Butchery Innovation and Revitalization - SWJCF	0	249,695	0	-249,695	
Conservation Reserve Enhancement - EFF	1,000,000	1,000,000	1,000,000	0	PG 14 LN 6
Watershed Protection Fund - EFF	900,000	900,000	900,000	0	PG 14 LN 22
Conservation Reserve Prog - EFF	900,000	900,000	900,000	0	PG 14 LN 30
Soil Cons. & Water Quality Cost Share Program - EFF	8,325,000	8,325,000	8,325,000	0	PG 14 LN 39
Soil & Water Conservation - EFF	3,800,000	3,800,000	3,800,000	0	PG 16 LN 6
Water Quality Initiative - EFF	2,375,000	2,375,000	2,375,000	0	PG 18 LN 16
Choose Iowa Food Program - Blufflands	100,000	0	0	0	
FAD Equipment - IADPF	0	250,000	150,000	-100,000	PG 21 LN 9
FAD Vaccines - IADPF	0	100,000	100,000	0	PG 21 LN 14
FAD General - IADPF	0	100,000	200,000	100,000	PG 21 LN 18
DALS Information Technology Upgrades - IADPF	0	450,000	160,000	-290,000	PG 21 LN 21
Total Agriculture and Land Stewardship, Dept of	$ 18,205,516	$ 19,255,211	$ 18,715,516	$ -539,695	

Agriculture and Natural Resources
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (4)	Final Action vs Est Net FY 2026 (5)	Page and Line # (6)
Natural Resources, Department of					
Natural Resources					
Fish & Game - DNR Admin Expenses	$ 51,404,790	$ 53,095,606	$ 53,095,606	$ 0	PG 7 LN 6
GWPF - Storage Tanks Study	100,303	100,303	100,303	0	
GWPF - Household Hazardous Waste	447,324	447,324	447,324	0	
GWPF - Well Testing Admin 2%	62,461	62,461	62,461	0	
GWPF - Groundwater Monitoring	1,686,751	1,686,751	1,686,751	0	
GWPF - Landfill Alternatives	618,993	618,993	618,993	0	
GWPF - Waste Reduction and Assistance	192,500	192,500	192,500	0	
GWPF - Solid Waste Alternatives	50,000	50,000	50,000	0	
GWPF - Geographic Information System	297,518	297,518	297,518	0	
GWPF - Water Quality Monitoring	0	0	300,000	300,000	PG 8 LN 7
GWPF - Water Quality	0	0	176,150	176,150	PG 8 LN 21
Snowmobile Registration Fees Fund	100,000	100,000	100,000	0	PG 8 LN 39
Administration Match - UST	200,000	0	0	0	
State Park Operations & Maintenance - EFF	6,235,000	6,235,000	6,235,000	0	PG 16 LN 19
GIS Information for Watershed - EFF	195,000	195,000	195,000	0	PG 16 LN 23
Water Quality Monitoring - EFF	2,955,000	2,955,000	2,955,000	0	PG 16 LN 28
Water Quality Protection - EFF	500,000	500,000	500,000	0	PG 16 LN 32
Animal Feeding Operations - EFF	1,320,000	1,320,000	1,320,000	0	PG 16 LN 36
Floodplain Mgmt and Dam Safety - EFF	375,000	375,000	375,000	0	PG 17 LN 1
Ambient Air Quality Monitoring - EFF	425,000	425,000	425,000	0	PG 17 LN 4
REAP - EFF	12,000,000	12,000,000	12,000,000	0	PG 20 LN 21
State Park Accessibility - Blufflands	296,228	0	0	0	
Water Quality Monitoring (Standing) - WQFAF	0	0	500,000	500,000	PG 22 LN 16
Total Natural Resources, Department of	$ 79,461,868	$ 80,656,456	$ 81,632,606	$ 976,150	

Agriculture and Natural Resources
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (4)	Final Action vs Est Net FY 2026 (5)	Page and Line # (6)
Regents, Board of					
Regents, Board of					
ISU - Vet Diagnostic Lab - Iowa Nutrient Research Fund	$ 120,000	$ 120,000	$ 120,000	$ 0	PG 11 LN 16
SUI - Groundwater Plan. & Resource Assess. - GWPF	0	0	78,000	78,000	PG 13 LN 10
SUI - Geological and Water Survey Oper. - EFF	200,000	200,000	200,000	0	PG 17 LN 16
SUI - Water Resource Management - EFF	495,000	495,000	495,000	0	PG 17 LN 23
SUI - Groundwater Plan. & Resource Assess. - Blufflands	250,000	0	0	0	
ISU - Vet Diagnostic Lab Equipment - IADPF	0	250,000	0	-250,000	
ISU - Livestock Disease Research Fund - IADPF	0	100,000	0	-100,000	
Total Regents, Board of	$ 1,065,000	$ 1,165,000	$ 893,000	$ -272,000	
Iowa Finance Authority					
Iowa Finance Authority					
Waste & Drinking Water Treatment Assist. Program - RIIF	$ 0	$ 0	$ 8,000,000	$ 8,000,000	PG 21 LN 31
Rural Infrastructure Bank Revolving Fund - RIIF	0	0	10,000,000	10,000,000	PG 22 LN 8
Total Iowa Finance Authority	$ 0	$ 0	$ 18,000,000	$ 18,000,000	
Total Agriculture and Natural Resources	$ 98,732,384	$ 101,076,667	$ 119,241,122	$ 18,164,455	

Agriculture and Natural Resources
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (4)	Final Action vs Est Net FY 2026 (5)	Page and Line # (6)
Agriculture and Land Stewardship, Dept of					
Agriculture and Land Stewardship					
Administrative Division	315.04	341.39	420.00	78.61	PG 1 LN 10
Total Agriculture and Land Stewardship, Dept of	315.04	341.39	420.00	78.61	
Natural Resources, Department of					
Natural Resources					
Natural Resources Operations	921.79	1,004.45	1,145.95	141.50	PG 6 LN 21
Total Natural Resources, Department of	921.79	1,004.45	1,145.95	141.50	
Regents, Board of					
Regents, Board of					
ISU - Veterinary Diagnostic Laboratory	50.00	50.00	51.00	1.00	PG 10 LN 14
ISU - Management of Private Forests	1.00	1.00	1.00	0.00	PG 10 LN 36
Total Regents, Board of	51.00	51.00	52.00	1.00	
Total Agriculture and Natural Resources	1,287.83	1,396.84	1,617.95	221.11	

FUNDING SUMMARY

General Fund FY 2027: Appropriates a total of $38.9 million from the General Fund and 607.3 full-time equivalent (FTE) positions to the Iowa Economic Development Authority (IEDA), the Iowa Finance Authority (IFA), the Iowa Department of Workforce Development (IWD), and the Iowa Board of Regents (BOR) for FY 2027. This is a decrease of $1.4 million and 30.1 FTE positions compared to estimated net FY 2026.

Other Funds FY 2027: Appropriates a total of $34.7 million from other funds for FY 2027. This is an increase of $300,000 compared to estimated net FY 2026.

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Board of Regents: Appropriates $1.0 million from the Skilled Worker and Job Creation Fund (SWJCF) to the University of Northern Iowa (UNI) to provide in-state tuition and mandatory fees to undergraduate students who reside in a state contiguous to Iowa. This is a new appropriation for FY 2027. Page 14, Line 8

Board of Regents: Appropriates $600,000 from the SWJCF to the UNI to expand the nursing program. This is a new appropriation for FY 2027. Page 14, Line 16

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

General Fund

Iowa Economic Development Authority: Appropriates a total of $17.9 million from the General Fund and 111.5 FTE positions to the IEDA. This is a decrease of $588,000 and an increase of 6.9 FTE positions compared to estimated net FY 2026, including: Page 3, Line 3

- A decrease of $18,000 to the Economic Development appropriation.
- A decrease of $50,000 for the World Food Prize.
- A decrease of $350,000 for the Councils of Governments (COGs) Assistance.
- A decrease of $170,000 to the Iowa Arts Council.

Iowa Department of Workforce Development: Appropriates a total of $15.3 million from the General Fund and 396.0 FTE positions to the IWD. This is a decrease of $801,000 and 37.0 FTE positions compared to estimated net FY 2026, including: Page 8, Line 1

- A decrease of $250,000 for the Future Ready Iowa Summer Youth Intern Program.

- A decrease of $85,000 for Independent Living.
- A decrease of $87,000 for the Independent Living Center Grant.
- A decrease of $380,000 for the Employee Misclassification Program.

Other Funds

Iowa Economic Development Authority: Appropriates a total of $14.8 million from the SWJCF to the IEDA. This is an increase of $333,000 compared to estimated net FY 2026, including: Page 10, Line 32

- A decrease of $11.7 million for the High Quality Jobs Program.
- An increase of $11.7 million for the Business Incentives for Growth (BIG) Program.
- An increase of $333,000 for the Manufacturing 4.0 Program.

Iowa Department of Workforce Development: Appropriates a total of $4.6 million from the SWJCF to the IWD. This is a decrease of $1.6 million compared to estimated net FY 2026, including: Page 14, Line 23

- A decrease of $1.0 million for Adult Education and Literacy for the Workforce.
- A decrease of $633,000 for Science, Technology, Engineering, and Mathematics (STEM) Internships.

STUDIES AND INTENT

Intent

Requires the goals of the IEDA to include expanding and stimulating the State economy, increasing the wealth of Iowans, and increasing the population of Iowa. Page 2, Line 3

Requests the Auditor of State to review the outside audit of the IFA. Page 7, Line 33

Requires the IWD to partner with the Department of Corrections to improve the ability of offenders to find and retain productive employment. Page 8, Line 25

Requires the Vocational Rehabilitation Services Division to work with community rehabilitation program providers for job placement and retention services for individuals with significant disabilities. Page 9, Line 11

Requires the IWD to use the same application process and criteria when issuing grants from the Adult Education and Literacy Programs General Fund appropriation that are used when awarding grants to community colleges for adult basic education programs for instruction in English as a second language from the SWJCF. Page 9, Line 27

Requires recipients of BIG Program funds to testify regarding the use of the funds at the request of the Economic Development Appropriations Subcommittee.	Page 11, Line 6
Requires Iowa State University (ISU) to focus economic development expenditures on projects that will provide economic stimulus for Iowa and emphasize the provision of services to Iowa-based companies.	Page 12, Line 23
Specifies the intent of the General Assembly that the Industrial Incentive Program focus on Iowa industrial sectors and seek contributions and in-kind donations from businesses, industrial foundations, and trade associations. Specifies matching requirements under the Program.	Page 12, Line 28
Requires the State University of Iowa (SUI) to focus economic development expenditures on projects that will provide economic stimulus for Iowa and emphasize providing services to Iowa-based companies.	Page 13, Line 21
Requires the UNI to focus economic development expenditures on projects that will provide economic stimulus for Iowa and emphasize providing services to Iowa-based companies.	Page 14, Line 3
Requires recipients of SWJCF appropriations to the BOR to testify regarding the use of the funds appropriated at the request of the Economic Development Appropriations Subcommittee.	Page 14, Line 18
Requires the UNI to make a good-faith effort to coordinate support from private entities for the expansion of additive manufacturing.	Page 16, Line 32

Nonreversion

Allows any unencumbered or unobligated moneys appropriated to the IEDA for FY 2027 from the General Fund for general operations to remain available for expenditure in FY 2028.	Page 3, Line 32
Allows any unencumbered or unobligated moneys appropriated to the IEDA for FY 2027 from the General Fund for the Iowa Tourism Office to remain available for expenditure through FY 2028.	Page 5, Line 17
Allows any unencumbered or unobligated moneys appropriated to the IEDA for FY 2027 from the General Fund for the Iowa Arts Council to remain available for expenditure through FY 2028.	Page 6, Line 8
Allows any unencumbered or unobligated moneys appropriated to the IFA from the General Fund for the Home and Community-Based Services (HCBS) Rent Subsidy Program and the Housing Renewal Program for FY 2027 to remain available for expenditure in FY 2028.	Page 7, Line 28
Allows any unencumbered or unobligated moneys appropriated to the IWD from the General Fund for	Page 10, Line 5

FY 2027 under Section 8 of this Act to remain available for expenditure in FY 2028.

Allows any unencumbered or unobligated moneys appropriated from the SWJCF to the IEDA, the BOR, and the IWD for FY 2027 to remain available for expenditure in FY 2028. — Page 15, Line 30

Allows any unencumbered or unobligated moneys appropriated from the General Fund to the SUI and to ISU for support of a biosciences innovation ecosystem for FY 2027 to remain available for expenditure through FY 2028. — Page 17, Line 1

Allows any unencumbered or unobligated moneys appropriated to the Housing Renewal Program Fund at the end of a fiscal year to remain available for expenditure in the succeeding fiscal year. — Page 17, Line 24

Required Reports

Requires the IEDA to submit an annual report by January 15 to the General Assembly regarding the activities of the Iowa Tourism Office. — Page 5, Line 22

Requires the IEDA to submit an annual report by November 1, 2026, to the General Assembly regarding all financial assistance awards for the prior fiscal year. — Page 6, Line 26

Requires the Vocational Rehabilitation Services Division to submit a report to the General Assembly by January 15, 2027, detailing the Division's outreach efforts with community rehabilitation program providers. — Page 9, Line 11

Requires the BOR to submit a report by January 15, 2027, to the Governor and the General Assembly regarding the use of the SWJCF appropriation to the BOR for activities, projects, and programs in the areas of technology commercialization, entrepreneurship, regional development, and market research. — Page 11, Line 32

Requires ISU to report annually to the General Assembly regarding the total amount of private contributions received, the proportion of those contributions that are from small businesses and other businesses, and the proportion used for directed contract research and nondirected research. — Page 13, Line 7

Requires the IFA, in coordination with the nonprofit Iowa affiliate, to submit an annual report to the General Assembly by December 31 describing the community, economic, and financial impact of the Housing Renewal Program. — Page 19, Line 28

SIGNIFICANT CODE CHANGES

Arts and Culture Enhancement: Specifies that the standing limited General Fund appropriation from the casino adjusted gross receipts (AGR) tax to the IEDA for the Arts and Culture Enhancement Fund is limited to $448,000 for FY 2027. — Page 6, Line 20

Tourism Marketing: Specifies that the standing General Fund appropriation from the casino AGR tax to the IEDA for tourism marketing is $1.4 million for FY 2027. — Page 6, Line 23

Housing Renewal Program: Codifies the Housing Renewal Program under the IFA that was previously a pilot program under Session Law. — Page 17, Line 6

Housing Renewal Program: Repeals the Session Law sections creating the Housing Renewal Pilot Program under the IFA. — Page 19, Line 32

EFFECTIVE DATE

This Act takes effect July 1, 2026.

ENACTMENT DATE

This Act was approved by the General Assembly on April 28, 2026, and signed by the Governor on June 2, 2026.

STAFF CONTACT: Evan Johnson (515.281.6301) evan.johnson@legis.iowa.gov

House File 2772 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
17	8	12	New	16.52

DIVISION I
FY 2026-2027 APPROPRIATIONS

Section 1. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

1. For the fiscal year beginning July 1, 2026, the goals for the economic development authority shall be to expand and stimulate the state economy, increase the wealth of Iowans, and increase the population of the state.

Requires the goals of the Iowa Economic Development Authority (IEDA) to include:

- Expanding and stimulating the State economy.
- Increasing the wealth of Iowans.
- Increasing the population of Iowa.

2. To achieve the goals in subsection 1, the economic development authority shall do all of the following for the fiscal year beginning July 1, 2026:

a. Concentrate its efforts on programs and activities that result in commercially viable products and services.

b. Adopt practices and services consistent with free market, private sector philosophies.

c. Ensure economic growth and development throughout the state.

d. Work with businesses and communities to continually improve the economic development climate along with the economic well-being and quality of life for Iowans.

e. Establish a strong and aggressive marketing image to showcase Iowa's workforce, existing industry, and potential. The authority shall prioritize recruitment of new businesses, business expansion, and retention of existing Iowa businesses. In addition, the authority shall emphasize entrepreneurial development through helping entrepreneurs secure capital, and developing networks and a business climate conducive to entrepreneurs and small businesses.

f. Encourage the development of communities and quality of life to foster economic growth.

g. Prepare communities for future growth and development through development, expansion, and modernization of infrastructure.

h. Develop public-private partnerships with Iowa businesses in the tourism industry, Iowa tour groups, Iowa tourism organizations, and political subdivisions in this state to assist in the development of advertising efforts.

Specifies that to achieve these goals, the IEDA is to do the following:

- Concentrate efforts on programs and activities that result in commercially viable products and services.
- Adopt practices and services consistent with free-market, private-sector philosophies.
- Ensure statewide economic growth and development.
- Work with businesses and communities to improve the economic development climate and the economic well-being and quality of life for Iowans.
- Establish a strong and aggressive marketing image to showcase Iowa's workforce, existing industry, and potential.
- Prioritize recruiting new businesses, expanding businesses, and retaining existing Iowa businesses.
- Emphasize entrepreneurial development through helping entrepreneurs secure capital and developing networks and a business climate conducive to entrepreneurs and small businesses.
- Encourage the development of communities and quality of life to foster economic growth.
- Prepare communities for future growth and development through development, expansion, and modernization of infrastructure.
- Develop public-private partnerships with Iowa businesses in the tourism industry, Iowa tour groups, Iowa tourism organizations, and political subdivisions in Iowa to assist in the development of advertising efforts.

3 3 Sec. 2. ECONOMIC DEVELOPMENT AUTHORITY.
3 4 1. APPROPRIATION
3 5 a. There is appropriated from the general fund of the state
3 6 to the economic development authority for the fiscal year
3 7 beginning July 1, 2026, and ending June 30, 2027, the following
3 8 amount, or so much thereof as is necessary, to be used for the
3 9 purposes designated in this subsection, and for not more than
3 10 the following full-time equivalent positions:
3 11 ..... $ 12,903,510
3 12 ..... FTEs 111.50

General Fund appropriation to the IEDA for operations.

DETAIL: This is a decrease of $18,000 and an increase of 6.90 full-time equivalent (FTE) positions compared to estimated net FY 2026. The changes include the following:

- A decrease of $125,000 for technological services under IEDA economic development.
- A decrease of $143,000 for international trade services under IEDA economic development.
- An increase of $250,000 to provide staffing for the Research and Development Tax Credit under IEDA economic development.
- An increase of 3.90 FTE positions for IEDA economic development.
- A decrease of 0.50 FTE position for the High Quality Jobs Program.
- An increase of 4.50 FTE positions for the Small Business Credit Initiative.
- A decrease of 0.25 FTE position for the Iowa Arts Council
- A decrease of 0.75 FTE position for the Iowa Great Places Program.

The FTE positions may be used for the following:

- Economic Development Appropriation
- Economic Development Energy Projects Fund
- Wine, Beer, and Spirits Promotion Board
- Small Business Credit Initiative
- State Historic Preservation Office
- Business Incentives for Growth (BIG) Program
- Iowa Arts Council

3 13 b. (1) For salaries, support, miscellaneous purposes,
3 14 programs, marketing, administration, business development,
3 15 community development, small business development, and any
3 16 divisions the authority may organize.
3 17 (2) For business development operations and programs,
3 18 international trade, export assistance, workforce recruitment,
3 19 and the partner state program.

Specifies the designated purposes for the appropriation as follows:

- Operating the divisions of the IEDA.
- Funding business development operations and programs, international trade, export assistance, workforce recruitment, and the Partner State Program.

(3) For transfer to a fund created pursuant to section 15.313 for purposes of financing strategic infrastructure projects.
(4) For community economic development programs, tourism operations, community assistance, and the community development block grant.
(5) For achieving the goals and accountability, and fulfilling the requirements and duties required under this Act.
(6) The full-time equivalent positions authorized under this subsection are funded, in whole or in part, by the moneys appropriated under this subsection or by other moneys received by the authority, including certain federal moneys.

- Transferring moneys to the Strategic Infrastructure Fund.
- Funding community economic development programs, tourism operations, community assistance, and the Community Development Block Grant.
- Achieving the goals and accountability and fulfilling the requirements and duties as specified.
- Funding FTE positions through the appropriation, other funds, or federal funds as available.

c. Notwithstanding section 8.33, moneys appropriated in this subsection 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 in this subsection until the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated moneys appropriated to the IEDA for the Economic Development appropriation for FY 2027 from the General Fund to remain available for expenditure in FY 2028.

2. FINANCIAL ASSISTANCE RESTRICTIONS
a. A business creating jobs through moneys appropriated in subsection 1 shall be subject to contract provisions requiring new and retained jobs to be filled by individuals who are citizens of the United States who reside within the United States, or individuals authorized to work in the United States pursuant to federal law, including legal resident aliens residing in the United States.
b. Any vendor who receives moneys appropriated in subsection 1 shall adhere to such contract provisions and provide periodic assurances as the state shall require that the jobs are filled solely by citizens of the United States who reside within the United States, or individuals authorized to work in the United States pursuant to federal law, including legal resident aliens residing in the United States.
c. A business that receives financial assistance from the authority from moneys appropriated in subsection 1 shall only employ individuals legally authorized to work in this state. In addition to all other applicable penalties provided by current law, all or a portion of the assistance received by a business which is found to knowingly employ individuals not legally authorized to work in this state is subject to recapture by the authority.

Places the following restrictions on funds for the Economic Development appropriation:

- Requires businesses to be subject to contract provisions that require job positions to be filled by individuals who reside in the U.S. who are citizens of the U.S. or are authorized to work in the U.S. pursuant to federal law.
- Requires businesses to adhere to contract provisions and provide periodic assurances of compliance.
- Requires businesses to employ only individuals legally authorized to work in Iowa.
- Permits the recapture of all or a portion of any financial assistance provided to a business that is found to knowingly employ individuals not legally authorized to work in Iowa.

4 25 3. USES OF APPROPRIATIONS
4 26 a. From the moneys appropriated in subsection 1, the
4 27 authority may provide financial assistance in the form of
4 28 grants, loans, or forgivable loans for advanced research and
4 29 commercialization projects involving value-added agriculture,
4 30 advanced technology, or biotechnology.
4 31 b. The authority shall not use any moneys appropriated in
4 32 subsection 1 for purposes of providing financial assistance
4 33 for any program or project that involves the installation of
4 34 geothermal systems for melting snow and ice from streets or
4 35 sidewalks.

Permits the IEDA to use the funds appropriated in the Economic Development appropriation for a program to assist advanced research and commercialization projects involving value-added agriculture, advanced technology, or biotechnology. Prohibits the IEDA from using any appropriated funds to provide financial assistance for any program or project that involves the installation of geothermal systems for melting snow and ice from streets or sidewalks.

5 1 4. WORLD FOOD PRIZE
5 2 In lieu of the standing appropriation in section 15.368,
5 3 there is appropriated from the general fund of the state to the
5 4 economic development authority for the fiscal year beginning
5 5 July 1, 2026, and ending June 30, 2027, the following amount to
5 6 be used for support of the world food prize:
5 7 ..... $ 450,000

Limits the FY 2027 General Fund appropriation to the IEDA for the World Food Prize to $450,000.

DETAIL: This is a decrease of $550,000 compared to the standing limited appropriation of $1,000,000 in Iowa Code section 15.368 and is a decrease of $50,000 compared to estimated net FY 2026. The appropriation is used for administration and support of the World Food Prize and for the Borlaug/Ruan Scholar Program.

5 8 5. TOURISM OFFICE
5 9 a. There is appropriated from the general fund of the state
5 10 to the economic development authority for the fiscal year
5 11 beginning July 1, 2026, and ending June 30, 2027, the following
5 12 amount, or so much thereof as is necessary, to be used for the
5 13 tourism office for the advertisement, promotion, placement,
5 14 and implementation of the economic development authority's
5 15 strategic plan for tourism and travel:
5 16 ..... $ 1,050,000

General Fund appropriation to the IEDA for financial assistance to the Iowa Tourism Office for advertising, promoting, placing, and implementing the IEDA's strategic plan for tourism and travel.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

5 17 b. Notwithstanding section 8.33, moneys appropriated in
5 18 this subsection that remain unencumbered or unobligated at the
5 19 close of the fiscal year shall not revert but shall remain
5 20 available for expenditure for the purposes designated until the
5 21 close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated moneys appropriated to the IEDA for FY 2027 from the General Fund for the Iowa Tourism Office to remain available for expenditure through FY 2028.

5 22 c. The economic development authority shall submit an
5 23 annual report on or before January 15 to the general assembly
5 24 regarding the tourism office's activities funded with moneys

Requires the IEDA to submit an annual report by January 15 to the General Assembly regarding the activities of the Iowa Tourism Office funded through the General Fund. The report

5 25 appropriated under this subsection. The report must be
5 26 provided in an electronic format and must include metrics
5 27 and criteria that allow the general assembly to quantify and
5 28 evaluate the effectiveness and economic impact of the tourism
5 29 office's activities related to the advertisement, promotion,
5 30 placement, and implementation of the economic development
5 31 authority's strategic plan for tourism and travel.

must include criteria and metrics that allow the General Assembly to quantify and evaluate the effectiveness and economic impact of the Tourism Office's activities related to advertising, promoting, placing, and implementing the IEDA's strategic plan for tourism and travel.

5 32 6. CULTURAL AFFAIRS ACTIVITIES
5 33 a. There is appropriated from the general fund of the state
5 34 to the economic development authority for the fiscal year
5 35 beginning July 1, 2026, and ending June 30, 2027, the following
6 1 amount, or so much thereof as is necessary, to be used for
6 2 support of the Iowa arts council:
6 3 ..... $ 1,601,800

General Fund appropriation to the IEDA for the support of the Iowa Arts Council.

DETAIL: This is a decrease of $170,000 compared to estimated net FY 2026 due to the elimination of currently vacant positions. The Iowa Arts Council appropriation is used to enrich the quality of life and learning in Iowa communities by encouraging excellence in the arts through leadership, grants, and technical assistance.

6 4 b. Of the moneys appropriated in paragraph "a", the economic
6 5 development authority shall allocate $321,800 for deposit in
6 6 the arts and culture enhancement fund established in section
6 7 15.436.

Allocates $321,800 of the Iowa Arts Council General Fund appropriation to the Arts and Culture Enhancement Fund.

DETAIL: Maintains the current allocation amount compared to estimated net FY 2026. The Arts and Culture Enhancement Fund provides grants to individuals and organizations to support artistic and cultural development.

6 8 c. Notwithstanding section 8.33, moneys appropriated in
6 9 this subsection that remain unencumbered or unobligated at the
6 10 close of the fiscal year shall not revert but shall remain
6 11 available for expenditure for the purposes designated until the
6 12 close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated moneys appropriated from the General Fund to the IEDA for FY 2027 for the Iowa Arts Council to remain available for expenditure through FY 2028.

6 13 Sec. 3. LIMITATIONS OF STANDING APPROPRIATIONS — FY
6 14 2026-2027. Notwithstanding the standing appropriations in the
6 15 following designated sections for the fiscal year beginning
6 16 July 1, 2026, and ending June 30, 2027, the amount appropriated
6 17 from the general fund of the state pursuant to the following
6 18 sections for the following purposes shall not exceed the
6 19 following amounts:

6 20 1. For the arts and culture enhancement fund under section
6 21 99F.11, subsection 4, paragraph “d”, subparagraph (1):
6 22 ..... $ 448,403

CODE: Specifies that the standing limited appropriation from the casino adjusted gross receipts (AGR) tax to the IEDA for the Arts and Culture Enhancement Fund is limited to $448,403 for FY 2027.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Iowa Code section 99F.11(4)(d)(1) provides a standing limited appropriation of $520,000 for the Arts and Culture Enhancement Fund.

NOTE: Notwithstanding Iowa Code section 99F.11(4)(d)(1) results in a deposit of $520,000 from the casino AGR tax into the General Fund. The appropriation of $448,403 is then made to the IEDA for the Arts and Culture Enhancement Fund.

6 23 2. For the purposes of tourism marketing under section
6 24 99F.11, subsection 4, paragraph “d”, subparagraph (2):
6 25 ..... $ 1,443,700

CODE: Specifies that the standing General Fund appropriation from the casino AGR tax to the IEDA for tourism marketing is limited to no more than $1,443,700 for FY 2027.

DETAIL: Maintains the current limitation of funding compared to estimated net FY 2026. Iowa Code section 99F.11(4)(d)(2) provides a standing appropriation to the IEDA for the purposes of tourism marketing. This standing appropriation is based on the total AGR tax collected annually.

NOTE: For FY 2027, it is estimated that $1,308,012 will be deposited into the General Fund and available for appropriation to the IEDA for tourism marketing under Iowa Code section 99F.11(4)(d)(2).

6 26 Sec. 4. FINANCIAL ASSISTANCE REPORTING — ECONOMIC
6 27 DEVELOPMENT AUTHORITY. The economic development authority
6 28 shall submit an annual report to the general assembly no later
6 29 than November 1, 2026, that details the amount of every direct
6 30 loan, forgivable loan, tax credit, tax exemption, tax refund,
6 31 grant, or any other financial assistance awarded to a person
6 32 during the prior fiscal year by the authority under an economic
6 33 development program administered by the authority. The report
6 34 must identify the county where the project associated with each
6 35 such award is located.

Requires the IEDA to submit an annual report by November 1, 2026, to the General Assembly regarding all financial assistance awards for the prior fiscal year, including the county location of each project.

Sec. 5. INSURANCE ECONOMIC DEVELOPMENT. From the moneys collected by the insurance division of the department of insurance and financial services in excess of the anticipated gross revenues under section 505.7, subsection 3, during the fiscal year beginning July 1, 2026, $100,000 shall be transferred to the economic development authority for insurance economic development and international insurance economic development.

Transfers $100,000 in insurance receipts to the IEDA for insurance economic development and international insurance economic development.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Funds collected by the Insurance Division of the Department of Insurance and Financial Services in excess of the anticipated gross revenues are allocated to the IEDA for insurance economic development purposes. These funds are used by the IEDA to recruit insurance companies to the State.

Sec. 6. IOWA FINANCE AUTHORITY.

1. There is appropriated from the general fund of the state to the Iowa finance authority for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. Rent subsidy program

(1) To provide reimbursement for rent expenses to eligible persons under the home and community-based services rent subsidy program established in section 16.55:

..... $ 873,000

General Fund appropriation to the Iowa Finance Authority (IFA) for the Home and Community-Based Services (HCBS) Rent Subsidy Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The HCBS Rent Subsidy Program provides rent assistance to individuals on a Medicaid HCBS waiver. Individuals who are on an HCBS waiver have their health care and other support services paid by the Medicaid Program; however, due to federal law, the Medicaid Program cannot pay for housing unless it is in an institutional setting. The Rent Subsidy Program provides a monthly rent assistance payment to these individuals to help them live successfully in their own homes or communities until they become eligible for any other local, State, or federal rent assistance.

(2) Of the moneys appropriated in this paragraph, not more than $35,000 may be used for administrative costs.

Permits the IFA to use up to $35,000 for administrative costs associated with the Rent Subsidy Program.

DETAIL: Maintains the current level of funding compared to the estimated net FY 2026 allocation.

b. Housing renewal program

To provide housing renewal moneys to the nonprofit Iowa affiliate to award grants to eligible communities for the housing renewal program created in section 16.52, as enacted in Division II of this Act:

General Fund appropriation to the IFA for the Housing Renewal Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

7 27 ..... $ 550,000

7 28 2. Notwithstanding section 8.33, moneys appropriated in
7 29 this section that remain unencumbered or unobligated at the
7 30 close of the fiscal year shall not revert but shall remain
7 31 available for expenditure for the purposes designated until the
7 32 close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated moneys appropriated to the IFA from the General Fund for the HCBS Rent Subsidy Program and the Housing Renewal Program for FY 2027 to remain available for expenditure in FY 2028.

7 33 Sec. 7. IOWA FINANCE AUTHORITY AUDIT. The auditor of state
7 34 is requested to review the audit of the Iowa finance authority
7 35 performed by the auditor hired by the authority.

Requests the Auditor of State to review the outside audit of the IFA.

8 1 Sec. 8. DEPARTMENT OF WORKFORCE DEVELOPMENT. There
8 2 is appropriated from the general fund of the state to the
8 3 department of workforce development for the fiscal year
8 4 beginning July 1, 2026, and ending June 30, 2027, the following
8 5 amounts, or so much thereof as is necessary, to be used for the
8 6 purposes designated:

8 7 1. WORKFORCE DEVELOPMENT OPERATIONS
8 8 a. For the operation of field offices and the workforce
8 9 development board, and for not more than the following
8 10 full-time equivalent positions:
8 11 ..... $ 6,902,636
8 12 ..... FTEs 157.09

General Fund appropriation to the Iowa Department of Workforce Development (IWD) for the operation of field offices and the Workforce Development Board.

DETAIL: Maintains the current level of funding and is an increase of 1.00 FTE position compared to estimated net FY 2026. The appropriation is used to support the field offices, the Workforce Development Board, and the State Library. The field offices deliver an integrated network of information resources and workforce development services to job seekers, businesses, employees, students, schools and colleges, and the public at large.

For FY 2027, the total field offices funding is $11,368,720, which maintains the current level of funding compared to estimated net FY 2026. The funding is from the following sources:

- $6,752,636 from the General Fund, excluding $150,000 allocated to the State Library (which must also support the Workforce Development Board).
- $4,616,084 from the Special Employment Security Contingency Fund (see Section 9 of this Act).

b. Of the moneys appropriated in paragraph "a", the department shall allocate $150,000 to the state library for the purpose of licensing an online resource which prepares individuals to succeed in the workplace through programs which improve job skills and vocational test-taking abilities.

Allocates $150,000 to the State Library for licensing an online resource to improve job skills and vocational test-taking abilities.

DETAIL: Maintains the current allocation compared to estimated net FY 2026.

2. OFFENDER REENTRY PROGRAM

a. For the development and administration of an offender reentry program to provide offenders with employment skills, and for not more than the following full-time equivalent positions:

..... $ 387,158
..... FTEs 4.00

General Fund appropriation to the IWD for the Offender Reentry Program, also known as the Returning Citizens Initiative.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026. The appropriation is used to place workforce advisors on site at the Mitchellville, Newton, Mount Pleasant, Rockwell City, Clarinda, and Fort Dodge prisons. This staff works with soon-to-be-released offenders with the goal of having them placed in a job before they leave prison.

b. The department of workforce development shall partner with the department of corrections to provide staff within the correctional facilities resources to improve offenders' abilities to find and retain productive employment.

Requires the IWD to partner with the Department of Corrections to improve the ability of offenders to find and retain productive employment.

3. STATE ACCOUNTING SYSTEM

For the payment of services provided by the department of administrative services related to the state accounting system:

..... $ 228,822

General Fund appropriation to the IWD for the expenses of the State Accounting System.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The appropriation is used to reimburse the Department of Administrative Services (DAS) for the expenses of operating the State Accounting System related to use by the IWD.

4. WORKPLACE INJURY AND SAFETY SURVEYS

For the operation of workplace safety surveys and workplace data collection and analysis, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 125,555
..... FTEs 1.90

General Fund appropriation to the IWD for the operation of workplace safety surveys and workplace data collection and analysis.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

9 5 5. VOCATIONAL REHABILITATION SERVICES DIVISION
9 6 a. For salaries, support, maintenance, and miscellaneous
9 7 purposes, and for not more than the following full-time
9 8 equivalent positions:
9 9 ..... $ 6,226,739
9 10 ..... FTEs 233.00

General Fund appropriation to the IWD for the Vocational Rehabilitation Services Division.

DETAIL: Maintains the current level of funding and is a decrease of 35.00 FTE positions compared to estimated net FY 2026. The Division assists individuals with disabilities to achieve employment and live independently.

9 11 For purposes of optimizing the job placement of individuals
9 12 with disabilities, the division shall make its best efforts
9 13 to work with community rehabilitation program providers for
9 14 job placement and retention services for individuals with
9 15 significant disabilities and most significant disabilities. By
9 16 January 15, 2027, the division shall submit a written report to
9 17 the general assembly regarding the division’s outreach efforts
9 18 with community rehabilitation program providers.

Requires the Vocational Rehabilitation Services Division to work with community rehabilitation program providers for job placement and retention services for individuals with significant and most significant disabilities. The Division is required to submit a written report to the General Assembly by January 15, 2027, detailing the Division's outreach efforts with community rehabilitation program providers.

9 19 b. For the entrepreneurs with disabilities program
9 20 described in section 84H.4:
9 21 ..... $ 138,506

General Fund appropriation to the IWD for the Entrepreneurs with Disabilities Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Program provides business development funds in the form of technical assistance and financial assistance to qualified individuals with disabilities who start, expand, or acquire a business within the State.

9 22 6. ADULT EDUCATION AND LITERACY PROGRAMS
9 23 For distribution as grants to community colleges for
9 24 the purpose of adult basic education programs for students
9 25 requiring instruction in English as a second language:
9 26 ..... $ 500,000

General Fund appropriation to the IWD for distribution to community colleges for adult education and literacy programs for the following:

- Adult basic education.
- Adult education leading to a high school equivalency diploma.
- Instruction in English as a second language.
- Workplace and family literacy instruction.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This appropriation is in addition to a $4,500,000 appropriation from the Skilled Worker and Job

	Creation Fund (SWJCF) for the same programs in Section 10 of this Act.
In issuing grants under this subsection, the department of workforce development shall use the same application process and criteria as are used for purposes of awarding grants to community colleges for the purpose of adult basic education programs for students requiring instruction in English as a second language using moneys that are appropriated to the department from the Iowa skilled worker and job creation fund created in section 8.57J.	Requires the IWD to use the same application process and criteria when issuing grants from this General Fund appropriation that are used when awarding grants to community colleges for adult basic education programs for instruction in English as a second language from the SWJCF.
7. REGISTERED APPRENTICESHIP PROGRAMS For the funding of the registered apprenticeship programs under chapter 84F to encourage small to midsize businesses to start or grow registered apprenticeships: ..... $ 760,000	General Fund appropriation to the IWD for registered apprenticeship programs for small to midsize businesses. DETAIL: Maintains the current level of funding compared to estimated net FY 2026. NOTE: House File 2800 (FY 2027 Standing Appropriations Act) allows moneys appropriated to IWD for registered apprenticeship programs under Iowa Code chapter 84F that are unencumbered or unobligated at the close of a fiscal year to be used for the operation and maintenance of the Iowa Office of Apprenticeship or for other apprenticeship activities in future fiscal years.
8. REVERSION Notwithstanding section 8.33, moneys appropriated in this section 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 the close of the succeeding fiscal year.	CODE: Allows any unencumbered or unobligated moneys appropriated to the IWD from the General Fund for FY 2027 under Section 8 of this Act to remain available for expenditure in FY 2028.
Sec. 9. DEPARTMENT OF WORKFORCE DEVELOPMENT — SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND. 1. There is appropriated from the special employment security contingency fund created in section 96.13 to the department of workforce development for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for field offices:	Special Employment Security Contingency Fund appropriation to the IWD for the operation of field offices. This Fund is also known as the Penalty and Interest or P&I Fund under Iowa Code section 96.13(3). DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The field offices deliver an integrated network of information resources and workforce

10 19 ..... $ 4,616,084

development services to job seekers, businesses, employees, students, schools and colleges, and the public at large.

NOTE: Total funding for field offices is discussed in Section 8.1 of this Act.

10 20 2. Any remaining additional penalty and interest revenue
10 21 collected by the department of workforce development is
10 22 appropriated to the department for the fiscal year beginning
10 23 July 1, 2026, and ending June 30, 2027, to accomplish the
10 24 mission of the department.

Appropriates any remaining additional penalty and interest revenues in FY 2027 to be used as needed by the IWD.

NOTE: Iowa Code section 96.13(3)(b) requires the IWD to annually report to the Economic Development Appropriations Subcommittee on plans for expenditures during the next State fiscal year from the Special Employment Security Contingency Fund. The report must describe the specific expenditures and explain why the expenditures are to be made from the Fund and not from federal administrative funds.

10 25 Sec. 10. IOWA SKILLED WORKER AND JOB CREATION FUND.
10 26 1. There is appropriated from the Iowa skilled worker and
10 27 job creation fund created in section 8.57J to the following
10 28 departments, agencies, and institutions for the fiscal year
10 29 beginning July 1, 2026, and ending June 30, 2027, the following
10 30 amounts, or so much thereof as is necessary, to be used for the
10 31 purposes designated:

10 32 a. ECONOMIC DEVELOPMENT AUTHORITY
10 33 (1) For providing financial assistance to eligible
10 34 businesses for the business incentives for growth program
10 35 pursuant to chapter 15, subchapter II, part 33:
11 1 ..... $ 11,700,000

SWJCF appropriation to the IEDA for the BIG Program.

DETAIL: The BIG Program was created in 2025 Iowa Acts, Senate File 657 (Economic Development Programs and Credits Act), as a successor to the High Quality Jobs Program. Maintains the current level of funding compared to the High Quality Jobs Program appropriation for estimated net FY 2026. The appropriation may be used to provide cash incentives for the following:

- Innovation and commercialization
- Disaster recovery
- Entrepreneur investment awards
- Strategic infrastructure

- Property remediation
- Building remediation
- Financial assistance to businesses eligible for BIG Program tax incentives
- Support and administrative expenses

11 2 (a) Of the moneys appropriated in this subparagraph (1),
11 3 not more than $1,000,000 may be used for purposes of providing
11 4 infrastructure grants to main street communities under the main
11 5 street Iowa program.

Permits the IEDA to use no more than $1,000,000 of this appropriation for the Main Street Iowa Program.

DETAIL: Maintains the current funding level authorized for the Main Street Iowa Program compared to estimated net FY 2026.

11 6 (b) As a condition of receiving moneys appropriated in this
11 7 subparagraph (1), an entity shall testify upon the request of
11 8 the joint appropriations subcommittee on economic development
11 9 regarding the expenditure of such moneys.

Requires recipients of BIG Program funds to testify regarding the use of the funds at the request of the Economic Development Appropriations Subcommittee.

11 10 (2) For support of the manufacturing 4.0 technology
11 11 investment program established in section 15.371:
11 12 ..... $ 2,350,000

SWJCF appropriation to the IEDA for the Manufacturing 4.0 Program.

DETAIL: This is an increase of $333,325 compared to estimated net FY 2026. The Program provides grants to assist small- and mid-sized companies with the adoption and integration of smart technologies into existing operations.

11 13 (3) For the empower rural Iowa program:
11 14 ..... $ 700,000

SWJCF appropriation to the IEDA for the Empower Rural Iowa Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Program is a continuation of the Empower Rural Iowa Housing Needs Assessment Grant Program, which provides support for small communities in obtaining housing-related information specific to the community, and the Empower Rural Iowa Rural Innovation Grants Program, which supports innovative rural grants.

11 15 b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS
11 16 (1) STATE BOARD OF REGENTS
11 17 For capacity building infrastructure in areas related

SWJCF appropriation to the Board of Regents (BOR) for capacity building infrastructure in areas related to technology commercialization, marketing and business development efforts,

11 18 to technology commercialization, marketing and business
11 19 development efforts in areas related to technology
11 20 commercialization, entrepreneurship, and business growth,
11 21 and infrastructure projects and programs needed to assist in
11 22 implementation of activities under chapter 262B:
11 23 ..... $ 3,000,000

and infrastructure projects and programs needed to assist in the implementation of activities under Iowa Code chapter 262B.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

11 24 (a) Of the moneys appropriated pursuant to this
11 25 subparagraph (1), 35 percent shall be allocated for Iowa state
11 26 university of science and technology, 35 percent shall be
11 27 allocated for the state university of Iowa, and 30 percent
11 28 shall be allocated for the university of northern Iowa.

Specifies the allocation of the BOR funding among the three Regents universities as follows:

- Iowa State University (ISU): $1,050,000
- University of Iowa (SUI): $1,050,000
- University of Northern Iowa (UNI): $900,000

11 29 (b) The institutions shall provide a one-to-one match
11 30 of additional moneys for the activities funded with moneys
11 31 appropriated under this subparagraph (1).

Requires the Regents universities to provide a one-to-one match of funding received from the BOR funding.

11 32 (c) The state board of regents shall submit a report by
11 33 January 15, 2027, to the governor and the general assembly
11 34 regarding the activities, projects, and programs funded with
11 35 moneys appropriated under this subparagraph (1). The report
12 1 must be provided in an electronic format and must include a
12 2 list of metrics and criteria mutually agreed to in advance by
12 3 the board of regents and the economic development authority.
12 4 The metrics and criteria must allow the governor's office and
12 5 the general assembly to quantify and evaluate the progress
12 6 of the board of regents institutions with regard to their
12 7 activities, projects, and programs in the areas of technology
12 8 commercialization, entrepreneurship, regional development, and
12 9 market research.

Requires the BOR to submit a report by January 15, 2027, to the Governor and the General Assembly regarding the use of the appropriation to the BOR for activities, projects, and programs in the areas of technology commercialization, entrepreneurship, regional development, and market research.

12 10 (2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY
12 11 For small business development centers, the research park,
12 12 and the center for industrial research and service, and for not
12 13 more than the following full-time equivalent positions:
12 14 ..... $ 2,424,302
12 15 ..... FTEs 50.94

SWJCF appropriation to ISU for ongoing economic development efforts related to Small Business Development Centers (SBDCs), the ISU Research Park, and the Center for Industrial Research and Service (CIRAS).

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

(a) Of the moneys appropriated in this subparagraph (2), Iowa state university of science and technology shall allocate at least $735,728 for purposes of funding small business development centers. Iowa state university of science and technology may allocate the appropriated moneys to the various small business development centers in any manner necessary to achieve the purposes of this subparagraph (2).

Specifies that at least $735,728 of the appropriation must be allocated to the SBDCs.

DETAIL: Maintains the current minimum allocation compared to estimated net FY 2026.

(b) Iowa state university of science and technology shall do all of the following:
(i) Direct expenditures for research toward projects that will provide economic stimulus for Iowa.
(ii) Emphasize providing services to Iowa-based companies.

Requires ISU to focus expenditures on projects that will provide economic stimulus for Iowa and emphasize the provision of services to Iowa-based companies.

(c) It is the intent of the general assembly that the center for industrial research and service industrial incentive program focus on Iowa industrial sectors and seek contributions and in-kind donations from businesses, industrial foundations, and trade associations, and that moneys for the program shall be allocated only for projects which are matched by private sector moneys for directed contract research or for nondirected research. The match required of small businesses as defined in section 15.102 for directed contract research or for nondirected research shall be $1 for each $3 of state funds. The match required for other businesses for directed contract research or for nondirected research shall be $1 for each $1 of state funds. The match required of industrial foundations or trade associations shall be $1 for each $1 of state funds.

Specifies the intent of the General Assembly that the Industrial Incentive Program focus on Iowa industrial sectors and seek contributions and in-kind donations from businesses, industrial foundations, and trade associations. Specifies matching requirements under the Program as follows:

- For small businesses for directed contract research or nondirected research, $1 for every $3 of State funds.
- For other businesses for directed contract research or nondirected research, $1 for every $1 of State funds.
- For industrial foundations or trade associations, $1 for every $1 of State funds.

(d) Iowa state university of science and technology shall report annually to the general assembly the total amount of private contributions, the proportion of contributions from small businesses and other businesses, and the proportion for directed contract research and nondirected research of benefit to Iowa businesses and industrial sectors.

Requires ISU to report annually to the General Assembly regarding the total amount of private contributions received, the proportion of those contributions that are from small businesses and other businesses, and the proportion used for directed contract research and nondirected research.

(3) STATE UNIVERSITY OF IOWA
(a) For the state university of Iowa research park and for university of Iowa pharmaceuticals located at the research park, including salaries, support, maintenance, equipment, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

SWJCF appropriation to the SUI for ongoing economic development efforts, including the SUI Research Park and the Pharmaceuticals Program.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net

13 19 ..... $ 209,279
13 20 ..... FTEs 6.00

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13 21 The state university of Iowa shall do all of the following:
13 22 (i) Direct expenditures for research toward projects that
13 23 will provide economic stimulus for Iowa.
13 24 (ii) Emphasize providing services to Iowa-based companies.

Requires the SUI to focus expenditures on projects that will provide economic stimulus for Iowa and emphasize providing services to Iowa-based companies.

13 25 (b) For the purpose of implementing the entrepreneurship
13 26 and economic growth initiative, and for not more than the
13 27 following full-time equivalent positions:
13 28 ..... $ 2,000,000
13 29 ..... FTEs 8.00

SWJCF appropriation to the SUI for the Entrepreneurship and Economic Growth Initiative.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026. The appropriation is to expand public-private partnerships and programming through the John Pappajohn Entrepreneurial Center.

13 30 (4) UNIVERSITY OF NORTHERN IOWA
13 31 (a) For the metal casting and foundry 4.0 centers,
13 32 advance Iowa, family business center, and the institute for
13 33 decision making, including salaries, support, maintenance, and
13 34 miscellaneous purposes, and for not more than the following
13 35 full-time equivalent positions:
14 1 ..... $ 1,466,419
14 2 ..... FTEs 13.00

SWJCF appropriation to the UNI for ongoing economic development efforts related to the Metal Casting Center, the Foundry 4.0 Center, Advance Iowa, the Family Business Center, and the Institute for Decision Making.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026.

14 3 The university of northern Iowa shall do all of the
14 4 following:
14 5 (i) Direct expenditures for research toward projects that
14 6 will provide economic stimulus for Iowa.
14 7 (ii) Emphasize providing services to Iowa-based companies.

Requires the UNI to focus expenditures on projects that will provide economic stimulus for Iowa and emphasize providing services to Iowa-based companies.

14 8 (b) For the purpose of providing in-state undergraduate
14 9 tuition and undergraduate mandatory fees to individuals
14 10 who reside in a state contiguous to Iowa, who enroll in an
14 11 undergraduate program offered by the university of northern
14 12 Iowa, and who are classified as residents of this state for
14 13 purposes of undergraduate tuition and undergraduate mandatory
14 14 fees:
14 15 ..... $ 1,000,000

SWJCF appropriation to the UNI to provide in-state tuition and mandatory fees to undergraduate students who reside in a state contiguous to Iowa.

DETAIL: This is a new appropriation for FY 2027.

14 16 (c) For the purpose of expanding the nursing program:
14 17 ..... $ 600,000

SWJCF appropriation to the UNI to expand the nursing program.

DETAIL: This is a new appropriation for FY 2027.

14 18 (5) DUTY TO TESTIFY
14 19 As a condition of receiving moneys appropriated in this
14 20 lettered paragraph “b”, an entity shall testify upon the
14 21 request of the joint appropriations subcommittee on economic
14 22 development regarding the expenditure of such moneys.

Requires recipients of SWJCF appropriations to the BOR to testify regarding the use of the funds appropriated at the request of the Economic Development Appropriations Subcommittee.

14 23 c. DEPARTMENT OF WORKFORCE DEVELOPMENT
14 24 (1) For staffing costs related to completing workforce
14 25 preparation outcome reporting in conjunction with the
14 26 department of education:
14 27 ..... $ 125,000

SWJCF appropriation to the IWD for workforce preparation outcome reporting in conjunction with the Department of Education.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The appropriation supports the collection and reporting of data related to the educational and employment outcomes of workforce preparation programs receiving funding from the SWJCF.

14 28 (2) For distribution to community colleges for the purposes
14 29 of implementing adult education and literacy programs pursuant
14 30 to section 84A.19:
14 31 ..... $ 4,500,000

SWJCF appropriation to the IWD for distribution to community colleges for adult education and literacy programs for the following:

- Adult basic education.
- Adult education leading to a high school equivalency diploma.
- Instruction in English as a second language.
- Workplace and family literacy instruction.

DETAIL: This is a decrease of $1,000,000 compared to estimated net FY 2026. This appropriation is in addition to a $500,000 General Fund appropriation for the same programs in Section 8.6 of this Act.

14 32 (a) From the moneys appropriated in this numbered
14 33 subparagraph, $3,125,000 shall be allocated pursuant to the
14 34 formula established in section 260C.18C.

Requires $3,125,000 of the appropriation for adult education and literacy programs to be allocated to community colleges using the formula established in statute for the distribution of State general aid.

DETAIL: This is a decrease of $758,000 compared to the estimated net FY 2026 allocation.

14 35 (b) From the moneys appropriated in this numbered
15 1 subparagraph, not more than $150,000 shall be used by the
15 2 department of workforce development for implementation of adult
15 3 education and literacy programs pursuant to section 84A.19.

Permits the IWD to use up to $150,000 of the appropriation for implementation of adult education and literacy programs.

DETAIL: Maintains the current level of funding compared to the estimated net FY 2026 allocation.

15 4 (c) From the moneys appropriated in this numbered
15 5 subparagraph, not more than $1,015,000 shall be distributed
15 6 as grants to community colleges for the purpose of adult
15 7 basic education programs for students requiring instruction
15 8 in English as a second language. The department of workforce
15 9 development shall establish an application process and criteria
15 10 to award grants pursuant to this subparagraph division to
15 11 community colleges. The criteria must be based on need for
15 12 instruction in English as a second language in the region
15 13 served by each community college as determined by factors
15 14 including data from the latest federal decennial census and
15 15 outreach efforts to determine regional needs.

Permits the IWD to use up to $1,015,000 of the appropriation as grants to community colleges for adult basic education programs for students requiring instruction in English as a second language. Requires the IWD to establish an application process and criteria to award grants to community colleges. The criteria are required to be based on need for instruction in English as a second language in the region served by each community college.

DETAIL: This is a decrease of $242,000 compared to the estimated net FY 2026 allocation.

15 16 (d) From the moneys appropriated in this numbered
15 17 subparagraph, $210,000 shall be transferred to the department
15 18 of health and human services for purposes of administering
15 19 a program to provide access to international resources to
15 20 Iowans and new Iowans to provide economic and leadership
15 21 development resulting in Iowa being a more welcoming place
15 22 to live, work, and raise a family. The program must provide
15 23 supplemental support services for international refugees to
15 24 improve learning, English literacy, life skills, cultural
15 25 competencies, and integration in a county with a population
15 26 over 350,000 as determined by the 2020 federal decennial
15 27 census. The department of health and human services shall
15 28 utilize a request-for-proposals process to identify the entity
15 29 best qualified to implement the program.

Requires $210,000 of the appropriation to be transferred to the Department of Health and Human Services (HHS) for a program that provides supplemental support services to international refugees. The program must provide supplemental support services for international refugees to improve learning, English literacy, life skills, cultural competencies, and integration in a county with a population over 350,000 as determined by the 2020 federal decennial census. The HHS must utilize a request for proposals (RFP) process to identify the entity best qualified to implement the program.

DETAIL: Maintains the current level of funding compared to the estimated net FY 2026 allocation.

15 30 2. Notwithstanding section 8.33, moneys appropriated in
15 31 this section that remain unencumbered or unobligated at the
15 32 close of the fiscal year shall not revert but shall remain

CODE: Allows any unencumbered or unobligated moneys appropriated from the SWJCF to the IEDA, the BOR, and the IWD for FY 2027 to remain available for expenditure in

available for expenditure for the purposes designated until the close of the succeeding fiscal year.

FY 2028.

Sec. 11. GENERAL FUND — CERTAIN REGENTS INSTITUTIONS.

1. There is appropriated from the general fund of the state to the following institutions for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY

In cooperation with the economic development authority, for support of a biosciences innovation ecosystem, to strengthen Iowa's leadership positions in the area of bio-based chemicals, digital agriculture, vaccines, and medical devices, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 2,963,995
..... FTEs 14.81

General Fund appropriation to ISU for support of a biosciences innovation ecosystem.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026. The funding is used to strengthen Iowa's leadership positions in the area of bio-based chemicals, digital agriculture, vaccines, and medical devices.

b. STATE UNIVERSITY OF IOWA

In cooperation with the economic development authority, for support of a biosciences innovation ecosystem, to strengthen Iowa's leadership positions in the area of bio-based chemicals, digital agriculture, vaccines, and medical devices, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 1,000,000
..... FTEs 4.35

General Fund appropriation to the SUI for support of a biosciences innovation ecosystem.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026. The funding is used to strengthen Iowa's leadership positions in the area of bio-based chemicals, digital agriculture, vaccines, and medical devices.

c. UNIVERSITY OF NORTHERN IOWA

For equipment and technology to expand the university's additive manufacturing capabilities related to investment castings technology and industry support, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 394,321
..... FTEs 2.73

General Fund appropriation to the UNI for expansion of additive manufacturing.

DETAIL: Maintains the current level of funding and is no change in FTE positions compared to estimated net FY 2026. The funding is used for the UNI Metal Casting Center's additive manufacturing capabilities related to investment castings technology and industry support.

16 32 The university of northern Iowa shall make a good-faith
16 33 effort to coordinate with private entities to seek moneys to
16 34 supplement this appropriation to support the expansion of the
16 35 university's additive manufacturing capabilities.

Requires the UNI to make a good-faith effort to coordinate support from private entities for the expansion of additive manufacturing.

17 1 2. Notwithstanding section 8.33, moneys appropriated in
17 2 subsection 1, paragraphs "a" and "b", that remain unencumbered
17 3 or unobligated at the close of the fiscal year shall not revert
17 4 but shall remain available for expenditure for the purposes
17 5 designated until the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated moneys appropriated from the General Fund to the SUI and to ISU for support of a biosciences innovation ecosystem for FY 2027 to remain available for expenditure through FY 2028.

17 6 DIVISION II
17 7 HOUSING RENEWAL PROGRAM

Division II codifies the Housing Renewal Program that was previously a pilot program under Session Law.

17 8 Sec. 12. NEW SECTION 16.52 HOUSING RENEWAL PROGRAM.
17 9 1. For purposes of this section:
17 10 a. "Eligible participant" includes cities, counties,
17 11 consortiums of local governments, and organizations exempt from
17 12 taxation pursuant to section 501(c)(3) of the Internal Revenue
17 13 Code.
17 14 b. "Nonprofit Iowa affiliate" means a nonprofit Iowa
17 15 affiliate of a nonprofit international organization whose
17 16 primary activity is the promotion of the construction,
17 17 remodeling, or rehabilitation of one-family or two-family
17 18 dwellings for use by low-income families.

CODE: Provides definitions for the Housing Renewal Program.

17 19 2. a. A housing renewal program fund is created in the
17 20 state treasury under the control of the authority. The fund
17 21 shall consist of moneys appropriated to or deposited in the
17 22 fund. Moneys in the fund are appropriated to the authority to
17 23 administer the housing renewal program.

CODE: Establishes the Housing Renewal Program Fund under the IFA to be used for the Housing Renewal Program.

17 24 b. Notwithstanding section 8.33, moneys appropriated to
17 25 the housing renewal program fund that remain unencumbered or
17 26 unobligated at the close of a fiscal year shall not revert
17 27 but shall remain available for expenditure for the purposes
17 28 designated until the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated moneys appropriated to the Housing Renewal Program Fund at the end of a fiscal year to remain available for expenditure in the succeeding fiscal year.

17 29 c. Notwithstanding section 12C.7, subsection 2, interest or
17 30 earnings on moneys in the housing renewal program fund shall be
17 31 credited to the fund. Payment of interest, income generated

CODE: Provides that interest and earnings on moneys in the Housing Renewal Program Fund are credited to the Fund. Payment of interest, income generated from the sale of an

17 32 from the sale of an ownership unit pursuant to subsection 6,
17 33 recaptures of financial assistance awards, and other repayments
17 34 under the housing renewal program shall be retained by the
17 35 nonprofit Iowa affiliate for the purpose of awarding financial
18 1 assistance under the housing renewal program to eligible
18 2 participants.

ownership unit, recaptures of financial assistance awards, and other repayments under the Housing Renewal Program are retained by the nonprofit Iowa affiliate for the purpose of awarding financial assistance under the Housing Renewal Program.

18 3 3. a. The authority shall provide moneys from the housing
18 4 renewal program fund to a nonprofit Iowa affiliate that shall
18 5 use the moneys to award financial assistance under the housing
18 6 renewal program to eligible participants.

CODE: Requires that the IFA provide moneys from the Housing Renewal Program Fund to a nonprofit Iowa affiliate to award financial assistance to eligible participants.

18 7 b. Eligible participants shall use financial assistance
18 8 awarded under the housing renewal program only for purposes of
18 9 the acquisition, rehabilitation, and resale of ownership units;
18 10 the acquisition and demolition of blighted structures; and the
18 11 redevelopment of ownership units.

CODE: Provides that an eligible participant use financial assistance under the Housing Renewal Program only for the acquisition, rehabilitation, and resale of ownership units; the acquisition and demolition of blighted structures; and the redevelopment of ownership units.

18 12 4. Twenty-five percent of moneys appropriated to the
18 13 housing renewal program fund shall be allocated to financial
18 14 assistance awards for eligible participants located in the
18 15 eighty-eight least populated counties in the state according to
18 16 the most recent federal decennial census.

CODE: Requires that 25.00% of moneys appropriated to the Housing Renewal Program Fund be allocated to eligible participants in the 88 least populated counties in the State according to the most recent federal decennial census.

18 17 5. a. The nonprofit Iowa affiliate shall determine the
18 18 criteria used to evaluate eligible participants and to award
18 19 financial assistance to eligible participants selected by the
18 20 nonprofit Iowa affiliate.

CODE: Requires the nonprofit Iowa affiliate to establish criteria to evaluate eligible participants.

18 21 b. The nonprofit Iowa affiliate shall not award an eligible
18 22 participant more than one hundred thousand dollars per
18 23 ownership unit. The nonprofit Iowa affiliate may use up to
18 24 five percent of the financial assistance awarded to an eligible
18 25 participant for administrative expenses related to the housing
18 26 renewal program.

CODE: Limits a financial assistance award to $100,000 per ownership unit. Permits the nonprofit Iowa affiliate to use up to 5.00% of financial assistance awarded for administrative expenses.

18 27 c. (1) An eligible participant shall have a maximum of
18 28 thirty-six months from the date a contract is executed between
18 29 the nonprofit Iowa affiliate and the eligible participant
18 30 for the eligible participant to complete the eligible
18 31 participant's project. The eligible participant's project
18 32 shall be considered complete when all financial assistance

CODE: Requires that a project be completed within 36 months from the date a Housing Renewal Program contract is executed.

awarded to the eligible participant has been expended, and all ownership units that are covered by the contract are finished and available for sale.

(2) Unless the nonprofit Iowa affiliate authorizes additional time for good cause shown, if an eligible participant has no project activity within twelve months from the date a contract is executed between the nonprofit Iowa affiliate and the eligible participant, the financial assistance award shall be returned to the nonprofit Iowa affiliate to be used to award financial assistance under the housing renewal program to eligible participants.

CODE: Provides that a financial assistance award is returned to the nonprofit Iowa affiliate if an eligible participant has no project activity within 12 months from the date a Housing Renewal Program contract is executed, unless good cause is shown.

d. An eligible participant shall sell each completed ownership unit to a homebuyer whose household income is equal to or less than the one hundred twenty percent area median income and who must occupy the ownership unit as the homebuyer’s primary residence. The deed to the ownership unit must contain a restrictive resale requirement that prohibits the homebuyer or a subsequent owner from selling the ownership unit to a person with a household income above the one hundred twenty percent area median income for five calendar years from the date the eligible participant sold the ownership unit to the first homebuyer whose household income is equal to or less than the one hundred twenty percent area median income.

CODE: Requires that eligible participants sell each completed ownership unit to a homebuyer whose household income is equal to or less than 120.00% of the area median income to be used as the homebuyer's primary residence. Prohibits the resale of an ownership unit to a person with a household income above 120.00% of the area median income for five years after the ownership unit is first sold.

6. The nonprofit Iowa affiliate shall use income generated from the sale of an ownership unit only for the purpose of awarding financial assistance to eligible participants under the housing renewal program.

CODE: Requires that any income generated from the sale of an ownership unit be used for the Housing Renewal Program.

7. The authority shall not use more than five percent of moneys appropriated to the housing renewal program fund for administration and oversight of the housing renewal program.

CODE: Permits the IFA to use up to 5.00% of moneys appropriated to the Housing Renewal Program Fund for administration and oversight.

8. The authority, in coordination with the nonprofit Iowa affiliate, shall submit an annual report to the general assembly on or before December 31 describing the community, economic, and financial impact of the housing renewal program.

CODE: Requires the IFA, in coordination with the nonprofit Iowa affiliate, to submit an annual report to the General Assembly by December 31 describing the community, economic, and financial impact of the Housing Renewal Program.

PG LN	GA:91 HF2772	Explanation
19 32	Sec. 13. REPEAL. 2022 Iowa Acts, chapter 1148, section 20,	Repeals the Session Law sections creating the Housing Renewal Pilot Program under the IFA.
19 33	as amended by 2023 Iowa Acts, chapter 110, section 18, and 2025	
19 34	Iowa Acts, chapter 155, section 14, is repealed.	DETAIL: This includes Section 20 of the FY 2023 Economic Development Appropriations Act as amended by Section 18 of the FY 2024 Economic Development Appropriations Act and Section 14 of the FY 2025 Economic Development Appropriations Act.

Economic Development
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Final Action FY 2027 (4)	Final Action vs Est FY 2026 (5)	Page and Line # (6)
Economic Development Authority					
Economic Development Authority					
Economic Development Appropriation	$ 12,921,510	$ 12,921,510	$ 12,903,510	$ -18,000	PG 3 LN 3
World Food Prize	650,000	500,000	450,000	-50,000	PG 5 LN 1
Councils of Governments (COGs) Assistance	350,000	350,000	0	-350,000	
Community Advertising and Strategic Plan	1,100,000	1,050,000	1,050,000	0	PG 5 LN 8
Community Cultural Grants	172,090	0	0	0	
Iowa Arts Council	1,450,000	1,771,800	1,601,800	-170,000	PG 5 LN 32
Great Places	149,710	0	0	0	
Cultural Trust Grants	150,000	0	0	0	
Arts and Culture Enhancement	428,282	448,403	448,403	0	PG 6 LN 20
Tourism Marketing - Adjusted Gross Receipts	1,443,700	1,443,700	1,443,700	0	PG 6 LN 23
Court Reporter Equipment Incentive Program	100,000	0	0	0	
Total Economic Development Authority	$ 18,915,292	$ 18,485,413	$ 17,897,413	$ -588,000	
Iowa Finance Authority					
Iowa Finance Authority					
Rent Subsidy Program	$ 873,000	$ 873,000	$ 873,000	$ 0	PG 7 LN 9
Housing Renewal Pilot Program	550,000	550,000	550,000	0	PG 7 LN 22
Total Iowa Finance Authority	$ 1,423,000	$ 1,423,000	$ 1,423,000	$ 0	

Economic Development
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Final Action FY 2027 (4)	Final Action vs Est FY 2026 (5)	Page and Line # (6)
Workforce Development, Department of					
IWD - Vocational Rehabilitation Services					
Vocational Rehabilitation	$ 6,226,739	$ 0	$ 0	$ 0	
Independent Living	84,804	0	0	0	
Entrepreneurs with Disabilities Program	138,506	0	0	0	
Independent Living Center Grant	86,547	0	0	0	
IWD - Vocational Rehabilitation Services	$ 6,536,596	$ 0	$ 0	$ 0	
Iowa Workforce Development					
Operations - Field Offices	$ 6,902,636	$ 6,902,636	$ 6,902,636	$ 0	PG 8 LN 7
Offender Reentry Program	387,158	387,158	387,158	0	PG 8 LN 18
State Accounting System	228,822	228,822	228,822	0	PG 8 LN 29
Workplace Injury and Safety Surveys	125,555	125,555	125,555	0	PG 8 LN 33
Future Ready Summer Youth Intern Program	250,000	250,000	0	-250,000	
Vocational Rehabilitation Services	0	6,226,739	6,226,739	0	PG 9 LN 5
Independent Living	0	84,804	0	-84,804	
Entrepreneurs with Disabilities Program	0	138,506	138,506	0	PG 9 LN 19
Independent Living Center Grant	0	86,547	0	-86,547	
Adult Education and Literacy Programs	500,000	500,000	500,000	0	PG 9 LN 22
Future Ready Reg. Apprenticeship Prog.	760,000	760,000	760,000	0	PG 9 LN 35
Employee Misclassification Program	379,631	379,631	0	-379,631	
Iowa Workforce Development	$ 9,533,802	$ 16,070,398	$ 15,269,416	$ -800,982	
Total Workforce Development, Department of	$ 16,070,398	$ 16,070,398	$ 15,269,416	$ -800,982	
Regents, Board of					
Regents, Board of					
ISU - Biosciences Innovation Ecosystem	$ 2,963,995	$ 2,963,995	$ 2,963,995	$ 0	PG 16 LN 6
SUI - Biosciences Innovation Ecosystem	1,000,000	1,000,000	1,000,000	0	PG 16 LN 15
UNI - Additive Manufacturing	394,321	394,321	394,321	0	PG 16 LN 24
Total Regents, Board of	$ 4,358,316	$ 4,358,316	$ 4,358,316	$ 0	
Total Economic Development	$ 40,767,006	$ 40,337,127	$ 38,948,145	$ -1,388,982	

Economic Development
Other Funds

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Final Action FY 2027 (4)	Final Action vs Est FY 2026 (5)	Page and Line # (6)
Economic Development Authority					
Economic Development Authority					
High Quality Jobs Program - SWJCF	$ 11,700,000	$ 11,700,000	$ 0	$ -11,700,000	
Business Incentives for Growth - SWJCF	0	0	11,700,000	11,700,000	PG 10 LN 32
Manufacturing 4.0 Program - SWJCF	2,016,675	2,016,675	2,350,000	333,325	PG 11 LN 10
Empower Rural Iowa Program - SWJCF	700,000	700,000	700,000	0	PG 11 LN 13
Total Economic Development Authority	$ 14,416,675	$ 14,416,675	$ 14,750,000	$ 333,325	
Workforce Development, Department of					
Iowa Workforce Development					
Field Offices - Spec Cont Fund	$ 2,416,084	$ 4,616,084	$ 4,616,084	$ 0	PG 10 LN 11
Field Offices - UI Reserve Interest	2,200,000	0	0	0	
AMOS Mid-Iowa Organizing Strategy - SWJCF	100,000	0	0	0	
Workforce Prep Outcome Rep - SWJCF	0	125,000	125,000	0	PG 14 LN 23
Adult Ed and Literacy for the Workforce - SWJCF	5,500,000	5,500,000	4,500,000	-1,000,000	PG 14 LN 28
STEM Internships - SWJCF	633,325	633,325	0	-633,325	
Total Workforce Development, Department of	$ 10,849,409	$ 10,874,409	$ 9,241,084	$ -1,633,325	
Regents, Board of					
Regents, Board of					
Regents Innovation Fund - SWJCF	$ 3,000,000	$ 3,000,000	$ 3,000,000	$ 0	PG 11 LN 15
ISU - Economic Development - SWJCF	2,424,302	2,424,302	2,424,302	0	PG 12 LN 10
SUI - Economic Development - SWJCF	209,279	209,279	209,279	0	PG 13 LN 13
SUI - Entrepreneur and Econ Growth - SWJCF	2,000,000	2,000,000	2,000,000	0	PG 13 LN 25
UNI - Economic Development - SWJCF	1,466,419	1,466,419	1,466,419	0	PG 13 LN 30
UNI - Workforce Development - SWJCF	0	0	1,000,000	1,000,000	PG 14 LN 8
UNI - Nursing Program Expansion - SWJCF	0	0	600,000	600,000	PG 14 LN 16
Total Regents, Board of	$ 9,100,000	$ 9,100,000	$ 10,700,000	$ 1,600,000	
Total Economic Development	$ 34,366,084	$ 34,391,084	$ 34,691,084	$ 300,000	

Economic Development
FTE Positions

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Final Action FY 2027 (4)	Final Action vs Est FY 2026 (5)	Page and Line # (6)
Economic Development Authority					
Economic Development Authority					
Economic Development Appropriation	57.41	66.25	70.15	3.90	PG 3 LN 3
High Quality Jobs Creations Assistance	8.37	0.50	0.00	-0.50	
Economic Dev Energy Projects Fund	4.75	8.95	8.95	0.00	
Wine, Beer, and Spirits Promotion Board	0.98	1.00	1.00	0.00	
Small Business Credit Initiative Fund	0.00	0.00	4.50	4.50	
State Historical Preservation Program Fund	9.30	9.85	9.85	0.00	
Business Incentives for Growth Fund	0.00	11.35	11.35	0.00	
Iowa Arts Council	4.56	5.95	5.70	-0.25	PG 5 LN 32
Great Places	0.93	0.75	0.00	-0.75	
Total Economic Development Authority	86.30	104.60	111.50	6.90	
Workforce Development, Department of					
IWD - Vocational Rehabilitation Services					
Vocational Rehabilitation	231.71	0.00	0.00	0.00	
Independent Living	0.02	0.00	0.00	0.00	
IWD - Vocational Rehabilitation Services	231.74	0.00	0.00	0.00	
Iowa Workforce Development					
Field Office Operating Fund	190.88	156.09	157.09	1.00	PG 8 LN 7
Offender Reentry Program	3.74	4.00	4.00	0.00	PG 8 LN 18
Workplace Injury and Safety Surveys	1.51	1.90	1.90	0.00	PG 8 LN 33
Vocational Rehabilitation Services	0.00	268.00	233.00	-35.00	PG 9 LN 5
Employee Misclassification Program	2.34	3.00	0.00	-3.00	
Iowa Workforce Development	198.47	432.99	395.99	-37.00	
Total Workforce Development, Department of	430.21	432.99	395.99	-37.00	
Public Employment Relations Board					
Public Employment Relations					
General Office	0.01	0.00	0.00	0.00	
Total Public Employment Relations Board	0.01	0.00	0.00	0.00	

Economic Development
FTE Positions

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Final Action FY 2027 (4)	Final Action vs Est FY 2026 (5)	Page and Line # (6)
Regents, Board of					
Regents, Board of					
ISU - Economic Development - SWJCF	50.94	50.94	50.94	0.00	PG 12 LN 10
SUI - Economic Development - SWJCF	6.00	6.00	6.00	0.00	PG 13 LN 13
SUI - Entrepreneur and Econ Growth - SWJCF	8.00	8.00	8.00	0.00	PG 13 LN 25
UNI - Economic Development - SWJCF	13.00	13.00	13.00	0.00	PG 13 LN 30
ISU - Biosciences Innovation Ecosystem	14.81	14.81	14.81	0.00	PG 16 LN 6
SUI - Biosciences Innovation Ecosystem	4.35	4.35	4.35	0.00	PG 16 LN 15
UNI - Additive Manufacturing	2.73	2.73	2.73	0.00	PG 16 LN 24
Total Regents, Board of	99.83	99.83	99.83	0.00	
Total Economic Development	616.35	637.42	607.32	-30.10	

FUNDING SUMMARY

General Fund FY 2027: Appropriates a total of $1.042 billion and 11,088.2 FTE positions from the General Fund for FY 2027 to the Department for the Blind, the Department of Education (DE), and the Board of Regents. The Governor item vetoed a $500,000 General Fund appropriation to the DE and vetoed Senate File 2320 (Concurrent Enrollment Course Delivery Methods Bill), which was estimated to increase the school aid appropriation by $626,000 and included in the attached tracking. These vetoed appropriations decreased the total General Fund appropriation for FY 2027 to $1.041 billion. This is an increase of $9.3 million and 61.7 FTE positions compared to estimated net FY 2026.

Other Funds FY 2027: Appropriates a total of $33.7 million from the SWJCF for FY 2027. This is no change compared to estimated net FY 2026.

Standing Appropriations FY 2027: The attached tracking also includes standing appropriations from the General Fund of $53.8 million for the Tuition Grant Program, $2.5 million for Re-Organization Incentives, $1.9 million for the Vocational Technical Tuition Grant, and $750,000 for Therapeutic Classroom Services. These do not appear in this Act.

An estimated $626,000 increase from the School-Aid Formula was authorized for Concurrent Enrollment Delivery Methods in 2026 Iowa Acts, Senate File 2320 (Concurrent Enrollment, Course Delivery Methods Bill) has also been included in the attached tracking. *This Bill was vetoed by the Governor.*

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Advanced Dyslexia Specialist Endorsement: Appropriates $335,000 from the General Fund to the Department of Education for the Advanced Dyslexia Specialist Endorsement grant program to offset costs associated with obtaining an Advanced Dyslexia Specialist Endorsement issued by the Board of Educational Examiners. This is a new appropriation for FY 2027. Page 11, Line 35

School District Electronic Mail Security: Appropriates $500,000 to the Department of Education in FY 2027 for the procurement, implementation, and maintenance of on-premises and secure electronic mail gateway appliances to protect school district electronic mail systems from phishing, compromise, malware, and other advanced cyber threats. This is a new appropriation for FY 2027. *This item was vetoed by the Governor.* Page 12, Line 3

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Department of Education: Appropriates $462.8 million and 443.8 FTE positions from the General Fund. This is a net increase of $11.5 million and 61.7 FTE positions compared to estimated net FY 2026. The General Fund changes include: Page 1, Line 22

- An increase of $76,000 for School Food Service.
- A decrease of $1.5 million for Children's Mental Health Training.
- An increase of $3,000 for the Midwestern Higher Education Compact (MEHC).
- An increase of $3.5 million for Community Colleges.
- An increase of $764,000 for the Iowa School for the Deaf.
- An increase of $100,000 for Education Services for the Blind and Visually Impaired.
- A decrease of $44,000 for the Science, Technology, Engineering, and Mathematics (STEM) Collaborative Initiative.
- An increase of $5.0 million for the Special Education Division.
- A decrease of $500,000 for Professional Development.
- An increase of $97,000 for the Teach Iowa Scholars Program.
- A new appropriation of $335,000 for the Dyslexia Specialist Grant Program.
- A new appropriation of $500,000 for School District Electronic Mail Security.

Also included, but not appearing in the language of this Act, are a new $2.5 million standing appropriation for Reorganization Incentives and a new $626,000 standing appropriation for concurrent enrollment delivery methods.

Career Training Physical Expansion Program Fund: Authorizes a contingent allocation of $3.5 million from the funds appropriated from the Skilled Worker Job Creation Fund for vertical infrastructure projects at community colleges for the Career Training Physical Expansion Program Fund. This allocation is contingent upon the enactment of House File 2466 (Workforce and Apprenticeships, Program and Funding Bill), or successor legislation, or Senate File 2168 (Reemployment Case Management and Unemployment Insurance Processing Act), or successor legislation. This allocation occurs only if no other moneys are received by the Fund in FY 2027. Page 13, Line 8

Board of Regents: Appropriates $576.0 million and 10,540.6 FTE positions from the General Fund. This is a net decrease of $1.0 million and no change in FTE positions compared to estimated net FY 2026 to consolidate the funding under the ISU General Fund appropriation. The General Fund changes include the following: Page 14, Line 18

- A decrease of $1.0 million for University of Iowa (SUI) Cancer Research.

- An increase of $51.4 million for General Aid for Iowa State University (ISU).
- A decrease of $30.5 million for the ISU Agricultural Experiment Station.
- A decrease of $18.2 million for ISU Cooperative Extension.
- A decrease of $2.8 million for ISU Future Ready Workforce.

Vocational-Technical Tuition Grants: Repeals the standing limited General Fund appropriation of $113,000 to the Iowa Tuition Grants For-Profit Institution Fund and increases the standing limited General Fund appropriation to Vocational-Technical Tuition Grants Fund from $1.8 million to $1.9 million. Page 23, Line 31

Transfers all unencumbered and unobligated funds that remain in the Iowa Tuition Grants For-Profit Institutions Fund as of July 1, 2026, to the Vocational-Technical Tuition Grants Fund. Page 24, Line 2

FISCAL IMPACT: As of April 15, 2026, there was approximately $170,000 in the Iowa Tuition For-Profits Institutions Fund.

STUDIES AND INTENT

Intent

Requires $76,000 of the $2.3 million General Fund appropriation to the Department of Education for School Food Services to be used for the administrative costs associated with the participation in the federal Summer Electronic Benefit Transfer Program. Page 2, Line 33

Requires $384,000 of the $1.7 million General Fund appropriation to the Department of Education to supplement federal funding for special education services for children up to three years of age to be allocated to the Child Health Specialty Clinics (CHSC) at the SUI to provide additional support for specified infants and toddlers. Page 3, Line 5

Requires the General Fund appropriation to the Department of Education for Early Head Start projects to be used for the implementation and expansion of Early Head Start pilot projects addressing the comprehensive cognitive, social, emotional, and developmental needs of children from birth to three years of age, including prenatal support for qualified families. Requires the projects to promote healthy prenatal outcomes and healthy family functioning and to strengthen the development of infants and toddlers in low-income families. Page 3, Line 13

Allocates up to $300,000 to Iowa Testing Programs at the SUI to offset the costs of administering the statewide assessment at accredited nonpublic schools. Page 3, Line 37

Requires the Department of Education to provide reading assessments for prekindergarten through grade six to identify students not proficient in reading. Allows the Department to charge school districts for the cost of the assessment. The fee is determined by dividing the actual remaining costs to purchase the statewide license for the school year by the number of pupils assessed under the system in the current fiscal year. School districts are permitted to use the early intervention allocation and the successful progression for early readers to pay for the early warning assessment system fee.	Page 5, Line 21
Permits the Iowa Reading Research Center to use up to $250,000 for the establishment and continuing oversight of the Advanced Dyslexia Specialist Endorsement.	Page 6, Line 3
Requires $200,000 of the appropriation for children's mental health school-based training and support to be used to implement a Children's Grief and Loss Rural Pilot Program to serve Iowa children in rural school districts or accredited nonpublic schools. The Program must be administered by, and $200,000 must be allocated to, an existing statewide not-for-profit health care organization that currently provides grief and loss services to children.	Page 6, Line 31
Requires the Department of Education to establish criteria for the distribution of moneys appropriated to Best Buddies Iowa and organizations receiving moneys to annually report student identifying data to the Department.	Page 7, Line 13
Specifies that the STEM Collaborative Initiative appropriation is for activities directly related to the recruitment of kindergarten through grade 12 mathematics and science teachers and for ongoing mathematics and science programming for students enrolled in kindergarten through grade 12.	Page 8, Line 26
Requires that at least $500,000 of the General Fund appropriation for the STEM Collaborative Initiative be used to provide or support access to technology education opportunities for initiatives detailed in the Act.	Page 8, Line 33
Permits private colleges and universities that are eligible for the Iowa Tuition Grant Program to be included in the All Iowa Opportunity Scholarship Program.	Page 10, Line 34
Allocates $97,000 to grants to eligible applicants under the Teach Iowa Scholar program who teach in a city in Iowa with a population of less than 26,000 and farther than 20 miles from a city with a population greater than 50,000.	Page 11, Line 4
Permits the Department of Education to use up to $100,000 of the appropriation for administration of the workforce training and economic development funds at community colleges.	Page 12, Line 31

Requires that the funds appropriated for vertical infrastructure at community colleges be allocated equally among the 15 community colleges. Specifies that qualifying projects must include at least one of the following: • Accelerated Career Education (ACE) Program capital projects. • Major renovations and repairs, including health, life, and fire safety needs, to comply with the federal Americans with Disabilities Act (ADA).	Page 12, Line 39
Permits the funds in the Chiropractic Loan Revolving Fund for FY 2027 to be used for the Chiropractic Loan Forgiveness Program.	Page 14, Line 2
Requires the Department of Administrative Services to pay to the Iowa School for the Deaf and the Iowa Braille and Sight Saving School the funds collected from counties for prescription drug expenses for students attending the special schools.	Page 14, Line 8
Prohibits the Board of Regents and the Regents universities from reducing moneys budgeted for FY 2027 for the institutions' police departments.	Page 14, Line 39
Allocates $255,000 of the Primary Health Care Initiative appropriation to the Department of Family Medicine at the SUI College of Medicine for family practice faculty and support staff.	Page 16, Line 34
Permits the Board of Regents to use indebtedness to finance projects for energy cost savings if the cost of the projects can be recovered within an average of six years.	Page 18, Line 25

Nonreversion

Allows any unencumbered or unobligated funds appropriated to the Department of Education for the Summer Joint Enrollment Program for FY 2027 from the General Fund to remain available for expenditure in FY 2028.	Page 4, Line 17
Allows any unencumbered or unobligated funds appropriated to the Department of Education for Jobs for America's Graduates for FY 2027 from the General Fund to remain available for expenditure in FY 2028.	Page 4, Line 31
Allows any unencumbered or unobligated moneys appropriated from the General Fund to the Department of Education for the Iowa Reading Research Center for FY 2027 to remain available for expenditure in FY 2028.	Page 6, Line 14
Allows any unencumbered or unobligated moneys appropriated from the General Fund to the Department of Education for membership dues in the MHEC for FY 2027 to remain available for expenditure in FY 2028.	Page 7, Line 24

Allows any unencumbered or unobligated funds appropriated to the Department of Education for nonpublic concurrent enrollment payments to community colleges for FY 2027 from the General Fund to remain available for expenditure in FY 2028.	Page 7, Line 35
Allows any unencumbered or unobligated moneys appropriated from the General Fund to the Innovation Division for the STEM Collaborative Initiative for FY 2027 to remain available for expenditure in FY 2028.	Page 9, Line 18
Allows any unencumbered or unobligated funds appropriated for School District Electronic Mail Security for FY 2027 from the General Fund to remain available for expenditure through 2031.	Page 12, Line 13
Allows any unencumbered or unobligated moneys appropriated from the Skilled Worker Job Creation Fund to the Department of Education for FY 2027 to remain available for expenditure in FY 2028.	Page 13, Line 36
Allows any unencumbered or unobligated licensing fees collected by the Board of Educational Examiners for FY 2027 to remain available for expenditure in FY 2028.	Page 25, Line 26

Required Reports

Requires the Iowa Reading Research Center to submit a report to the General Assembly detailing the FY 2027 expenditures for the Advanced Dyslexia Specialist Endorsement.	Page 6, Line 3
Requires the statewide not-for-profit health care organization receiving moneys for the Children's Grief and Loss Rural Pilot Program, in collaboration with the Department of Education, to prepare a report detailing the expenditure of moneys used for the purposes of the Program and its outcomes to the General Assembly by September 30, 2027.	Page 6, Line 31
Requires quarterly financial reports from the Board of Regents to be submitted to the General Assembly and the Legislative Services Agency (LSA). The second quarter report for FY 2027 must include the five-year graduation rates for Regents universities.	Page 14, Line 29
Requires the Department of Education to submit an annual report to the General Assembly on or before November 1 each year containing all of the following: • Summary of the annual reports about incidents of violence. • Description of the Department's antibullying programming and current and projected expenditures for said programming for the immediately preceding fiscal year.	Page 24, Line 34

SIGNIFICANT CODE CHANGES

Programs for At-Risk Children: Limits the standing appropriation under Iowa Code section 279.51 for at-risk children to $10.5 million. This makes inapplicable the General Fund appropriation of $12.6 million specified in the section. Requires appropriated funds to be prorated among the programs specified under Iowa Code section 279.51. — Page 18, Line 34

College Work Study Program: Suspends the standing appropriation for FY 2027. The suspension is a continuation from FY 2026. — Page 19, Line 4

Iowa Tuition Grants For-Profit Institutions Fund: Repeals the standing limited General Fund appropriation of $113,000 to the Iowa Tuition Grants For-Profit Institutions Fund. — Page 23, Line 29

Iowa Tuition Grants — For-Profit Institutions: Repeals Iowa Code section 256.191 (Iowa Tuition Grants — For-Profit Institutions — Fund). — Page 24, Line 1

Iowa Special Education Council: Repeals the Iowa Special Education Council in Iowa Code section 256.35B. — Page 24, Line 11

Board of Educational Examiners — Fees: Removes the requirement that 25.0% of educator licensing fees collected annually be credited to the General Fund and instead directs 100.0% of the licensing fees to be retained by and appropriated to the Board of Educational Examiners (BOEE). — Page 25, Line 26

FISCAL IMPACT: This will result in approximately a $600,000 increase to the BOEE compared to estimated net FY 2026 and a decrease of $600,000 to the General Fund in FY 2027.

EFFECTIVE DATE

This Act takes effect July 1, 2026.

GOVERNOR'S VETOES

The Governor vetoed the General Fund appropriation of $500,000 for School District Electronic Mail Security. The Governor stated that the allocation incentivized schools to subscribe to ongoing cybersecurity services with potentially long-term substantial financial commitment that would exceed the one-time funding — Page 12, Line 3

provided in this Act. The Governor also stated that school districts already have access to the services outlined in the Act through State-negotiated master agreements.

ENACTMENT DATE

This Act was approved by the General Assembly on April 30, 2026, and item vetoed and signed by the Governor on June 2, 2026.

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House File 2783 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
19	12	10	Amend	284.13.1.a.(1)
19	22	11	Amend	284.13.1.b,c,e,f,g
20	35	12	Amend	256.183.3
21	22	13	Amend	256.192.1,2,4,5
23	29	14	Strike	256.194.2
23	31	15	Amend	256.194.3
24	1	16	Repeal	256.191
24	11	18	Repeal	256.35B
24	15	19	Amend	279.51A.5
25	26	20	Amend	256.155.2,3

DIVISION I
FY 2026-2027 APPROPRIATIONS — DEPARTMENT FOR THE BLIND

Section 1. GENERAL FUND APPROPRIATIONS — ADMINISTRATION. There is appropriated from the general fund of the state to the department for the blind for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 3,207,190
..... FTEs 103.74

General Fund appropriation to the Department for the Blind for general operations.

DETAIL: Maintains the current level of funding and no change in full-time equivalent (FTE) positions compared to estimated net FY 2026. The Iowa Department for the Blind provides services to Iowans who are blind or visually impaired through vocational rehabilitation, independent living, and the Library for the Blind and Print Disabled.

DIVISION II
FY 2026-2027 APPROPRIATIONS — DEPARTMENT OF EDUCATION

Sec. 2. GENERAL FUND APPROPRIATIONS. There is appropriated from the general fund of the state to the department of education for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

General Fund appropriations to the Department of Education for FY 2027.

1. GENERAL ADMINISTRATION
For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 7,073,808
..... FTEs 71.87

General Fund appropriation to the Department of Education for administration. The Department of Education provides oversight, supervision, and support for the State education system, including all of the following:

- Public elementary and secondary schools
- Community colleges
- Area Education Agencies (AEAs)
- Elementary and secondary schools under the purview of the Department of Health and Human Services (HHS)
- Nonpublic schools that receive State accreditation
- Teacher preparation programs
- The Board of Educational Examiners (BOEE)
- The College Student Aid Commission
- The Iowa School for the Deaf
- Iowa Educational Services for the Blind and Visually Impaired (IESBVI)

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026.

2 8 2. CAREER AND TECHNICAL EDUCATION ADMINISTRATION
2 9 For salaries, support, maintenance, and miscellaneous
2 10 purposes, and for not more than the following full-time
2 11 equivalent positions:
2 12 ..... $ 721,779
2 13 ..... FTEs 10.80

General Fund appropriation to the Department of Education for Career and Technical Education (CTE) Administration for administrative costs related to CTE programming in K-12 schools and community colleges.

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026.

2 14 3. PUBLIC BROADCASTING DIVISION
2 15 For salaries, support, maintenance, capital expenditures,
2 16 and miscellaneous purposes, and for not more than the following
2 17 full-time equivalent positions:
2 18 ..... $ 8,165,236
2 19 ..... FTEs 53.20

General Fund appropriation to the Department of Education for the Public Broadcasting Division (Iowa PBS).

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026.

2 20 4. CAREER AND TECHNICAL EDUCATION
2 21 For reimbursement for career and technical education
2 22 expenditures made by regional career and technical education
2 23 planning partnerships in accordance with section 256.136:
2 24 ..... $ 2,952,459

General Fund appropriation to the Department of Education for CTE aid to be disbursed to regional CTE planning partnerships to support CTE programming in Iowa's secondary schools.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This appropriation serves as part of the overall maintenance-of-effort requirement to receive federal Perkins funding.

2 25 5. SCHOOL FOOD SERVICE
2 26 a. For use as state matching moneys for federal programs
2 27 that shall be disbursed according to federal regulations,
2 28 including salaries, support, maintenance, and miscellaneous
2 29 purposes, and for not more than the following full-time
2 30 equivalent positions:
2 31 ..... $ 2,253,055
2 32 ..... FTEs 27.83

General Fund appropriation to the Department of Education for school food service programs in K-12 schools.

DETAIL: This is an increase of $76,258 and no change in FTE positions compared to estimated net FY 2026. This appropriation serves as the maintenance-of-effort match for federal funding for school nutrition programs.

2 33 b. From the moneys appropriated in this subsection, $76,258
2 34 shall be allocated to the administrative costs associated with
2 35 participation in the federal summer electronic benefit transfer
2 36 program.

Requires $76,258 to be used for the administrative costs associated with the participation in the federal Summer Electronic Benefit Transfer Program.

2 37 6. BIRTH TO AGE THREE SERVICES
2 38 a. For expansion of the federal Individuals with
2 39 Disabilities Education Improvement Act of 2004, Pub.L. No.
3 1 108-446, as amended to January 1, 2018, birth through age three
3 2 services due to increased numbers of children qualifying for
3 3 those services:
3 4 ..... $ 1,721,400

General Fund appropriation to the Department of Education to supplement federal funding for special education services provided to children from birth to three years of age.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This appropriation serves as the maintenance-of-effort match for federal funds for this purpose.

3 5 b. From the moneys appropriated in this subsection,
3 6 $383,769 shall be allocated to the child health specialty
3 7 clinics administered by the state university of Iowa in order
3 8 to provide additional support for infants and toddlers who are
3 9 born prematurely, drug-exposed, or medically fragile.

Allocates $383,769 to the Child Health Specialty Clinics (CHSC) at the University of Iowa (SUI) to provide additional support for specified infants and toddlers.

DETAIL: Maintains the current level of funding compared to the estimated net FY 2026 allocation.

3 10 7. EARLY HEAD START PROJECTS
3 11 a. For early head start projects:
3 12 ..... $ 574,500

General Fund appropriation to the Department of Education for Early Head Start projects.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The funds are used to address comprehensive cognitive, social, emotional, and developmental needs of children from birth to three years of age, including prenatal support for qualifying families.

3 13 b. The moneys appropriated in this subsection shall be
3 14 used for implementation and expansion of early head start
3 15 pilot projects addressing the comprehensive cognitive, social,
3 16 emotional, and developmental needs of children from birth to
3 17 age three, including prenatal support for qualified families.
3 18 The projects shall promote healthy prenatal outcomes and
3 19 healthy family functioning, and strengthen the development of
3 20 infants and toddlers in low-income families. Priority shall be
3 21 given to those organizations that have previously qualified for
3 22 and received state funding to administer an early head start
3 23 project.

Requires funding to be used for the implementation and expansion of Early Head Start pilot projects addressing the comprehensive cognitive, social, emotional, and developmental needs of children from birth to three years of age, including prenatal support for qualified families. Requires the projects to promote healthy prenatal outcomes and healthy family functioning, and to strengthen the development of infants and toddlers in low-income families. Priority for funding is to be given to organizations that previously qualified for State funding for a project.

3 24 8. STUDENT ACHIEVEMENT AND TEACHER QUALITY PROGRAM
3 25 For purposes of the student achievement and teacher quality
3 26 program established pursuant to chapter 284, and for not more
3 27 than the following full-time equivalent positions:
3 28 ..... $ 2,990,467
3 29 ..... FTEs 5.83

General Fund appropriation to the Department of Education for the Student Achievement and Teacher Quality Program.

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026.

3 30 9. STATEWIDE STUDENT ASSESSMENT
3 31 a. For distribution to the Iowa testing program by the
3 32 department of education on behalf of school districts and
3 33 accredited nonpublic schools to offset the costs associated
3 34 with a statewide student assessment administered in accordance
3 35 with section 256.7, subsection 21, paragraph “b”:
3 36 ..... $ 3,000,000

General Fund appropriation to the Department of Education for the Statewide Student Assessment to offset the cost of the statewide assessment for school districts and accredited nonpublic schools.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

3 37 b. From the moneys appropriated in this subsection, not more
3 38 than $300,000 shall be distributed to the Iowa testing programs
3 39 within the state university of Iowa college of education
4 1 to offset the costs of administering the statewide student
4 2 assessment at accredited nonpublic schools.

Allocates up to $300,000 of the Statewide Student Assessment appropriation to Iowa Testing Programs at the SUI to offset the costs of administering the statewide assessment at accredited nonpublic schools.

4 3 10. STATEWIDE CLEARINGHOUSE TO EXPAND WORK-BASED LEARNING
4 4 For support costs associated with the creation of a
4 5 statewide clearinghouse to expand work-based learning:
4 6 ..... $ 300,000

General Fund appropriation to the Department of Education for the creation of a statewide work-based learning clearinghouse .

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The clearinghouse connects employers and educators in a virtual space to create work-based learning opportunities for K-12 students, as well as students in college and trade school.

4 7 11. POSTSECONDARY SUMMER CLASSES FOR HIGH SCHOOL STUDENTS
4 8 PROGRAM
4 9 For support costs associated with the creation of a program
4 10 to provide additional moneys for resident high school pupils
4 11 enrolled in grades 9 through 12 to attend a community college
4 12 for college-level classes or attend a class taught by a
4 13 community college-employed instructor during the summer and
4 14 outside of the regular school year through a contractual
4 15 agreement between a community college and a school district:

General Fund appropriation to the Department of Education for the Summer Joint Enrollment Program to provide concurrent enrollment opportunities to high school students during the summer, when school aid weighting is not available as a funding source.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The appropriation is intended to fund programming provided during the summer of FY 2027.

4 16 ..... $ 600,000

4 17 Notwithstanding section 8.33, moneys received by the
4 18 department pursuant to this subsection that remain unencumbered
4 19 or unobligated at the close of the fiscal year shall not revert
4 20 but shall remain available for expenditure for the purposes
4 21 specified in this subsection until the close of the succeeding
4 22 fiscal year.

CODE: Allows any unencumbered or unobligated funds appropriated to the Department of Education for the Summer Joint Enrollment Program for FY 2027 from the General Fund to remain available for expenditure in FY 2028.

4 23 12. JOBS FOR AMERICA'S GRADUATES
4 24 For school districts to reinforce collaborative efforts and
4 25 regional initiatives that accelerate work-based learning and
4 26 credential attainment, and to provide direct career education
4 27 services to identified middle school or high school students
4 28 enrolled in school districts through direct instruction by a
4 29 jobs for America's graduates specialist:
4 30 ..... $ 9,946,450

General Fund appropriation to the Department of Education that will be distributed to the Iowa Jobs for America's Graduates (iJAG) Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

4 31 Notwithstanding section 8.33, moneys received by the
4 32 department pursuant to this subsection that remain unencumbered
4 33 or unobligated at the close of the fiscal year shall not revert
4 34 but shall remain available for expenditure for the purposes
4 35 specified in this subsection until the close of the succeeding
4 36 fiscal year.

CODE: Allows any unencumbered or unobligated funds appropriated to the Department of Education for iJAG Graduates for FY 2027 from the General Fund to remain available for expenditure in FY 2028.

4 37 13. ATTENDANCE CENTER PERFORMANCE/GENERAL INTERNET SITE AND
4 38 DATA SYSTEM SUPPORT
4 39 For administration of a process for school districts to
5 1 establish specific performance goals and to evaluate the
5 2 performance of each attendance center operated by the district
5 3 in order to arrive at an overall school performance grade and
5 4 report card for each attendance center, for internet site
5 5 and data system support, and for not more than the following
5 6 full-time equivalent positions:
5 7 ..... $ 250,000
5 8 ..... FTEs 1.60

General Fund appropriation to the Department of Education for the Attendance Center Website and Data System, which provides school performance reporting by district and by attendance center.

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026.

5 9 14. SUCCESSFUL PROGRESSION FOR EARLY READERS
5 10 For distribution to school districts for implementation
5 11 of section 279.68, subsection 2, relating to successful

General Fund appropriation to the Department of Education for the Successful Progression for Early Readers Program.

progression for early readers:
..... $ 7,824,782

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Program requires school districts to provide intensive instructional services and supports to students with a deficiency in reading.

15. EARLY WARNING SYSTEM FOR LITERACY

a. For purposes of purchasing a statewide license for an early warning assessment and administering the early warning system for literacy established in accordance with section 279.68 and rules adopted in accordance with section 256.7, subsection 31:
..... $ 1,915,000

General Fund appropriation to the Department of Education for the Early Warning System for Literacy Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Program provides reading assessments for students in prekindergarten through grade six to identify students persistently at risk in reading. Local school districts use universal screening and progress monitoring assessments and store student performance data on a statewide database.

b. The department shall administer and distribute to school districts and accredited nonpublic schools the early warning assessment system that allows teachers to screen and monitor student literacy skills from prekindergarten through grade six. The department may charge school districts and accredited nonpublic schools a fee for the system not to exceed the actual costs to purchase a statewide license for the early warning assessment minus the moneys received by the department under this subsection. The fee shall be determined by dividing the actual remaining costs to purchase the statewide license for the school year by the number of pupils assessed under the system in the current fiscal year. School districts may use moneys received pursuant to section 257.10, subsection 11, and moneys received for purposes of implementing section 279.68, subsection 2, to pay the early warning assessment system fee.

Requires the Department of Education to provide reading assessments for prekindergarten through grade six to identify students not proficient in reading. Allows the Department to charge school districts for the cost of the assessment. The fee is determined by dividing the actual remaining costs to purchase the statewide license for the school year by the number of pupils assessed under the system in the current fiscal year. School districts are permitted to use the early intervention allocation and the successful progression for early readers to pay for the early warning assessment system fee.

DETAIL: Currently, the Department of Education provides the assessments at no cost to schools.

16. IOWA READING RESEARCH CENTER

a. For purposes of the Iowa reading research center in order to implement, in collaboration with the area education agencies, the provisions of section 256.9, subsection 49, paragraph “c”:
..... $ 1,500,000

General Fund appropriation to the Department of Education for the Iowa Reading Research Center.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Center's purpose is to apply current research on literacy to the development of materials and to disseminate these materials across the State.

b. From moneys appropriated in this subsection, not more than $250,000 shall be used for collaborations with the state board of education relating to the approval of practitioner preparation programs pursuant to section 256.7, subsection 3, paragraph “c”, and with the board of educational examiners for the establishment and continuing oversight of the advanced dyslexia specialist endorsement pursuant to section 256.146, subsection 21. For the fiscal year beginning July 1, 2026, and ending June 30, 2027, the center shall submit a report to the general assembly detailing the expenditures of moneys used for purposes of this paragraph “b”.

Limits the Iowa Reading Research Center from expending more than $250,000 for the establishment and continuing oversight of the Advanced Dyslexia Specialist Endorsement. For FY 2027, the Act requires the Center to submit a report to the General Assembly detailing the expenditures of moneys used for these purposes in FY 2027.

c. Notwithstanding section 8.33, moneys received by the department pursuant to this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes specified in this subsection until the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated moneys appropriated from the General Fund to the Department of Education for the Iowa Reading Research Center for FY 2027 to remain available for expenditure in FY 2028.

17. COMPUTER SCIENCE PROFESSIONAL DEVELOPMENT INCENTIVE FUND

For deposit in the computer science professional development incentive fund established in section 284.6A:

..... $ 500,000

General Fund appropriation to the Department of Education for the Computer Science Professional Development Incentive Fund.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. School districts and teachers may receive moneys from the Fund as reimbursement for various forms of professional development relating to computer science.

18. CHILDREN’S MENTAL HEALTH SCHOOL-BASED TRAINING AND SUPPORT

a. For distribution to area education agencies for school-based children’s mental health services, including mental health awareness training for educators:

..... $ 1,899,682

General Fund appropriation to the Department of Education for children's mental health school-based training and support.

DETAIL: This is a decrease of $1,484,254 compared to estimated net FY 2026. This appropriation is managed by the Department and distributed to the AEAs. It is used to provide free, statewide access to Adverse Childhood Experiences (ACEs), Crisis Prevention Institute (CPI), and Mental Health First Aid professional learning for all educators and schools. AEAs also utilize additional funds to provide crisis intervention services.

b. Of the moneys appropriated in this subsection for distribution to area education agencies, $200,000 shall be used for purposes of implementing a children's grief and loss rural program to serve Iowa children in rural school districts or accredited nonpublic schools. The program shall be administered by, and the moneys allocated pursuant to this paragraph shall be distributed to, an existing statewide not-for-profit health care organization that currently provides grief and loss services to children. For the fiscal year beginning July 1, 2026, and ending June 30, 2027, the health care organization receiving moneys pursuant to this paragraph shall prepare a report, in collaboration with the department of education, detailing the expenditures of moneys used for the purposes of this program and its outcomes, which shall be submitted to the general assembly by September 30, 2027.

Requires that $200,000 of the appropriation for children's mental health school-based training and support to be used to implement a Children's Grief and Loss Rural Pilot Program to serve Iowa children in rural school districts or accredited nonpublic schools. The Program must be administered by, and $200,000 must be allocated to, an existing statewide not-for-profit health care organization that currently provides grief and loss services to children.

Requires the statewide not-for-profit health care organization receiving moneys for the Children's Grief and Loss Rural Pilot Program, in collaboration with the Department of Education, to prepare a report detailing the expenditure of moneys used for the purposes of the Program and its outcomes to the General Assembly by September 30, 2027.

19. BEST BUDDIES IOWA

a. For school districts to create opportunities for one-to-one friendships, integrated employment, and leadership development for students with intellectual and developmental disabilities:

..... $ 35,000

General Fund appropriation to the Department of Education for Best Buddies Iowa.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The purpose of Best Buddies Iowa is to establish a volunteer movement that creates opportunities for one-to-one friendships, integrated employment, leadership development, and inclusive living for people with intellectual and developmental disabilities.

b. The department of education shall establish criteria for the distribution of moneys appropriated under this subsection and shall require an organization receiving moneys under this subsection to annually report student identifying data for students participating in the program to the department in the manner prescribed by the department as a condition of receiving such moneys.

Requires the Department of Education to establish criteria for the distribution of the General Fund appropriation for Best Buddies Iowa. Requires organizations receiving a distribution to report annually to the Department student identifying data for students participating in the program.

20. MIDWESTERN HIGHER EDUCATION COMPACT

For distribution to the midwestern higher education compact to pay Iowa's member state annual obligation:

..... $ 118,450

General Fund appropriation to the Department of Education for the State's annual membership dues for the Midwest Higher Education Compact (MHEC).

DETAIL: This is an increase of $3,450 compared to estimated net FY 2026. The increase will be used to cover the cost

	increase of Iowa's membership in the MHEC. The MHEC provides cost-saving opportunities to the member states in the areas of technology, property insurance, and health care benefits. The MHEC also provides policy research to legislators, governors, trustees, and college and university leaders.
7 24 Notwithstanding section 8.33, moneys appropriated pursuant 7 25 to this subsection that remain unencumbered or unobligated at 7 26 the close of the fiscal year shall not revert but shall remain 7 27 available for expenditure for the purposes designated until the 7 28 close of the succeeding fiscal year.	CODE: Allows any unencumbered or unobligated funds appropriated to the Department of Education for membership dues for the MHEC for FY 2027 from the General Fund to remain available for expenditure in FY 2028.
7 29 21. NONPUBLIC SCHOOL CONCURRENT ENROLLMENT PAYMENTS TO 7 30 COMMUNITY COLLEGES 7 31 For payments to community colleges for the concurrent 7 32 enrollment of accredited nonpublic school students under 7 33 section 261E.8, subsection 2, paragraph “b”: 7 34 ..... $ 1,000,000	General Fund appropriation to the Department of Education for the community colleges for nonpublic school concurrent enrollment. DETAIL: Maintains the current funding level compared to estimated net FY 2026. This appropriation is for the implementation of Iowa Code section 261E.8(2)(b). Under this provision, the Department of Education pays some costs to a community college to cover the cost of administering concurrent enrollment with accredited nonpublic schools. Community colleges are to decrease the amount billed to the accredited nonpublic schools by the amount paid to the community colleges. If a student at an accredited nonpublic school takes a concurrent enrollment course at a community college, some of the cost is paid by the nonpublic school and some by the Department of Education. The Department of Education prorates the amount available if the funds are insufficient to pay for all contracted concurrent enrollment with an accredited nonpublic school.
7 35 Notwithstanding section 8.33, moneys received by the 7 36 department pursuant to this subsection that remain unencumbered 7 37 or unobligated at the close of the fiscal year shall not revert 7 38 but shall remain available for expenditure for the purposes 7 39 designated until the close of the succeeding fiscal year.	CODE: Allows any unencumbered or unobligated funds appropriated to the Department of Education for nonpublic concurrent enrollment payments to community colleges for FY 2027 from the General Fund to remain available for expenditure in FY 2028.
8 1 22. COMMUNITY COLLEGES 8 2 For general state financial aid to merged areas, as defined	General Fund appropriation for the Community Colleges General Aid.

in section 260C.2, in accordance with section 260C.18C:
..... $ 246,858,161

DETAIL: This is an increase of $3,500,000 compared to estimated net FY 2026. The General Assembly annually appropriates general aid to the 15 community colleges to support their general operations. The colleges treat the funding as unrestricted general fund revenue.

23. IOWA SCHOOL FOR THE DEAF
For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 12,813,313
..... FTEs 132.00

General Fund appropriation to the Iowa School for the Deaf.

DETAIL: This is an increase of $763,669 and 29.15 FTE positions compared to estimated net FY 2026. The funding provides for a 2.00% general increase to match State supplemental aid and a new Registered Nurse, Special Education Director, and School Security and Safety system. The School for the Deaf operates under the supervision of the Department of Education to provide educational services to deaf or hearing-impaired Iowa students from preschool through age 21. The school is located in Council Bluffs.

24. IOWA EDUCATIONAL SERVICES FOR THE BLIND AND VISUALLY IMPAIRED PROGRAM
For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 5,112,412
..... FTEs 68.72

General Fund appropriation to the Iowa Educational Services for the Blind and Visually Impaired (IESBVI).

DETAIL: This is an increase of $100,243 and no change in FTE positions compared to estimated net FY 2026. The IESBVI operates under the direction of the Department of Education. The IESBVI collaborates with the Department for the Blind and AEAs to provide a wide variety of services to visually impaired or blind Iowans and their educators. The Iowa School for the Deaf and the IESBVI share a director.

25. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS (STEM) COLLABORATIVE INITIATIVE
For purposes of the science, technology, engineering, and mathematics (STEM) collaborative initiative established in section 256.111, and for not more than the following full-time equivalent positions:
..... $ 6,310,409
..... FTEs 7.00

General Fund appropriation to the Innovation Division of the Department of Education for the Science, Technology, Engineering, and Mathematics (STEM) Collaborative Initiative.

DETAIL: This is a decrease of $44,439 and an increase of 2.00 FTE positions compared to estimated net FY 2026, due to the elimination of STEM Day at the Iowa State Fair. The Iowa Mathematics and Science Education Partnership (IMSEP) is the program arm of the Governor's STEM Advisory Council as well as an interuniversity STEM initiative headquartered at the

Innovation Division. Core programs include I-Teach Mathematics and Science Teacher Recruitment Program; Project Lead the Way expansion; Real-World Externships for Teachers; and statewide professional development, outreach, and learner enrichment.

8 26 a. Except as otherwise provided in this subsection, the
8 27 moneys appropriated in this subsection shall be expended for
8 28 salaries, staffing, institutional support, activities directly
8 29 related to recruitment of kindergarten through grade 12
8 30 mathematics and science teachers, and for ongoing mathematics
8 31 and science programming for students enrolled in kindergarten
8 32 through grade 12.

Specifies that the STEM Collaborative Initiative appropriation is for activities directly related to the recruitment of kindergarten through grade 12 mathematics and science teachers and for ongoing mathematics and science programming for students enrolled in kindergarten through grade 12.

8 33 b. From the moneys appropriated in this subsection, not less
8 34 than $500,000 shall be used to provide, or support access to,
8 35 all of the following:
8 36 (1) Technology and emerging technology education
8 37 opportunities, including but not limited to artificial
8 38 intelligence, computer science, data science, and related
8 39 fields, to high school students and career academy students.
9 1 (2) Opportunities for students and instructional staff to
9 2 obtain industry-recognized credentials, certifications, or
9 3 other validated competencies.
9 4 (3) Research-based or evidence-informed instructional
9 5 content and learning frameworks.
9 6 (4) Online or hybrid access to instructional content.
9 7 (5) Instructional software, platforms, tools, or resources
9 8 for classroom and student use.
9 9 (6) Validation, certification, or credentialing of skills
9 10 and competencies across a broad range of technology-related and
9 11 artificial intelligence-related disciplines.
9 12 (7) Professional development, training, or
9 13 capacity-building opportunities for teachers and instructional
9 14 staff.
9 15 (8) Deployment, implementation, and programmatic support,
9 16 including but not limited to alignment or integration with
9 17 applicable academic standards or workforce needs.

Requires that at least $500,000 of the General Fund appropriation for the STEM Collaborative Initiative be used to provide or support access to technology education opportunities for initiatives detailed in the Act.

9 18 c. Notwithstanding section 8.33, moneys received by the
9 19 department pursuant to this subsection that remain unencumbered
9 20 or unobligated at the close of the fiscal year shall not revert

CODE: Allows any unencumbered or unobligated moneys appropriated from the General Fund to the Innovation

but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

Division for the STEM Collaborative Initiative for FY 2027 to remain available for expenditure in FY 2028.

26. THERAPEUTIC CLASSROOM INCENTIVE FUND
For deposit in the therapeutic classroom incentive fund established in section 256.25:
..... $ 2,351,382

General Fund appropriation to the Department of Education for the Therapeutic Classroom Incentive Fund.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

27. ONLINE STATE JOB POSTING SYSTEM
For purposes of administering an online state job posting system that allows the department of education, school districts, charter schools, area education agencies, and accredited nonpublic schools to post job openings on an internet site:
..... $ 265,000

General Fund appropriation to the Department of Education to administer an Online State Job Posting System.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Allows the Department of Education, school districts, charter schools, AEAs, and accredited nonpublic schools to post job openings on the System.

28. LEAD-K PROGRAM
For purposes of maintaining and implementing the program established pursuant to section 256.106, including ensuring statewide consistency in guidance and supports related to language and communication outcomes for children who are deaf or hard of hearing:
..... $ 200,000

General Fund appropriation to the Department of Education for the Language Equality and Acquisition for Deaf Kids (LEAD-K) Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Program provides assistance to deaf and hard-of-hearing children by coordinating, developing, and disseminating resources for use by parents or guardians pursuant to Iowa Code section 256.106.

29. DIVISION OF SPECIAL EDUCATION
For general supervision, oversight, compliance, employee salaries, support, maintenance, and miscellaneous purposes within the area education agency regions and the department of education main office, and for not more than the following full-time equivalent positions:
..... $ 10,000,000
..... FTEs 60.00

General Fund appropriation for the Division of Special Education under the Department of Education.

DETAIL: This is an increase of $5,000,000 from the General Fund and 30.50 FTE positions compared to estimated net FY 2026. The Division of Special Education oversees special education services provided by the AEAs and the Department of Education throughout the State.

NOTE: 2025 Iowa Acts, chapter 160 (Sports Wagering Receipts Act), appropriated $5,000,000 from the Sports Wagering Receipts Fund (SWRF) for the Division of Special Education in

FY 2026. The appropriation will no longer be made from the SWRF and will instead be fully funded by the General Fund in FY 2027.

10 10 30. PROFESSIONAL DEVELOPMENT
10 11 For purposes of providing required professional development
10 12 to public and nonpublic schools:
10 13 ..... $ 1,676,458

General Fund appropriation to the Department of Education for professional development.

DETAIL: This is a decrease of $500,000 compared to estimated net FY 2026. The decrease in funding reflects the elimination of duplicative training.

10 14 31. COLLEGE STUDENT AID COMMISSION

10 15 a. ADMINISTRATION
10 16 For general administration salaries, support, maintenance,
10 17 and miscellaneous purposes, and for the administration of the
10 18 future ready Iowa skilled workforce last-dollar scholarship
10 19 program in accordance with section 256.228, including salaries,
10 20 support, maintenance, and miscellaneous purposes related to the
10 21 future ready Iowa skilled workforce last-dollar scholarship
10 22 program, and for not more than the following full-time
10 23 equivalent positions:
10 24 ..... $ 591,533
10 25 ..... FTEs 4.95

General Fund appropriation to the Department of Education for College Student Aid Commission administration.

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. Commission administrative costs are funded by a combination of the annual General Fund appropriation and the agency's Operating Fund. The Operating Fund consists of revenue from the remainder of the agency's federal student loan portfolio.

10 26 b. National guard service scholarship program
10 27 For purposes of providing national guard service
10 28 scholarships under the program established in section 256.210:
10 29 ..... $ 6,600,000

General Fund appropriation to the Department of Education for the College Student Aid Commission National Guard Service Scholarship Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

The National Guard Service Scholarship, previously known as the National Guard Educational Assistance Program, provides scholarships to National Guard members attending eligible Iowa colleges and universities, including community colleges. The maximum award cannot exceed the average resident tuition rate established for the Regents universities. Each year, the Guard determines what percentage of tuition

will be reimbursed based on the available funding and the anticipated number of applications. Awardees are limited to receiving total assistance under the Scholarship for up to 120.00 semester credit hours of undergraduate study or the equivalent. An additional 10.00 semester hours of undergraduate study are available for those pursuing a degree that qualifies for the federal Edith Nourse Rogers STEM Scholarship.

10 30 c. All Iowa opportunity scholarship program
10 31 (1) For deposit in the all Iowa opportunity scholarship fund
10 32 created in section 256.212:
10 33 ..... $ 3,229,468

General Fund appropriation to the Department of Education for the College Student Aid Commission All Iowa Opportunity Scholarship Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The FY 2027 appropriation is sufficient to fund all applicants who fall under the Program's first priority for foster care students, the second priority for surviving children of public safety officers killed in the line of duty, and the third priority for renewal applicants not in the first two priorities, and to fund a portion of applicants in the fourth priority for alternative high school students. To be eligible for the All Iowa Opportunity Scholarship, applicants must meet the following requirements:

- The applicant must be an Iowa resident who begins initial enrollment at an eligible Iowa college or university within two academic years of graduating from high school or receipt of a high school equivalency diploma and remains enrolled continuously from year to year.
- The applicant must be enrolled in at least 3.00 semester hours (or the trimester or quarter equivalent) in a program leading to an undergraduate degree.
- The applicant’s Expected Family Contribution (EFC) on the Free Application for Federal Student Aid (FAFSA) must fall below the eligibility level determined annually by the College Student Aid Commission.

10 34 (2) For the fiscal year beginning July 1, 2026, if the
10 35 moneys appropriated in this lettered paragraph exceed $500,000,
10 36 “eligible institution” as defined in section 256.212 shall,
10 37 during the fiscal year beginning July 1, 2026, include
10 38 accredited private institutions as defined in section 256.183.

Permits private colleges and universities that are eligible for the Iowa Tuition Grant Program to be included in the All Iowa Opportunity Scholarship Program if the amount appropriated for FY 2027 exceeds $500,000.

DETAIL: The FY 2027 appropriation is $3,229,468 and exceeds the $500,000 appropriation requirement. Therefore, private colleges and universities that are eligible for the Iowa Tuition Grant Program are permitted to be included in the All Iowa Opportunity Scholarship Program.

10 39 d. Teach Iowa scholar program
11 1 (1) For deposit in the teach Iowa scholar fund established
11 2 in section 256.218:
11 3 ..... $ 1,045,248

General Fund appropriation to the Department of Education for the College Student Aid Commission Teach Iowa Scholar Program.

DETAIL: This is an increase of $96,533 compared to estimated net FY 2026.

The Teach Iowa Scholar Program offers an income bonus or student loan repayment to recent graduates of postsecondary teacher preparation programs who teach in eligible teaching fields at a school district or AEA for up to five years. Eligible teaching fields are designated annually as shortage areas by the Department of Education. To be eligible, teachers must graduate in the top 25.00% of their class within the teacher preparation program and must secure full-time employment for the coming school year. The employment can be at either a local school district or an AEA but must be in a designated teaching field.

11 4 (2) From the moneys appropriated in this paragraph, $96,533
11 5 shall be allocated to grants to eligible applicants under the
11 6 teach Iowa scholar program who teach in a school district that
11 7 is located in a city in Iowa with a population of less than
11 8 twenty-six thousand that is located more than twenty miles from
11 9 a city with a population of greater than fifty thousand.

Allocates $96,533 to grants to eligible applicants under the Teach Iowa Scholar program who teach in a city in Iowa with a population of less than 26,000 and farther than 20 miles from a city with a population greater than 50,000.

11 10 e. Health care professional incentive program
11 11 For deposit in the health care professional incentive
11 12 program fund created in section 256.222:
11 13 ..... $ 7,985,911

General Fund appropriation to the Department of Education for the Health Care Professional Incentive Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

11 14 f. Rural veterinarian loan repayment program
11 15 For deposit in the rural veterinary care trust fund created
11 16 in section 256.226:

General Fund appropriation to the Department of Education for the College Student Aid Commission Rural Veterinarian Loan Repayment Program.

11 17 ..... $ 700,000

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

The Rural Veterinarian Loan Repayment Program was created in 2020 Iowa Acts, chapter 1049 (Rural Veterinarian Loan Repayment Program Act). The Program is administered by the College Student Aid Commission and provides loan repayments for veterinarians who agree to practice in rural service commitment areas or veterinary shortage areas for at least four years. A rural service commitment area is defined as a city in Iowa with a population of less than 26,000 that is located more than 20 miles from a city with a population of 50,000 or more. The service commitment area must provide matching funding equivalent to 12.50% of the veterinarian's total eligible loan amount upon graduation. Veterinary shortage areas are identified and nominated by the State Veterinarian or recommended for designation in accordance with the federal National Veterinary Medical Service Act and published by the United States Department of Agriculture.

11 18 g. Future ready Iowa skilled workforce last-dollar
11 19 scholarship program
11 20 For deposit in the future ready Iowa skilled workforce
11 21 last-dollar scholarship fund created in section 256.228:
11 22 ..... $ 23,927,005

General Fund appropriation to the Department of Education for the College Student Aid Commission Future Ready Iowa Skilled Workforce Last-Dollar Scholarship Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

The Last-Dollar Scholarship Program was created in 2018 Iowa Acts, chapter 1067 (Future Ready Iowa Act), and first funded for FY 2020. The Program provides financial aid to students who attend community colleges or accredited private nonprofit institutions and enroll in programs of study that lead to a postsecondary credential, up to and including an associate degree, aligned with a high-demand job as designated by Iowa Workforce Development or a community college. The full amount of other State and federal nonrepayable student aid available to the student must be considered first, and that amount combined with the Last-Dollar Scholarship award cannot exceed the total of tuition and mandatory fees charged by the institution.

11 23 h. Future ready Iowa skilled workforce grant program
11 24 For deposit in the future ready Iowa skilled workforce grant
11 25 fund created in section 256.229:
11 26 ..... $ 425,000

General Fund appropriation to the Department of Education for the College Student Aid Commission Future Ready Iowa Skilled Workforce Grant Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Grant provides assistance to students enrolled in specific vocational-technical or career option programs at Iowa community colleges or virtual institutions.

11 27 i. Iowa workforce grant and incentive program
11 28 For deposit in the Iowa workforce grant and incentive
11 29 program fund created in section 256.230:
11 30 ..... $ 6,500,000

General Fund appropriation to the Department of Education for the Iowa Workforce Grant and Incentive Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

11 31 j. Court reporter equipment grant program
11 32 For deposit in the court reporter equipment grant program
11 33 fund created in section 256.231:
11 34 ..... $ 50,000

General Fund appropriation to the Department of Education for the Court Reporter Equipment Grant program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

11 35 32. ADVANCED DYSLEXIA SPECIALIST ENDORSEMENT
11 36 For purposes of a grant program that provides grants to
11 37 teachers licensed by the board of educational examiners to
11 38 offset the costs associated with obtaining an advanced dyslexia
11 39 specialist endorsement issued by the board of educational
12 1 examiners pursuant to section 256.146, subsection 21:
12 2 ..... $ 335,000

General Fund appropriation to the Advanced Dyslexia Specialist Endorsement under the Department of Education.

DETAIL: This is a new appropriation of $335,000 in FY 2027 to the Department of Education. The program provides grants to teachers licensed by the BOEE to offset the costs associated with obtaining an Advanced Dyslexia Specialist Endorsement.

12 3 33. SCHOOL DISTRICT ELECTRONIC MAIL SECURITY
12 4 a. For purposes of procuring, implementing, and maintaining
12 5 on-premises and secure electronic mail gateway appliances
12 6 that support centralized policy management, automated threat
12 7 response, and unified threat visibility, and that utilize
12 8 artificial intelligence-powered security subscriptions and
12 9 support services to protect school district electronic mail
12 10 systems from phishing, compromise, malware, and other advanced
12 11 cyber threats:

VETOED

General Fund appropriation for School District Electronic Mail Security.

DETAIL: This is a new appropriation of $500,000 to the Department of Education in FY 2027. It provides for the procurement, implementation, and maintenance of on-premises and secure electronic mail gateway appliances to protect school district electronic mail systems from phishing, compromise, malware, and other advanced cyber threats.

12 12 ..... $ 500,000

VETOED: The Governor vetoed this appropriation, stating that the provision benefited a specific vendor, and that the allocation incentivized school districts to subscribe to ongoing cybersecurity services with long-term financial commitments that would exceed the one-time funding provided in the Act. The Governor also stated that the cybersecurity services described in the Act are already accessible to school districts through State-negotiated agreements.

12 13 b. Notwithstanding section 8.33, moneys appropriated in
12 14 this subsection that remain unencumbered or unobligated at the
12 15 close of the fiscal year shall not revert but shall remain
12 16 available for expenditure for the purposes designated until the
12 17 close of the fiscal year that begins July 1, 2030.

CODE: Allows any unencumbered or unobligated funds appropriated for School District Electronic Mail Security for FY 2027 from the General Fund to remain available for expenditure through FY 2031.

12 18 Sec. 3. IOWA SKILLED WORKER AND JOB CREATION FUND
12 19 APPROPRIATIONS. There is appropriated from the Iowa skilled
12 20 worker and job creation fund created in section 8.57J to the
12 21 department of education for the fiscal year beginning July
12 22 1, 2026, and ending June 30, 2027, the following amounts, or
12 23 so much thereof as is necessary, to be used for the purposes
12 24 designated:

Skilled Worker and Job Creation Fund appropriations to the Department of Education.

12 25 1. For purposes of providing skilled workforce shortage
12 26 tuition grants in accordance with section 256.227:
12 27 ..... $ 5,000,000

Skilled Worker and Job Creation Fund appropriation for the Skilled Workforce Shortage Tuition Grant Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Grant provides assistance to students enrolled in specific vocational-technical or career option programs at Iowa community colleges. Students must be Iowa residents enrolled in at least 3.00 credit hours (or 12 weeks) of a qualified program of study in an identified workforce shortage area.

12 28 2. For deposit in the workforce training and economic
12 29 development funds created pursuant to section 260C.18A:
12 30 ..... $ 15,100,000

Skilled Worker and Job Creation Fund appropriation for the workforce training and economic development funds at community colleges.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The funds are administered by the Department of Education and used to support a variety of job training and retraining programs, as well as career academies for high school students. At least 70.00% of the funds must be used on projects in the areas of advanced manufacturing; information technology and insurance; alternative and renewable energy; and life sciences, including biotechnology, health care technology, and nursing care technology.

12 31 From the moneys appropriated in this subsection, not
12 32 more than $100,000 shall be used by the department for
12 33 administration of the workforce training and economic
12 34 development funds created pursuant to section 260C.18A.

Permits the Department of Education to use up to $100,000 of the appropriation for administration of the workforce training and economic development funds at community colleges.

12 35 3. a. For capital projects at community colleges that meet
12 36 the definition of the term “vertical infrastructure” in section
12 37 8.57, subsection 3, paragraph “c”:
12 38 ..... $ 6,000,000

Skilled Worker and Job Creation Fund appropriation for vertical infrastructure projects at community colleges.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This budget unit has been renamed from the ACE Infrastructure — SWJCF in FY 2026 to Workforce Infrastructure Fund — SWJCF in FY 2027 as requested by the Department of Management. A portion of this funding may be used for the Accelerated Career Education (ACE) Program capital projects, which are funded in large part through job credits from withholding taxes under agreements among the colleges, the Department of Revenue, and employers.

12 39 b. Moneys appropriated in this subsection shall be
13 1 disbursed pursuant to section 260G.6, subsection 3. Projects
13 2 that qualify for moneys appropriated in this subsection must
13 3 include at least one of the following:
13 4 (1) Accelerated career education program capital projects.
13 5 (2) Major renovations and major repair needs, including
13 6 health, life, and fire safety needs, including compliance with
13 7 the federal Americans with Disabilities Act.

Requires that the funds appropriated for vertical infrastructure at community colleges be allocated equally among the 15 community colleges. Specifies that qualifying projects must include at least one of the following:

- Accelerated Career Education (ACE) Program capital projects
- Major renovations and repairs to comply with the federal Americans with Disabilities Act (ADA)

c. (1) If the career training physical expansion program fund created in section 84J.3 is enacted by 2026 Iowa Acts, House File 2466, or successor legislation, or by 2026 Iowa Acts, Senate File 2168, or successor legislation, then the department of education shall deposit $3,500,000 of the moneys appropriated under paragraph "a" into the career training physical expansion program fund.
(2) The deposit of moneys described in this paragraph is contingent on the career training physical expansion program fund created in section 84J.3, if enacted by 2026 Iowa Acts, House File 2466, or successor legislation, or by 2026 Iowa Acts, Senate File 2168, or successor legislation, receiving no other moneys for the fiscal year beginning July 1, 2026, in any Act of the general assembly.

Authorizes a contingent allocation of $3,500,000 from the funds appropriated from the Skilled Worker Job Creation Fund for vertical infrastructure projects at community colleges for the Career Training Physical Expansion Program Fund.

DETAIL: This appropriation is contingent upon the enactment of House File 2466 (Workforce and Apprenticeships, Programs and Funding Bill), or Senate File 2168 (Reemployment Case Management and Unemployment Insurance Processing Act) or successor legislation. This is a new appropriation for FY 2027. The appropriation would be used to provide financial assistance for the construction of new facilities and the procurement of equipment to expand the capacity of community colleges and apprenticeship programs to provide education and training for workers in high-demand fields.

NOTE: Senate File 2168 (Reemployment Case Management and Unemployment Insurance Processing Act) was passed by the General Assembly on May 1, 2026, and signed by the Governor on June 2, 2026.

4. For deposit in the pathways for academic career and employment fund created in section 260H.2:
..... $ 4,800,000

Skilled Worker and Job Creation Fund appropriation for the Pathways for Academic Career and Employment (PACE) Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Under the PACE Program, the community colleges coordinate with the Iowa Economic Development Authority, the Department of Education, Iowa Workforce Development, regional advisory boards, and community partners to develop a simplified, streamlined, and comprehensive process and customized support services to help participants acquire training to secure gainful, quality, in-state employment.

5. For deposit in the gap tuition assistance fund established in section 260I.2:
..... $ 2,000,000

Skilled Worker and Job Creation Fund appropriation for the Gap Tuition Assistance Program.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The appropriation provides funding to community colleges for need-based tuition assistance to enable applicants to complete continuing education certificate training programs for in-demand occupations.

13 28 6. For support costs associated with administering a
13 29 workforce preparation outcome reporting system for the purpose
13 30 of collecting and reporting data relating to the educational
13 31 and employment outcomes of workforce preparation programs
13 32 receiving moneys pursuant to this section:
13 33 ..... $ 75,000

Skilled Worker and Job Creation Fund appropriation for administration of a Workforce Preparation Outcome Reporting System.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

13 34 7. For STEM best:
13 35 ..... $ 700,000

Skilled Worker and Job Creation Fund appropriation for the Future Ready Iowa STEM Best Program.

DETAIL: Maintains the current funding level compared to estimated net FY 2026.

The STEM Best Program seeks to bridge cultures between businesses and schools through education programs in the fields of manufacturing, information technology, bioscience, finance, and more while focusing on business applications. The Program was created in 2012 Iowa Acts, chapter 1132 (FY 2013 Education Appropriations Act).

13 36 Notwithstanding section 8.33, moneys appropriated in this
13 37 section that remain unencumbered or unobligated at the close of
13 38 the fiscal year shall not revert but shall remain available for
13 39 expenditure for the purposes designated until the close of the
14 1 succeeding fiscal year.

CODE: Allows unencumbered or unobligated funds appropriated from the Skilled Worker and Job Creation Fund for FY 2027 in this section to remain available to the Department of Education for expenditure in FY 2028.

14 2 Sec. 4. CHIROPRACTIC LOAN FUNDS. Notwithstanding section
14 3 256.204, the moneys deposited in the chiropractic loan
14 4 revolving fund created in section 256.204 for the fiscal year
14 5 beginning July 1, 2026, and ending June 30, 2027, may be used
14 6 for purposes of the chiropractic loan forgiveness program
14 7 established in section 256.205.

CODE: Permits the funds in the Chiropractic Loan Revolving Fund for FY 2027 to be used for the Chiropractic Loan Forgiveness Program.

14 8 Sec. 5. PRESCRIPTION DRUG COSTS. The department of
14 9 administrative services shall pay the Iowa school for the deaf

Requires the Department of Administrative Services to pay to the special schools the funds collected from the counties for

and the Iowa educational services for the blind and visually impaired program the moneys collected from the counties during the fiscal year beginning July 1, 2026, for expenses relating to prescription drug costs for students attending the Iowa school for the deaf and the Iowa educational services for the blind and visually impaired program.

prescription drug expenses for students attending the special schools.

DIVISION III

FY 2026-2027 APPROPRIATIONS — STATE BOARD OF REGENTS

Sec. 6. GENERAL FUND APPROPRIATIONS. There is appropriated from the general fund of the state to the state board of regents for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

General Fund appropriations to the Board of Regents.

1. OFFICE OF STATE BOARD OF REGENTS

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 764,642

..... FTEs 2.48

General Fund appropriation to the Board of Regents for the Board of Regents Office.

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. Created by the Iowa General Assembly in 1909, the Board of Regents is a group of nine citizens appointed to govern the three State universities. The Board governs through policymaking, coordination, and oversight, as provided by law.

For the fiscal year beginning July 1, 2026, and ending June 30, 2027, the state board of regents shall submit a quarterly financial report to the general assembly in a format agreed upon by the state board of regents office and the legislative services agency. The report submitted for the quarter ending December 31, 2026, must include the five-year graduation rates for the regents universities.

Requires quarterly financial reports from the Board of Regents to be submitted to the General Assembly and the Legislative Services Agency (LSA). The second quarter report for FY 2027 must include the five-year graduation rates for Regents universities.

b. For distribution to the western Iowa regents resource center:

..... $ 268,297

General Fund appropriation to the Board of Regents for the Western Iowa Regents Resource Centers.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Through the Western Iowa Regents Resource Centers, the Regents universities partner with community colleges to provide access to credit courses, the opportunity to complete degree programs, and access to

information regarding admission or transfer to the universities. The locations of the five centers are:

- Iowa Western Community College in Council Bluffs
- Iowa Western Community College in Harlan
- Southwestern Community College in Creston
- Northwest Iowa Community College in Sheldon
- Western Iowa Tech Community College in Sioux City

14 39 c. For the fiscal year beginning July 1, 2026, and ending
15 1 June 30, 2027, the state board of regents and the institutions
15 2 of higher learning governed by the state board of regents
15 3 shall not reduce moneys budgeted for the fiscal year for the
15 4 institutions' police departments.

Prohibits the Board of Regents and the Regents universities from reducing moneys budgeted for FY 2027 for the institutions' police departments.

15 5 d. For allocation in equal parts by the state board of
15 6 regents to the state university of Iowa, the Iowa state
15 7 university of science and technology, and the university
15 8 of northern Iowa to support the John Pappajohn centers for
15 9 entrepreneurship:
15 10 ..... $ 125,000

General Fund appropriation to the Board of Regents for distribution to the Regent universities' John Pappajohn Centers for Entrepreneurship (JPECs).

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The Board of Regents is to distribute these funds equally to the Regents universities. The appropriation will be equally allocated to the University of Iowa (SUI), Iowa State University (ISU), and University of Northern Iowa (UNI) to support the JPECs.

15 11 The moneys appropriated in this lettered paragraph shall be
15 12 used to supplement, not supplant, any other funding received by
15 13 the John Pappajohn centers for entrepreneurship.

Funds provided to the JPECs are required to supplement, not supplant, other funding received by the JPECs.

15 14 2. STATE UNIVERSITY OF IOWA

15 15 a. General university
15 16 For salaries, support, maintenance, equipment, financial
15 17 aid, and miscellaneous purposes, and for not more than the
15 18 following full-time equivalent positions:
15 19 ..... $ 223,496,355
15 20 ..... FTEs 5,058.32

General Fund appropriation to the SUI for the general education budget.

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. The SUI was established in 1847 and is a major national research university. The University offers more than 100 areas for both undergraduate and graduate study that range across the arts, sciences, and humanities, and it offers seven professional

				degrees. The areas of study are organized into 11 colleges: Liberal Arts and Sciences, Education, Engineering, Law, Nursing, Pharmacy, Dentistry, Public Health, the Henry B. Tippie College of Business, the Roy J. and Lucille A. Carver College of Medicine, and the Graduate College.
15	21	b. Oakdale campus		General Fund appropriation to the SUI for the Oakdale Campus.
15	22	For salaries, support, maintenance, and miscellaneous		
15	23	purposes, and for not more than the following full-time		DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. Established in 1989 as the Oakdale Research Park, the SUI Research Park leases building sites and space to growing technology companies that require a sustained relationship with the SUI. The SUI Research Park offers collaborative opportunities and access to the SUI's research resources, including a business incubator; research facilities; and a faculty of scientists, physicians, and engineers.
15	24	equivalent positions:		
15	25	..... $	2,103,819	
15	26	..... FTEs	38.25	
15	27	c. State hygienic laboratory		General Fund appropriation to the SUI for the State Hygienic Laboratory.
15	28	For salaries, support, maintenance, and miscellaneous		
15	29	purposes, and for not more than the following full-time		DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. Established in 1904, the State Hygienic Laboratory serves all of Iowa's 99 counties through disease detection, environmental monitoring, and newborn and maternal screening. The main facilities are headquartered on the SUI Research Park campus in Coralville. Additional testing facilities are part of the Iowa Laboratory Facilities in Ankeny.
15	30	equivalent positions:		
15	31	..... $	4,822,610	
15	32	..... FTEs	102.51	
15	33	d. Family practice program		General Fund appropriation to the SUI for the Family Practice Residency Education Program.
15	34	For allocation by the dean of the college of medicine, with		
15	35	approval of the advisory board, to qualified participants		
15	36	to carry out the provisions of chapter 148D for the family		DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. The Family Practice Residency Education Program provides financial, educational, and technical support to a network of eight community-based residencies that train physicians in the specialty of family practice. The residencies are dispersed into regions of the State to help improve the geographic distribution
15	37	practice residency education program, including salaries		
15	38	and support, and for not more than the following full-time		
15	39	equivalent positions:		
16	1	..... $	2,220,598	
16	2	..... FTEs	2.71	

				of family practice graduates and physicians in general. The training programs are located in Davenport, Des Moines, Iowa City, Mason City, Sioux City, and Waterloo.
16	3	e. Child health care services		General Fund appropriation to the SUI for Specialized Child Health Care Services (CHSC).
16	4	For specialized child health care services, including childhood cancer diagnostic and treatment network programs, rural comprehensive care for hemophilia patients, and the Iowa high-risk infant follow-up program, including salaries and support, and for not more than the following full-time equivalent positions:		DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. The CHSC serves children and youth, from birth through 21 years of age, who live in Iowa and have a chronic condition (physical, developmental, behavioral, or emotional) or are at increased risk for a chronic condition and also have a need for special services. The CHSC facilitates the development of family-centered, community-based, coordinated systems of care. The CHSC is funded partially by the federal Title V Maternal and Child Health Block Grant, in addition to funding provided by the HHS, the Iowa Department of Education, and other community partners. The CHSC is administered by the Department of Pediatrics at the SUI.
16	10	..... $	634,502	
16	11	..... FTEs	4.16	
16	12	f. Statewide cancer registry		General Fund appropriation to the SUI for the Statewide Cancer Registry.
16	13	For the statewide cancer registry, and for not more than the following full-time equivalent positions:		DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. The State Health Registry of Iowa (SHRI) is a population-based cancer registry that has served the State of Iowa since 1973. The SHRI has been funded, in whole or in part, with federal funds from the National Cancer Institute, which is part of the National Institutes of Health in the U.S. Department of Health and Human Services, in addition to funds from the State of Iowa and the SUI.
16	15	..... $	143,410	
16	16	..... FTEs	2.10	
16	17	g. Substance abuse consortium		General Fund appropriation to the SUI for the Consortium for Substance Abuse Research and Evaluation.
16	18	For distribution to the Iowa consortium for substance abuse research and evaluation, and for not more than the following full-time equivalent positions:		DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. The Iowa Consortium for Substance Abuse Research and Evaluation is an alliance committed to strengthening substance abuse prevention
16	21	..... $	53,427	
16	22	..... FTEs	.99	

and intervention activities through collaborative research. The Consortium coordinates research and knowledge transfer among researchers, assists professionals in the field, and informs public policymakers in the area of substance abuse. The Consortium's Advisory Board includes representatives from the three Regents universities, the HHS, the Department of Corrections, the Governor's Office of Drug Control Policy, and local substance abuse service agencies.

h. Center for biocatalysis
For the center for biocatalysis, and for not more than the following full-time equivalent positions:
..... $ 696,342
..... FTEs 6.28

General Fund appropriation to the SUI for the Center for Biocatalysis.

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. The Center's goal is to reshape the agricultural, chemical, nutritional, and pharmaceutical industries by combining the intellectual talents of top scientific faculty with the practical delivery of new technologies. Confidential collaborations with clients enable the laboratory to produce products and develop processes for industry, government, and academia.

i. Primary health care initiative
For the primary health care initiative in the college of medicine, and for not more than the following full-time equivalent positions:
..... $ 624,374
..... FTEs 6.22

General Fund appropriation to the SUI for the Primary Health Care Initiative.

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. The Initiative supports operational programs that educate and train future health professionals and helps efforts to recruit, place, retain, and track today's workforce. The Initiative funds four programs that form a foundation for the primary care workforce efforts of the SUI Health Sciences Center. The programs are as follows:

- The Rural Physician Support Program
- The Iowa Health Professions Inventory
- The Department of Family Medicine Predoctoral Teaching Program
- The Regional Medical Education Center Grant Program

16 34 From the moneys appropriated in this lettered paragraph,
16 35 $254,889 shall be allocated to the department of family
16 36 practice at the state university of Iowa college of medicine
16 37 for family practice faculty and support staff.

Allocates $254,889 of the Primary Health Care Initiative appropriation to the Department of Family Medicine at the SUI College of Medicine.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

16 38 j. Birth defects registry
16 39 For the birth defects registry, and for not more than the
17 1 following full-time equivalent positions:
17 2 ..... $ 36,839
17 3 ..... FTEs .38

General Fund appropriation to the SUI for the Birth Defects Registry.

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. The Iowa Registry for Congenital and Inherited Disorders (IRCID) was established in 1983 through the joint efforts of the SUI and the HHS. The IRCID is located within the College of Public Health at the SUI. The IRCID conducts active surveillance to identify information about congenital and inherited disorders experienced by Iowa residents.

17 4 k. Larned A.Waterman Iowa nonprofit resource center
17 5 For the Larned A. Waterman Iowa nonprofit resource center,
17 6 and for not more than the following full-time equivalent
17 7 positions:
17 8 ..... $ 156,389
17 9 ..... FTEs 2.75

General Fund appropriation to the SUI for the Larned A. Waterman Iowa Nonprofit Resource Center.

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. The Resource Center strives to help Iowa's charitable nonprofit organizations become more effective in building their communities by offering useful information, training, and assistance from across the SUI.

17 10 l. Iowa online advanced placement academy science,
17 11 technology, engineering, and mathematics initiative
17 12 For the Iowa online advanced placement academy science,
17 13 technology, engineering, and mathematics initiative established
17 14 in section 263.8A:
17 15 ..... $ 463,616

General Fund appropriation to the SUI for the Iowa Online Advanced Placement Academy (IOAPA).

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Established in 2011, the IOAPA within the SUI Belin-Blank Center for Gifted Education brings Advanced Placement (AP) and advanced learning opportunities to all high schools in Iowa. The Academy provides Iowa students the opportunity to enroll in online AP coursework through Apex Learning without paying the course fee.

17 16 m. Iowa flood center
17 17 For the Iowa flood center for use by the university's college
17 18 of engineering pursuant to section 466C.1:
17 19 ..... $ 1,205,593

General Fund appropriation to the SUI for the Iowa Flood Center.

DETAIL : Maintains the current level of funding compared to estimated net FY 2026. The Center is actively engaged in flood projects in several Iowa communities and employs graduate and undergraduate students participating in flood-related research. Center researchers:

- Have designed a cost-efficient sensor network to better monitor stream flow in the State.
- Have developed a library of flood-inundation maps for several Iowa communities.
- Are working on a project to develop new floodplain maps.

17 20 n. College of nursing
17 21 For employing additional instructors in the college of
17 22 nursing to increase the number of students who graduate from
17 23 the college of nursing:
17 24 ..... $ 2,800,000

General Fund appropriation to the SUI for the purpose of supporting the SUI College of Nursing.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This appropriation is used to employ additional instructors to increase the number of graduates from the College of Nursing.

17 25 o. Center for intellectual freedom
17 26 For purposes of supporting the center for intellectual
17 27 freedom established in section 263C.2:
17 28 ..... $ 1,000,000

General Fund appropriation to the SUI for the Center for Intellectual Freedom.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

17 29 3. IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY
17 30 For salaries, support, maintenance, equipment, financial
17 31 aid, and miscellaneous purposes, and for not more than the
17 32 following full-time equivalent positions:
17 33 ..... $ 229,864,938
17 34 ..... FTEs 4,062.34

General Fund appropriation to ISU for the general education budget.

DETAIL: This is an increase of $51,419,901 and 414.93 FTE positions compared to estimated net FY 2026. This increase reflects the consolidation of three individual appropriations under the ISU General Appropriation, as requested by the University. The increased FTE positions are existing positions moving from the consolidated appropriations to the ISU general education budget. The three consolidated programs include the following:

- $30,462,535 from the ISU — Agricultural Experiment Station
- $18,157,366 from the ISU — Cooperative Extension
- $2,800,000 from the ISU — Future Ready Workforce

The University was established as the Iowa Agricultural College and Model Farm in 1858 and became a land-grant university in 1864. As a land-grant institution, ISU focuses on the ideals that higher education should be accessible to all and that the University should teach liberal arts and practical subjects. The University offers more than 300 degree programs at the bachelor's, master's, doctoral, and professional levels. These degrees are offered through eight colleges: Agriculture and Life Sciences, Business, Design, Engineering, the Graduate College, Human Sciences, Liberal Arts and Sciences, and Veterinary Medicine.

4. UNIVERSITY OF NORTHERN IOWA

a. General university
For salaries, support, maintenance, equipment, financial aid, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 101,894,146
..... FTEs 1,250.28

General Fund appropriation to the UNI for the general education budget.

DETAIL: Maintains current level of funding and no change in FTE positions compared to estimated net FY 2026. The UNI was formed as a normal school, a college for teacher preparation, and held its first class in 1876. The University offers more than 120 majors offered by 40 departments. The departments are organized into six colleges: Business Administration, Education, Humanities and Fine Arts, Natural Sciences, Social and Behavioral Sciences, and the Graduate College.

b. Real estate education program
For purposes of the real estate education program, and for not more than the following full-time equivalent positions:
..... $ 123,523
..... FTEs .86

General Fund appropriation to the UNI for the Real Estate Education Program.

DETAIL: Maintains the current level of funding and no change in FTE positions compared to estimated net FY 2026. The UNI Real Estate Education Program is the only such program in Iowa leading to a bachelor's degree and the second undergraduate program in the nation to be approved by The Appraisal Foundation's Appraiser Qualifications Board. Graduates are able to satisfy 267.00 of 300.00 credit hours needed for the Certified

General Appraiser license. State funding of the Program supports salaries to retain faculty that are in high demand.

c. Educators for Iowa
For purposes of recruiting additional students to participate in educational opportunities that lead to teacher licensure:
..... $ 1,500,000

General Fund appropriation to the UNI for recruiting teacher candidates.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This appropriation is used to recruit additional students to participate in educational opportunities that lead to teacher licensure.

d. Center for civic education
For purposes of establishing and operating a center for civic education that promotes the values of free speech, civic leadership, public service, and citizenship, and that enhances civic education among students enrolled in colleges and universities in this state, students enrolled in prekindergarten through grade twelve in schools in this state, teachers, and the public by developing and implementing effective civic learning strategies, encouraging respectful dialogue, and offering educational resources related to free speech and civic knowledge:
..... $ 1,000,000

General Fund appropriation to the UNI for the Center for Civic Education.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This Center was established at the UNI and was created in response to Recommendation 9 from the BOR DEI Study Group Report and Recommendations from November 2023.

Sec. 7. ENERGY COST-SAVINGS PROJECTS — FINANCING. For the fiscal year beginning July 1, 2026, and ending June 30, 2027, the state board of regents may use notes, bonds, or other evidences of indebtedness issued under section 262.48 to finance projects that will result in energy cost savings in an amount that will cause the state board to recover the cost of the projects within an average of six years.

Permits the Board of Regents to use indebtedness to finance projects for energy cost savings if the cost of the projects can be recovered within an average of six years.

DIVISION IV
STANDING APPROPRIATIONS

Sec. 8. AT-RISK CHILDREN. Notwithstanding the standing appropriation in section 279.51 for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the amount appropriated from the general fund of the state to the department of education for programs for at-risk children under section 279.51 shall not be more than $10,524,389. The amount of any

CODE: Limits the standing appropriation under Iowa Code section 279.51 for at-risk children to $10,524,389. Requires appropriated funds to be prorated among the programs specified under Iowa Code section 279.51.

reduction in this section shall be prorated among the programs specified in section 279.51, subsection 1, paragraphs “a”, “b”, and “c”.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This makes inapplicable the General Fund standing appropriation of $12,606,196 under Iowa Code section 279.51 and requires the Department of Education to prorate the FY 2027 appropriation among the specified programs.

Sec. 9. WORK-STUDY APPROPRIATION. Notwithstanding section 256.209, for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the amount appropriated from the general fund of the state to the college student aid commission of the department of education for the work-study program under section 256.209 shall be zero.

CODE: Suspends the standing appropriation for the College Work Study Program for FY 2027. The suspension is a continuation from FY 2026.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This makes inapplicable the General Fund standing appropriation of $2,750,000 under Iowa Code section 256.209.

DIVISION V
STATE PROGRAM ALLOCATION

Sec. 10. Section 284.13, subsection 1, paragraph a, subparagraph (1), Code 2026, is amended to read as follows:
(1) For the fiscal year beginning July 1, ~~2025~~ 2026, and ending June 30, ~~2026~~ 2027, to the department, the amount of five hundred eight thousand two hundred fifty dollars for the issuance of national board certification awards in accordance with section 256.44. Of the amount allocated under this paragraph, not less than eighty-five thousand dollars shall be used to administer the ambassador to education position in accordance with section 256.45.

CODE: Maintains the required allocations to the Student Achievement and Teacher Quality Program for FY 2027.

Sec. 11. Section 284.13, subsection 1, paragraphs b, c, e, f, and g, Code 2026, are amended to read as follows:
b. For the fiscal year beginning July 1, ~~2025~~ 2026, and ending June 30, ~~2026~~ 2027, up to seven hundred twenty-eight thousand two hundred sixteen dollars to the department for purposes of implementing the professional development program requirements of section 284.6, assistance in developing model evidence for teacher quality committees established pursuant to section 284.4, subsection 1, paragraph “b”, and the evaluator training program in section 284.10. A portion of the funds allocated to the department for purposes of this paragraph may

be used by the department for administrative purposes and for not more than four full-time equivalent positions.

c. For the fiscal year beginning July 1, ~~2025~~ 2026, and ending June 30, ~~2026~~ 2027, an amount up to one million seventy-seven thousand eight hundred ten dollars to the department for the establishment of teacher development academies in accordance with section 284.6, subsection 10. A portion of the funds allocated to the department for purposes of this paragraph may be used for administrative purposes.

e. For the fiscal year beginning July 1, ~~2025~~ 2026, and ending June 30, ~~2026~~ 2027, to the department an amount up to fifty thousand dollars for purposes of the fine arts beginning teacher mentoring program established under section 256.34.

f. For the fiscal year beginning July 1, ~~2025~~ 2026, and ending June 30, ~~2026~~ 2027, to the department an amount up to six hundred twenty-six thousand one hundred ninety-one dollars shall be used by the department for a delivery system, in collaboration with area education agencies, to assist in implementing the career paths and leadership roles considered pursuant to sections 284.15, 284.16, and 284.17, including but not limited to planning grants to school districts and area education agencies, technical assistance for the department, technical assistance for districts and area education agencies, training and staff development, and the contracting of external expertise and services. In using moneys allocated for purposes of this paragraph, the department shall give priority to school districts with certified enrollments of fewer than six hundred students. A portion of the moneys allocated annually to the department for purposes of this paragraph may be used by the department for administrative purposes and for not more than five full-time equivalent positions.

g. For the fiscal year beginning July 1, ~~2026~~ 2027, and for each subsequent fiscal year, to the department, ten million dollars for purposes of implementing the supplemental assistance for high-need schools provisions of section 284.11. Annually, of the moneys allocated to the department for purposes of this paragraph, up to one hundred thousand dollars may be used by the department for administrative purposes and for not more than one full-time equivalent position.

DIVISION VI

IOWA TUITION GRANTS

Sec. 12. Section 256.183, subsection 3, Code 2026, is amended to read as follows:

3. "Eligible institution" means an institution of higher learning located in Iowa which is operated privately and not controlled or administered by any state agency or any subdivision of the state, which is not exempt from taxation under section 501(c)(3) of the Internal Revenue Code, and which meets all of the criteria in subsection 1, paragraphs "d" through "k", and is a school of barbering and cosmetology arts and sciences licensed under chapter 157 and is accredited by a national accrediting agency recognized by the United States department of education. ~~For the fiscal year beginning July 1, 2017, such a school of barbering and cosmetology arts and sciences shall provide a matching aggregate amount of institutional financial aid equal to at least seventy-five percent of the amount received by the institution's students for Iowa tuition grant assistance under section 256.191. For the fiscal year beginning July 1, 2018, the school of barbering and cosmetology arts and sciences shall provide a matching aggregate amount of institutional financial aid equal to at least eighty-five percent of the amount received in that fiscal year. Commencing with the fiscal year beginning July 1, 2019, and each succeeding fiscal year, the matching aggregate amount of institutional financial aid shall be at least equal to the match provided by eligible institutions under section 261.9, subsection 3, paragraph "a", Code 2023.~~

Removes the requirement for the school of barbering and cosmetology arts and sciences to provide a matching aggregate amount of institutional financial aid that is at least equal to the match provided by an eligible institution as defined in the Act.

Sec. 13. Section 256.192, subsections 1, 2, 4, and 5, Code 2026, are amended to read as follows:

1. A vocational-technical tuition grant may be awarded to any resident of Iowa who establishes financial need and who is admitted and in attendance as a full-time or part-time student in ~~a~~ any of the following:

a. A vocational-technical or career option program at a community college in the state~~, and who establishes financial need~~.

b. An eligible institution.

CODE: Expands the availability of the vocational-technical tuition grant to include those who attend eligible institutions as defined by Iowa Code section 256.183(3) in addition to those who attend a vocational-technical or career option program at a community college.

2. All classes, including liberal arts classes, identified by the community college or eligible institution as required for completion of the student's vocational-technical or

CODE: Expands grant eligibility requirements to include classes identified by eligible institutions and classes required

career option program, or barbering and cosmetology arts and sciences program, shall be considered a part of the student's vocational-technical or career option program or barbering and cosmetology arts and sciences program for the purpose of determining the student's eligibility for a grant. Notwithstanding subsection 3, if a student is making satisfactory academic progress but the student cannot complete a vocational-technical or career option program or barbering and cosmetology arts and sciences program in the time frame allowed for a student to receive a vocational-technical tuition grant as provided in subsection 3 because additional classes are required to complete the program, the student may continue to receive a vocational-technical tuition grant for not more than one additional enrollment period.

for the completion of a barbering and cosmetology arts and sciences program.

4. a. (1) The amount of a vocational-technical tuition grant to a qualified full-time student who is enrolled in a vocational-technical or career option program at a community college shall not exceed the lesser of one thousand two hundred dollars per year or the amount of the student's established financial need.

~~b.~~ (2) The amount of a vocational-technical tuition grant to a qualified part-time student who is enrolled in a vocational-technical or career option program at a community college in a course of study including at least three semester hours but fewer than twelve semester hours or the trimester or quarter equivalent shall be equal to the amount of a vocational-technical tuition grant that would be paid to a full-time student, except that the commission shall prorate the amount in a manner consistent with the federal Pell grant program proration.

CODE: Establishes allowable grant amounts for full-time students enrolled in a vocational-technical or career option program at a community college wherein the allowable grant amount is limited based on full-time student status or by part-time student status and enrolled credit hours.

b. (1) The amount of a vocational-technical tuition grant to a qualified full-time student who is enrolled in an eligible institution for the fall and spring semesters, or the equivalent, shall be the amount of the student's financial need for that period not to exceed six thousand dollars.

(2) The amount of a vocational-technical tuition grant to a qualified full-time student who is enrolled in an eligible institution for the summer semester or equivalent shall be one-half the amount of the vocational-technical tuition grant the student receives under subparagraph (1).

CODE: Establishes allowable grant amounts for full- and part-time students enrolled in an eligible institution wherein the allowable grant amount is limited based on full-time student status or by part-time student status, enrolled credit hours, and other financial aid not to exceed $6,000.

(3) The amount of a vocational-technical tuition grant to a qualified part-time student who is enrolled in an eligible institution in a course of study including at least three semester hours but fewer than twelve semester hours for the fall, spring, and summer semesters, or the equivalent, shall be equal to the amount of a tuition grant that would be paid to a full-time student times a number which represents the number of hours in which the part-time student is actually enrolled divided by twelve semester hours, or the equivalent.

(4) If a qualified student receives financial aid under any other program, the full amount of such financial aid shall be considered part of the student's financial resources available in determining the amount of the student's financial need for that period. In no case may the state's total financial contribution to the student's education, including financial aid under any other state or federal program, exceed the tuition and mandatory fees at the eligible institution the student attends.

5. A vocational-technical tuition grant shall be awarded on an annual basis, requiring reapplication by the student for each year. Payments under the grant shall be allocated equally among the semesters or quarters of the year upon certification by the ~~institution~~ community college or eligible institution that the student is in full-time or part-time attendance in a vocational-technical or career option program or a barbering and cosmetology arts and sciences program, as defined under rules of the department. If the student discontinues attendance before the end of any term after receiving payment of the grant, the entire amount of any refund due that student, up to the amount of any payments made under the annual grant, shall be paid by the ~~institution~~ community college or eligible institution to the state.

CODE: Expands the vocational-technical tuition grant to include both community colleges and eligible institutions at which a student is taking classes in pursuit of a vocational-technical or career option program as well as a barbering and cosmetology arts and sciences program.

Sec. 14. Section 256.194, subsection 2, Code 2026, is amended by striking the subsection.

CODE: Repeals the standing limited General Fund appropriation of $112,914 to the Iowa Tuition Grants For-Profit Institutions Fund.

Sec. 15. Section 256.194, subsection 3, Code 2026, is amended to read as follows:

3. For each fiscal year beginning on or after July 1, 2025, there is appropriated from the general fund of the state to

CODE: Changes the standing limited General Fund appropriation to Vocational-Technical Tuition Grants Fund from $1,750,185 to $1,863,099.

23 35 the commission for deposit in the vocational-technical tuition
23 36 grants fund established in section 256.192, subsection 8, the
23 37 sum of ~~one million seven hundred fifty thousand one hundred~~
23 38 ~~eighty-five~~ one million eight hundred sixty-three thousand
23 39 ninety-nine dollars.

DETAIL: This is an increase of $112,914 compared to estimated net FY 2026, reflecting the transfer of funds from the Iowa Tuition Grants For-Profit Institutions Fund to the Vocational-Technical Tuition Grants Fund.

24 1 Sec. 16. REPEAL. Section 256.191, Code 2026, is repealed.

CODE: Repeals Iowa Code section 256.191 (Iowa Tuition Grants — For-Profit Institutions — Fund).

24 2 Sec. 17. TRANSFER OF MONEYS. Any moneys appropriated to
24 3 the college student aid commission for purposes of the Iowa
24 4 tuition grants for-profit institutions fund established in
24 5 section 256.191, subsection 8, that remain unencumbered or
24 6 unobligated as of July 1, 2026, shall be transferred to the
24 7 vocational-technical tuition grants fund established in section
24 8 256.192, subsection 8.

Transfers all unencumbered and unobligated funds that remain in the Iowa Tuition Grants For-Profit Institutions Fund as of July 1, 2026, to the Vocational-Technical Tuition Grants Fund.

FISCAL IMPACT: As of April 15, 2026, there was $170,048 in the Iowa Tuition Grants For-Profit Institutions Fund.

24 9 DIVISION VII
24 10 IOWA SPECIAL EDUCATION COUNCIL — REPEAL

24 11 Sec. 18. REPEAL. Section 256.35B, Code 2026, is repealed.

CODE: Repeals the Iowa Special Education Council in Iowa Code section 256.35B.

DETAIL: The Iowa Special Education Council was created in 2024 Iowa Acts, chapter 1170 (State Government Boards and Commissions Act), to act in an advisory capacity to the Department of Education in promoting, directing, and supervising education for children requiring special education in the schools under the supervision and control of the Department of Education.

24 12 DIVISION VIII
24 13 DEPARTMENT OF EDUCATION — REPORTING REQUIREMENTS RELATED TO
24 14 ANTIBULLYING PROGRAMMING

24 15 Sec. 19. Section 279.51A, subsection 5, Code 2026, is
24 16 amended to read as follows:
24 17 5. a. Each school district shall report to the department
24 18 of education, in a manner prescribed by the department, an
24 19 annual count of all incidents of violence that result in
24 20 injury or property damage or assault by a student in a school

CODE: Requires the Department of Education to compile the reports submitted by each school district on violent or assault incidents.

building, on school grounds, or at a school-sponsored function, and any time a student is referred for the use of or transfer to a therapeutic classroom. The report shall include but not be limited to demographic information on students reported as victims and reported as perpetrators of incidents of violence that result in injury or property damage or assault, including but not limited to disaggregated information on race, gender, national origin, age, grade level, and disability, along with any other data required for the department to implement the federal Elementary and Secondary Education Act, as amended by the federal Every Student Succeeds Act, Pub.L.No.114-95, with appropriate safeguards to ensure student privacy. The department shall compile the reports.

b. The department shall ~~compile and summarize the reports, categorized by behavior, and shall~~ submit ~~the summary~~ an annual report to the general assembly ~~by~~ on or before November 1 ~~annually~~ each year that contains all of the following:

(1) A summary of the annual reports compiled pursuant to paragraph "a".

(2) A description of the department's antibullying programming and current and projected expenditures for the antibullying programming for the immediately preceding fiscal year.

CODE: Requires the Department of Education to submit an annual report to the General Assembly on or before November 1 each year containing all of the following:

- Summary of the annual reports about incidents of violence.
- Description of the Department's antibullying programming and current and projected expenditures for said programming for the immediately preceding fiscal year.

c. A teacher or administrator who submits a report in accordance with this section and who meets the requirements of section 280.27 or section 613.21 shall be immune from civil or criminal liability relating to such action, as well as for participating in any administrative or judicial proceeding resulting from or relating to the report pursuant to the provisions of sections 280.27 and 613.21. The provisions of section 70A.29 shall apply to a teacher or administrator who submits a report in accordance with this section or who reports an incident of violence or assault to a local law enforcement agency in good faith and without fraudulent intent or the intent to deceive. Personal information regarding a student in a report submitted pursuant to this section shall be kept confidential as required under the federal Family Educational Rights and Privacy Act, 20 U.S.C. §1232g, and in the same manner as personal information in student records maintained, created, collected, or assembled by or for a school corporation

CODE: Conforming change.

or educational institution in accordance with section 22.7, subsection 1.

DIVISION IX
BOARD OF EDUCATIONAL EXAMINERS — FEES

Sec. 20. Section 256.155, subsections 2 and 3, Code 2026, are amended to read as follows:

2. Licensing fees are payable to the treasurer of state and shall be deposited with the executive director of the board. ~~The executive director shall deposit twenty-five percent of the fees collected annually with the treasurer of state and the fees shall be credited to the general fund of the state.~~ ~~The remaining licensing fees~~ Licensing fees collected during the fiscal year shall be retained by and are appropriated to the board for the purposes related to the board's duties. Notwithstanding section 8.33, licensing fees retained by and appropriated to the board pursuant to this section that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the activities of the board as provided in this part until the close of the succeeding fiscal year.

3. The executive director shall keep an accurate and detailed account of fees received, including ~~fees paid to the treasurer of state and~~ fees retained by the board.

CODE: Removes the requirement that 25.00% of educator licensing fees collected annually be credited to the General Fund and instead directs 100.00% of the licensing fees to be retained by and appropriated to the BOEE.

FISCAL IMPACT: This will result in approximately a $600,000 increase to the BOEE compared to estimated net FY 2026 and a decrease of $600,000 to the General Fund in FY 2027.

Education
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY26 (6)	Page and Line # (7)
Blind, Department for the							
Department for the Blind							
Department for the Blind	$ 3,087,171	$ 3,207,190	$ 3,207,190	$ 0	$ 3,207,190	$ 0	PG 1 LN 9
Total Blind, Department for the	$ 3,087,171	$ 3,207,190	$ 3,207,190	$ 0	$ 3,207,190	$ 0	
Education, Department of							
Education, Dept. of							
Dept. of Education Administration	$ 6,922,250	$ 7,073,808	$ 7,073,808	$ 0	$ 7,073,808	$ 0	PG 2 LN 2
Career Technical Education Administration	721,779	721,779	721,779	0	721,779	0	PG 2 LN 8
Career Technical Education Secondary	2,952,459	2,952,459	2,952,459	0	2,952,459	0	PG 2 LN 20
School Food Service	2,176,797	2,176,797	2,253,055	0	2,253,055	76,258	PG 2 LN 25
Special Ed. Services Birth to 3	1,721,400	1,721,400	1,721,400	0	1,721,400	0	PG 2 LN 37
Early Head Start Projects	574,500	574,500	574,500	0	574,500	0	PG 3 LN 10
Student Achievement/Teacher Quality	2,990,467	2,990,467	2,990,467	0	2,990,467	0	PG 3 LN 24
Statewide Student Assessment	3,000,000	3,000,000	3,000,000	0	3,000,000	0	PG 3 LN 30
Work-Based Learning Clearinghouse	300,000	300,000	300,000	0	300,000	0	PG 4 LN 3
Summer Joint Enrollment Program	600,000	600,000	600,000	0	600,000	0	PG 4 LN 7
Jobs for America's Grads	9,646,450	9,946,450	9,946,450	0	9,946,450	0	PG 4 LN 23
Attendance Center/Website & Data System	250,000	250,000	250,000	0	250,000	0	PG 4 LN 37
Early Lit - Successful Progression	7,824,782	7,824,782	7,824,782	0	7,824,782	0	PG 5 LN 9
Early Lit - Early Warning System	1,915,000	1,915,000	1,915,000	0	1,915,000	0	PG 5 LN 14
Early Lit - Iowa Reading Research Center	1,500,000	1,500,000	1,500,000	0	1,500,000	0	PG 5 LN 36
Computer Science Prof. Devel. Incentive Fund	500,000	500,000	500,000	0	500,000	0	PG 6 LN 20
Children's Mental Health Training	3,383,936	3,383,936	1,899,682	0	1,899,682	-1,484,254	PG 6 LN 25
Best Buddies Iowa	35,000	35,000	35,000	0	35,000	0	PG 7 LN 7
Midwestern Higher Education Compact	115,000	115,000	118,450	0	118,450	3,450	PG 7 LN 20
Nonpublic School Concurrent Enrollment	1,000,000	1,000,000	1,000,000	0	1,000,000	0	PG 7 LN 29
Community Colleges General Aid	235,858,161	243,358,161	246,858,161	0	246,858,161	3,500,000	PG 8 LN 1
ISD - Iowa School for the Deaf	11,707,253	12,049,644	12,813,313	0	12,813,313	763,669	PG 8 LN 5
Ed. Services for the Blind & Visually Impaired	4,913,891	5,012,169	5,112,412	0	5,112,412	100,243	PG 8 LN 11
STEM Collaborative Initiative	6,354,848	6,354,848	6,310,409	0	6,310,409	-44,439	PG 8 LN 18
Therapeutic Classroom Incentive Fund	2,351,382	2,351,382	2,351,382	0	2,351,382	0	PG 9 LN 23
Therapeutic Classroom Trans. Claims Reimb.	500,000	0	0	0	0	0	
Online State Job Posting System	0	265,000	265,000	0	265,000	0	PG 9 LN 27
LEAD-K Program	200,000	200,000	200,000	0	200,000	0	PG 9 LN 34
Special Education Division	10,000,000	5,000,000	10,000,000	0	10,000,000	5,000,000	PG 10 LN 26
Professional Development	2,176,458	2,176,458	1,676,458	0	1,676,458	-500,000	PG 10 LN 10
College Aid Commission	591,533	591,533	591,533	0	591,533	0	PG 10 LN 15
National Guard Benefits Program	6,600,000	6,600,000	6,600,000	0	6,600,000	0	PG 10 LN 26
All Iowa Opportunity Scholarships	3,229,468	3,229,468	3,229,468	0	3,229,468	0	PG 10 LN 30
Teach Iowa Scholars	650,000	948,715	1,045,248	0	1,045,248	96,533	PG 10 LN 39
Health Care-Related Loan Program	500,000	0	0	0	0	0	
Health Care Professional Incentive Program	0	7,985,911	7,985,911	0	7,985,911	0	PG 11 LN 10
Rural Iowa Primary Care Loan Repayment Program	2,629,933	0	0	0	0	0	
Rural Veterinarian Loan Repayment Program	700,000	700,000	700,000	0	700,000	0	PG 11 LN 14
Future Ready Iowa Last-Dollar Scholarship Program	23,927,005	23,927,005	23,927,005	0	23,927,005	0	PG 11 LN 18
Future Ready Iowa Skilled Workforce Grant Program	425,000	425,000	425,000	0	425,000	0	PG 11 LN 23
Mental Health Practitioner Loan Repayment Program	520,000	0	0	0	0	0	
Iowa Workforce Grant and Incentive Program	6,500,000	6,500,000	6,500,000	0	6,500,000	0	PG 11 LN 27
Court Reporter Forgivable Loan Program	0	50,000	50,000	0	50,000	0	PG 11 LN 31
Dyslexia Specialist Grant Program	0	0	335,000	0	335,000	335,000	PG 11 LN 35

Education
General Fund

	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Item Veto FY 2027	Net Final Action FY 2027	Net Final Act. FY27 vs Est Net FY26	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
School District Electronic Mail Security	$ 0	$ 0	$ 500,000	$ -500,000	$ 0	$ 0	PG 12 LN 3
Child Development - Standing	10,524,389	10,524,389	10,524,389	0	10,524,389	0	PG 18 LN 34
Health Care Professional Recruitment	500,973	0	0	0	0	0	
Tuition Grant Program - Standing	52,707,069	53,761,210	53,761,210	0	53,761,210	0	STANDING
Tuition Grant - For-Profit	110,700	112,914	0	0	0	-112,914	PG 23 LN 29
Vocational Technical Tuition Grant - Standing	1,750,185	1,750,185	1,863,099	0	1,863,099	112,914	PG 23 LN 31
Reorganization Incentives	0	0	2,500,000	0	2,500,000	2,500,000	STANDING
Therapeutic Classroom Services - Standing	1,240,642	750,000	750,000	0	750,000	0	STANDING
SF 2320 - CE, Course Delivery Methods	0	0	626,000	-626,000	0	0	STANDING
Education, Dept. of	$ 435,298,710	$ 443,205,370	$ 454,677,830	$ -1,126,000	$ 453,551,830	$ 10,346,460	
Iowa PBS							
Iowa PBS Operations	$ 8,116,032	$ 8,165,236	$ 8,165,236	$ 0	$ 8,165,236	$ 0	PG 2 LN 14
Total Education, Department of	$ 443,414,742	$ 451,370,606	$ 462,843,066	$ -1,126,000	$ 461,717,066	$ 10,346,460	

Education
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY26 (6)	Page and Line # (7)
Regents, Board of							
Regents, Board of							
Regents Board Office	$ 764,642	$ 764,642	$ 764,642	$ 0	$ 764,642	$ 0	PG 14 LN 23
BOR - Regents Resource Centers	268,297	268,297	268,297	0	268,297	0	PG 14 LN 36
BOR - John Pappajohn Centers	125,000	125,000	125,000	0	125,000	0	PG 15 LN 5
University of Iowa - General	223,496,355	223,496,355	223,496,355	0	223,496,355	0	PG 15 LN 15
SUI - Oakdale Campus	2,103,819	2,103,819	2,103,819	0	2,103,819	0	PG 15 LN 21
SUI - Hygienic Laboratory	4,822,610	4,822,610	4,822,610	0	4,822,610	0	PG 15 LN 27
SUI - Family Practice Program	2,220,598	2,220,598	2,220,598	0	2,220,598	0	PG 15 LN 33
SUI - Specialized Children Health Services	634,502	634,502	634,502	0	634,502	0	PG 16 LN 3
SUI - Iowa Cancer Registry	143,410	143,410	143,410	0	143,410	0	PG 16 LN 12
SUI - Substance Abuse Consortium	53,427	53,427	53,427	0	53,427	0	PG 16 LN 17
SUI - Biocatalysis	696,342	696,342	696,342	0	696,342	0	PG 16 LN 23
SUI - Primary Health Care	624,374	624,374	624,374	0	624,374	0	PG 16 LN 28
SUI - Iowa Birth Defects Registry	36,839	36,839	36,839	0	36,839	0	PG 16 LN 38
SUI - Iowa Nonprofit Resource Center	156,389	156,389	156,389	0	156,389	0	PG 17 LN 4
SUI - Iowa Online Advanced Placement Acad.	463,616	463,616	463,616	0	463,616	0	PG 17 LN 10
SUI - Iowa Flood Center	1,205,593	1,205,593	1,205,593	0	1,205,593	0	PG 17 LN 16
SUI - College of Nursing	2,800,000	2,800,000	2,800,000	0	2,800,000	0	PG 17 LN 20
SUI - Cancer Research	0	1,000,000	0	0	0	-1,000,000	
SUI - Center for Intellectual Freedom	0	1,000,000	1,000,000	0	1,000,000	0	PG 17 LN 25
Iowa State University - General	178,445,037	178,445,037	229,864,938	0	229,864,938	51,419,901	PG 17 LN 29
ISU - Agricultural Experiment Station	29,462,535	30,462,535	0	0	0	-30,462,535	
ISU - Cooperative Extension	18,157,366	18,157,366	0	0	0	-18,157,366	
ISU - Future Ready Workforce	2,800,000	2,800,000	0	0	0	-2,800,000	
University of Northern Iowa - General	101,894,146	101,894,146	101,894,146	0	101,894,146	0	PG 17 LN 35
UNI - Real Estate Education Program	123,523	123,523	123,523	0	123,523	0	PG 18 LN 3
UNI - Educators for Iowa	1,500,000	1,500,000	1,500,000	0	1,500,000	0	PG 18 LN 8
UNI - Center for Civic Education	0	1,000,000	1,000,000	0	1,000,000	0	PG 18 LN 13
Total Regents, Board of	$ 572,998,420	$ 576,998,420	$ 575,998,420	$ 0	$ 575,998,420	$ -1,000,000	
Total Education	$ 1,019,500,333	$ 1,031,576,216	$ 1,042,048,676	$ -1,126,000	$ 1,040,922,676	$ 9,346,460	

Education
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY26 (6)	Page and Line # (7)
Education, Department of							
Education, Dept. of							
Skilled Workforce Shortage Tuition Grant - SWJCF	$ 5,000,000	$ 5,000,000	$ 5,000,000	$ 0	$ 5,000,000	$ 0	PG 12 LN 25
Workforce Training & Econ Dev Funds - SWJCF	15,100,000	15,100,000	15,100,000	0	15,100,000	0	PG 12 LN 28
Workforce Infrastructure Fund - SWJCF	0	0	6,000,000	0	6,000,000	6,000,000	PG 12 LN 35
ACE Infrastructure - SWJCF	6,000,000	6,000,000	0	0	0	-6,000,000	
PACE and Regional Sectors - SWJCF	5,000,000	4,800,000	4,800,000	0	4,800,000	0	PG 13 LN 22
Gap Tuition Assistance Fund - SWJCF	2,000,000	2,000,000	2,000,000	0	2,000,000	0	PG 13 LN 25
Workforce Prep. Outcome Reporting - SWJCF	200,000	75,000	75,000	0	75,000	0	PG 13 LN 28
STEM Best - SWJCF	700,000	700,000	700,000	0	700,000	0	PG 13 LN 34
Total Education, Department of	$ 34,000,000	$ 33,675,000	$ 33,675,000	$ 0	$ 33,675,000	$ 0	
Total Education	$ 34,000,000	$ 33,675,000	$ 33,675,000	$ 0	$ 33,675,000	$ 0	

Education
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY26 (6)	Page and Line # (7)
Blind, Department for the							
Department for the Blind							
Department for the Blind	75.83	103.74	103.74	0.00	103.74	0.00	PG 1 LN 9
Total Blind, Department for the	75.83	103.74	103.74	0.00	103.74	0.00	
Education, Department of							
Education, Dept. of							
Dept. of Education Administration	54.79	71.87	71.87	0.00	71.87	0.00	PG 2 LN 2
Career Technical Education Administration	8.19	10.80	10.80	0.00	10.80	0.00	PG 2 LN 8
School Food Service	24.45	27.83	27.83	0.00	27.83	0.00	PG 2 LN 25
Student Achievement/Teacher Quality	5.12	5.83	5.83	0.00	5.83	0.00	PG 3 LN 24
Attendance Center/Website & Data System	1.51	1.60	1.60	0.00	1.60	0.00	PG 4 LN 37
ISD - Iowa School for the Deaf	109.05	102.85	132.00	0.00	132.00	29.15	PG 8 LN 5
Ed. Services for the Blind & Visually Impaired	77.06	68.72	68.72	0.00	68.72	0.00	PG 8 LN 11
STEM Collaborative Initiative	5.00	5.00	7.00	0.00	7.00	2.00	PG 8 LN 18
Special Education Division	11.32	29.50	60.00	0.00	60.00	30.50	PG 10 LN 26
College Aid Commission	4.31	4.95	4.95	0.00	4.95	0.00	PG 10 LN 15
Education, Dept. of	300.81	328.95	390.60	0.00	390.60	61.65	
Iowa PBS							
Iowa PBS Operations	54.53	53.20	53.20	0.00	53.20	0.00	PG 2 LN 14
Total Education, Department of	355.33	382.15	443.80	0.00	443.80	61.65	

Education
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act. FY27 vs Est Net FY26 (6)	Page and Line # (7)
Regents, Board of							
Regents, Board of							
Regents Board Office	0.00	2.48	2.48	0.00	2.48	0.00	PG 14 LN 23
University of Iowa - General	5,058.55	5,058.32	5,058.32	0.00	5,058.32	0.00	PG 15 LN 15
SUI - Oakdale Campus	38.25	38.25	38.25	0.00	38.25	0.00	PG 15 LN 21
SUI - Hygienic Laboratory	102.51	102.51	102.51	0.00	102.51	0.00	PG 15 LN 27
SUI - Family Practice Program	2.71	2.71	2.71	0.00	2.71	0.00	PG 15 LN 33
SUI - Specialized Children Health Services	4.16	4.16	4.16	0.00	4.16	0.00	PG 16 LN 3
SUI - Iowa Cancer Registry	2.10	2.10	2.10	0.00	2.10	0.00	PG 16 LN 12
SUI - Substance Abuse Consortium	0.99	0.99	0.99	0.00	0.99	0.00	PG 16 LN 17
SUI - Biocatalysis	6.28	6.28	6.28	0.00	6.28	0.00	PG 16 LN 23
SUI - Primary Health Care	6.22	6.22	6.22	0.00	6.22	0.00	PG 16 LN 28
SUI - Iowa Birth Defects Registry	0.38	0.38	0.38	0.00	0.38	0.00	PG 16 LN 38
SUI - Iowa Nonprofit Resource Center	2.75	2.75	2.75	0.00	2.75	0.00	PG 17 LN 4
Iowa State University - General	3,647.41	3,647.41	4,062.34	0.00	4,062.34	414.93	PG 17 LN 29
ISU - Agricultural Experiment Station	174.52	174.52	0.00	0.00	0.00	-174.52	
ISU - Cooperative Extension	240.41	240.41	0.00	0.00	0.00	-240.41	
University of Northern Iowa - General	1,250.28	1,250.28	1,250.28	0.00	1,250.28	0.00	PG 17 LN 35
UNI - Real Estate Education Program	0.86	0.86	0.86	0.00	0.86	0.00	PG 18 LN 3
Total Regents, Board of	10,538.38	10,540.63	10,540.63	0.00	10,540.63	0.00	
Total Education	10,969.54	11,026.52	11,088.17	0.00	11,088.17	61.65	

FUNDING SUMMARY

General Fund FY 2027: Appropriates a total of $2,560.4 million from the General Fund and 4,724.0 full-time equivalent (FTE) positions to the Department of Health and Human Services (HHS), and the Department of Veterans Affairs (DVA). This is an increase of $3.1 million and 384.1 FTE positions compared to estimated net FY 2026. Total FTE positions authorized provide an increase of 576.0 FTE positions compared to the total authorized in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act).

Other Funds FY 2027: Appropriates a total of $447.2 million from other funds. The Governor item vetoed a $3.0 million appropriation from the Opioid Settlement Fund (OSF), reducing this total to $444.2 million. This is a decrease of $13.1 million compared to estimated net FY 2026.

Standing General Fund Appropriations FY 2027: In addition to the appropriations in this Act, the attached tracking includes the following standing General Fund appropriations totaling $3.0 million that are automatically appropriated in statute:

- $990,000 for the County Commissions of Veteran Affairs Fund.
- $233,000 to the HHS for Child Abuse Prevention.
- $224,000 to the HHS for the Center for Congenital and Inherited Disorders Central Registry.
- $425,000 to the HHS for Centers of Excellence.
- $1 to the HHS for the Low-Income Home Energy Assistance Program (LIHEAP) Weatherization Assistance Program.
- $1,400 to the HHS for the Commission of Inquiry.
- $143,000 to the HHS for Nonresident Mental Illness Commitment.
- $1.0 million to the HHS for the Behavioral Health Fund.

Standing Other Fund Appropriations FY 2027: In addition to the appropriations in this Act, the attached tracking includes the following standing Other Fund appropriation estimates totaling $137.8 million that are automatically appropriated in statute:

- $150,000 from the Medicaid Fraud Fund to the HHS for Medical Assistance.
- $137.6 million from the Health Care Trust Fund to the HHS for Medical Assistance.

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Requires the HHS to apply to the Centers for Medicare and Medicaid Services (CMS) for a waiver of Medicaid's institution for mental diseases (IMD) exclusion no later than July 1, 2027. — Page 26, Line 21

FISCAL IMPACT: The HHS estimates that applying to the CMS for a waiver of Medicaid's IMD exclusion will increase costs to the HHS by the following amounts for future fiscal years:

- FY 2027: $595,000, of which the State cost is $298,000 and the federal cost is $298,000.
- FY 2028: $278,000, of which the State cost is $139,000 and the federal cost is $139,000.
- FY 2029: $679,000, of which the State cost is $339,000 and the federal cost is $339,000.
- FY 2030: $679,000, of which the State cost is $339,000 and the federal cost is $339,000.
- FY 2031: $679,000, of which the State cost is $339,000 and the federal cost is $339,000.

Requires the HHS to make certain FTE information publicly available. — Page 26, Line 30

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Department of Health and Human Services — Aging and Disability Services: Appropriates a total of $19.4 million and 101.0 FTE positions from the General Fund. This is an increase of $171,000 and 18.0 FTE positions compared to estimated net FY 2026. — Page 2, Line 27

Department of Health and Human Services — Behavioral Health: Appropriates a total of $23.1 million from the General Fund and 70.0 FTE positions. This is a decrease of $1.3 million and an increase of 6.0 FTE positions compared to estimated net FY 2026. — Page 3, Line 34

Department of Health and Human Services — Public Health: Appropriates a total of $21.2 million and 348.6 FTE positions from the General Fund. This is a net decrease of $1.3 million and an increase of 6.5 FTE positions compared to estimated net FY 2026. — Page 5, Line 9

Creates a new allocation of $191,000 from the General Fund Public Health appropriation for a Child Vision Screening Program contract with University of Iowa Health Care (UIHC). Requires the Program to submit a report to the HHS regarding objectives, results, and the use of funds allocated to the Child Vision Screening Program. — Page 5, Line 26

Creates a new allocation of $144,000 from the General Fund Public Health appropriation for epilepsy education and support. Requires funds to be distributed on July 1, 2026. Requires a dollar-for-dollar match of the funds above $50,000. — Page 5, Line 38

Allocates a total of $999,000 of the Public Health appropriation to support increased access, health system integration, and engagement. This is a decrease of $225,000 compared to the estimated net FY 2026 allocation. Page 6, Line 8

Creates a new allocation of $1.5 million from the General Fund Public Health appropriation for medical residency program grants that are not related to the practice of family medicine and not in Johnson county. Page 7, Line 4

Department of Health and Human Services — Community Access and Eligibility: Appropriates a total of $76.4 million and 883.9 FTE positions from the General Fund. This is an increase of $7.8 million and an increase of 76.9 FTE positions compared to estimated net FY 2026. Page 7, Line 22

Temporary Assistance for Needy Families (TANF) Block Grant: Appropriates $153.7 million for various programs administered by the HHS funded through the TANF Block Grant. This is a decrease of $5.3 million compared to estimated net FY 2026. Page 9, Line 33

Department of Health and Human Services — Medical Assistance Program, State Supplementary Assistance (SSA), and Healthy and Well Kids in Iowa (Hawki) Program: Appropriates a total of $1,992.6 million from the General Fund. This is no change compared to estimated net FY 2026 and includes the following: Page 11, Line 12

- An increase of $151.9 million for the expected Medical Assistance shortfall in FY 2026.
- An increase of $3.0 million for a Home- and Community-Based Services (HCBS) elderly waiver rate increase.
- An increase of $1.2 million for an ambulatory surgical center rate increase.
- An increase of $333,000 for a special population nursing facility (SPNF) rate adjustment.
- A decrease of $150,000 due to allowing Medicaid to dispense a 90-day supply of a prescription.
- A decrease of $308,000 due to shifting certain behavioral service costs from Medicaid to Medicare.
- A decrease of $491,000 due to applying a site of service differential for telehealth service billing.
- A decrease of $602,000 due to venipuncture and therapy rehabilitation billing code adjustments.
- A decrease of $1.1 million due to a 30-day readmission policy requiring the use of the same diagnosis related group payment for the same condition.
- A decrease of $1.2 million due to changes for speech therapy and rehabilitation service codes and reimbursement.
- A decrease of $2.2 million due to requiring Medicaid to always pay the lowest available price when adjudicating claims.
- A decrease of $5.4 million for a facility- and provider-based billing adjustment.
- A decrease of $5.6 million for an appropriation from the Behavioral Health Fund.

- A decrease of $6.5 million for a Managed Care Organization (MCO) premium tax payment adjustment, shifting costs to the MCOs.
- A decrease of $132.9 million due to Health Maintenance Organization (HMO) tax revenue.

Department of Health and Human Services — Health Program Operations: Appropriates a total of $40.3 million and 97.0 FTE positions from the General Fund. This is an increase of $670,000 and an increase of 15.0 FTE positions compared to estimated net FY 2026. Page 12, Line 19

Behavioral Health Fund (BHF): Appropriates $5.6 million from the BHF to the HHS to supplement the FY 2027 General Fund Medical Assistance appropriation. This is a new appropriation for FY 2027. Page 14, Line 37

Requires the HHS to base case-mix nursing facility reimbursement rates for FY 2027 based on the rates in effect June 30, 2026. Requires the HHS to calculate each nursing facility's case-mix index for the rate period beginning July 1, 2026, from July 1, 2025, through December 31, 2025. Requires the HHS to calculate each nursing facility's case-mix index for the rate period beginning January 1, 2027, from January 1, 2026, through June 30, 2026. Requires the nursing facility rate adjustment to be budget neutral. Page 15, Line 22

Requires $1.2 million to be used for FY 2027 to increase Medicaid reimbursement rates for ambulatory surgical centers. Page 15, Line 35

Requires $3.0 million to be used for FY 2027 to increase Medicaid reimbursement rates for HCBS elderly waiver services. Page 15, Line 39

Department of Health and Human Services — Child Care Assistance: Appropriates a total of $32.7 million from the General Fund and 53.0 FTE positions. This is a decrease of $2.3 million and no change in FTE positions compared to estimated net FY 2026. Page 16, Line 18

Department of Health and Human Services — Early Intervention and Supports: Appropriates a total of $36.5 million from the General Fund and 28.0 FTE positions. This is a net increase of $1.2 million and 1.0 FTE position compared to estimated net FY 2026. Page 16, Line 39

Creates a new allocation of $1.5 million from the Early Intervention and Supports appropriation in FY 2027 for the More Options for Maternal Supports (MOMS) Program. Page 17, Line 23

Department of Health and Human Services — Child Protective Services: Appropriates a total of $164.5 million from the General Fund and 977.0 FTE positions. This is a net decrease of $1.0 million and an increase of 117.8 FTE positions compared to estimated net FY 2026. Page 17, Line 27

Department of Health and Human Services — State-Operated Specialty Care: Appropriates a total of $100.2 million from the General Fund and 1,304.5 FTE positions. This is a decrease of $2.1 million and 25.0 FTE positions compared to estimated net FY 2026. — Page 20, Line 3

Allocates $19.9 million from the State-Operated Specialty Care appropriation for the Cherokee Mental Health Institute (MHI). This is a decrease of $650,000 compared to the estimated net FY 2026 allocation. — Page 20, Line 20

Allocates $23.8 million from the State-Operated Specialty Care appropriation for the Independence MHI. This is a decrease of $1.1 million compared to the estimated net FY 2026 allocation. — Page 20, Line 22

Allocates $23.3 million from the State-Operated Specialty Care appropriation for the Civil Commitment Unit for Sexual Offenders (CCUSO). This is an increase of $2.8 million compared to the estimated net FY 2026 allocation. — Page 20, Line 24

Allocates $12.6 million from the State-Operated Specialty Care appropriation for the Woodward Resource Center. This is a decrease of $1.9 million compared to the estimated net FY 2026 allocation. — Page 20, Line 27

Allocates $19.8 million from the State-Operated Specialty Care appropriation for the Eldora State Training School (STS). This is a decrease of $673,000 compared to the estimated net FY 2026 allocation. — Page 20, Line 29

Allocates $942,000 from the State-Operated Specialty Care appropriation for the Glenwood Resource Center. This is a decrease of $648,000 compared to the estimated net FY 2026 allocation. — Page 20, Line 31

Department of Health and Human Services — Accountability, Compliance, and Program Integrity: Appropriates a total of $23.2 million from the General Fund and 382.0 FTE positions. This is a net increase of $1.2 million and 112.0 FTE positions compared to estimated net FY 2026. — Page 20, Line 38

Opioid Settlement Fund: Appropriates $3.0 million from the OSF to the HHS for Renewal Falls Recovery Center in Cedar Falls. This is a new appropriation for FY 2027. *This item was vetoed by the Governor.* — Page 31, Line 14

Modifies 2025 Iowa Acts, House File 972 (Rural Health Care Act), to transfer any unencumbered moneys remaining in the repealed accounts under Division VI of the Act to the HHS to award grants to start medical residency programs in the State that are not sponsored by the UIHC and that are not related to the practice of family medicine, rather than to fund Medicaid graduate medical education (GME) efforts. Requires $298,000 from the Medical Residency Training Account to be used to apply for a waiver of Medicaid's IMD exclusion. — Page 32, Line 5

FISCAL IMPACT: In June 2025, the HHS estimated that the repealed funds and accounts may have a total unobligated and unencumbered balance of $9.9 million, which includes the following:

- $1.1 million from the Health Care Workforce Shortage Fund Interest Account.
- $7.2 million from the Medical Residency Training Account.
- $1.1 million from the Family Medicine Obstetrics Fellowship Program Fund.
- $454,000 from the rural psychiatry residency and fellowship positions allocation.

Requires the HHS to set the Medicaid reimbursement rate for SPNFs at the facility's average allowable per diem cost adjusted in compliance with applicable federal laws and regulations, including upper payment limits. Provides that the reimbursement requirements also apply to new beds and services — Page 33, Line 17

FISCAL IMPACT: Adjusting SPNF reimbursement is estimated to cost approximately $905,000 in FY 2027. Of the cost, the federal government will pay $572,000 and the State will pay $333,000.

CHANGES TO PRIOR APPROPRIATIONS

Allows any unencumbered or unobligated funds appropriated in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act), from the General Fund for the MOMS Program in FY 2026 to remain available for expenditure until the close of FY 2027. — Page 25, Line 11

Requires 70.0% of the funds set aside for community mental health service providers in federal fiscal year (FFY) 2026 and FFY 2027 appropriated to the HHS from the Community Mental Health Services Block Grant to be distributed to State-accredited community mental health centers under Iowa Code section 225A.3. *This item was vetoed by the Governor.* — Page 30, Line 13

STUDIES AND INTENT

Emergency Rules

Requires the HHS to adopt emergency administrative rules to comply with federal requirements or to implement this Act. The rules are required to be effective immediately upon filing or on a later effective date specified in the rules. — Page 24, Line 24

Requires the HHS to notify the General Assembly and the Department of Management (DOM) if adopted emergency administrative rules will increase expenditures. The notification is required to be made at least 30 — Page 24, Line 35

calendar days prior to the notice of the rules being submitted to the Administrative Rules Coordinator and Editor.

Intent

Specifies that it is the intent of the General Assembly to provide sufficient funding for the State Child Care Assistance (CCA) Program in FY 2027 to avoid the establishment of a waiting list.	Page 16, Line 29
Prohibits a district or juvenile court from ordering any service that is a charge to the State if there are insufficient funds to pay for the service.	Page 18, Line 25

Nonreversion

Requires federal moneys received in FY 2027 because of the expenditure of State funds in a previous year to be used for Child Protective Services. Allows any unencumbered or unobligated funds to remain available for expenditure through FY 2028.	Page 18, Line 9
Allows any unencumbered or unobligated funds appropriated from the General Fund for the Family Development and Self-Sufficiency (FaDSS) grant program in FY 2027 to remain available for FY 2028.	Page 22, Line 26
Allows any unencumbered or unobligated funds appropriated from the General Fund, the Quality Assurance Trust Fund (QATF), and the Hospital Health Care Access Trust Fund (HHCAT) to the HHS in FY 2027 for the Medicaid Program to remain available for FY 2028.	Page 22, Line 37
Allows any unencumbered or unobligated funds appropriated from the General Fund to the HHS for State-Operated Specialty Care in FY 2027 to remain available for subsequent fiscal years.	Page 23, Line 9
Allows any unencumbered or unobligated funds appropriated from the General Fund to the HHS for the Iowa Commission on Volunteer Services in FY 2027 to remain available for subsequent fiscal years.	Page 23, Line 19
Allows any unencumbered or unobligated funds appropriated from the General Fund to the HHS for rural psychiatric residencies in FY 2027 to remain available for FY 2028.	Page 23, Line 27
Allows any unencumbered or unobligated funds appropriated from the General Fund to the HHS and allocated for adoption subsidy payments or post-adoption services in FY 2027 to remain available for FY 2028.	Page 23, Line 35

Allows any unencumbered or unobligated funds appropriated from the General Fund to the HHS and allocated for Child Protective Services in FY 2027 to remain available for FY 2028. — Page 24, Line 5

Required Reports

Requires the Iowa Veterans Home (IVH) to submit a monthly expenditure report to the General Assembly. — Page 2, Line 16

Requires the HHS to report any transfers made for continuing alignment efforts, maximizing federal support, and the implementation and administration of services to the General Assembly. Requires the HHS to report to the chairpersons of the HHS appropriations subcommittee the allocations and FTE positions for each division of the HHS for FY 2028 on or before December 1, 2026. — Page 21, Line 22

Requires the HHS to report the expenditure of any moneys for which nonreversion authorization was provided for FY 2026 to the General Assembly on a quarterly basis beginning October 1, 2027. — Page 24, Line 15

Requires the HHS, on or before October 1 of the immediately succeeding calendar year in which the review on shelter care and QRTP provider rates is conducted, to submit a report to the Governor and the General Assembly detailing the results of the review and recommendations for rate adjustments. — Page 25, Line 28

Requires the HHS to submit an annual report that summarizes the review of provider reimbursement rates for Medicaid services that are reimbursed by a statewide fee schedule and that are not periodically updated or rebased pursuant to federal or State law or rule to the General Assembly by January 15. — Page 26, Line 16

Requires the HHS to publish the amounts to be distributed to community mental health centers from the Community Mental Health Services Block Grant for FFY 2026 and FFY 2027 on the Department's internet site on or before October 1, 2025, and on or before October 1, 2026. *This item was vetoed by the Governor.* — Page 30, Line 13

Requires the HHS to submit to the General Assembly a summary of the Department's expenditures for behavioral health services for adults and children for the immediately preceding fiscal year, including a summary of which appropriations or funding sources were used to fund the expenditures, no later than December 15 of each year. — Page 31, Line 4

SIGNIFICANT CODE CHANGES

Requires the HHS to biennially review shelter care and Qualified Residential Treatment Program (QRTP) provider rates upon implementation of a uniform cost report. — Page 25, Line 28

Requires the HHS to annually review provider reimbursement rates for Medicaid services that are reimbursed by a statewide fee schedule and that are not periodically updated or rebased pursuant to federal or State law or rule. Requires the HHS to compare provider reimbursement rates, other than dental services, to the federal Medicare program. Requires the HHS to compare dental provider reimbursement rates to the rates set by Medicaid programs in states contiguous to Iowa. — Page 26, Line 2

Reestablishes the Comprehensive Family Support Program (CFSP) under the HHS in Iowa Code to provide a statewide system of services and support to eligible families. Requires the CFSP to be implemented to enable a family member of an individual with a disability to identify the needed services and support. The CFSP was previously authorized under 2025 Iowa Code section 225C.47, but was repealed by 2024 Iowa Acts, chapter 1161 (Behavioral Health Service System Act). — Page 27, Line 6

EFFECTIVE DATE

This Act takes effect July 1, 2026 unless specified below.

Specifies that Division XIII of this Act related to MOMS appropriation nonreversion takes effect upon enactment and applies retroactively to July 1, 2025. — Page 25, Line 22

Specifies that Division XVII of this Act related to the CFSP takes effect upon enactment and applies retroactively to July 1, 2025. — Page 30, Line 7

GOVERNOR'S VETOES

The Governor vetoed Division XVIII of this Act related to the Community Mental Health Block Grant stating that there was an intentional redesign of Iowa's mental and behavioral health administration and funding through 2024 Iowa Acts, chapter 1161 (Behavioral Health Service System Act), as well as 2025 Iowa Acts, Senate File 626 (Federal Block Grant Appropriations and Other Federal Funds Act). The Governor noted that to support the redesign of Iowa's Community Mental Health Services Block Grant allocations, Medicaid reimbursements for community mental health centers were increased and additional funds were made available through the Behavioral Health Administrative Service Organization to sustain safety net access. — Page 30, Line 13

The Governor vetoed Division XX of this Act related to the OSF and the appropriation of $3.0 million from the OSF stating that Iowa established a competitive, accessible, and fair process for allocation of opioid settlement funds in 2025 Iowa Acts, House File 1038 (Opioid Settlement Fund Act). — Page 31, Line 14

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and item vetoed and signed by the Governor on June 2, 2026,

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House File 2782 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
25	28	28	Add	235.2.9
26	2	29	Add	249A.4.15
27	6	32	New	231.80
31	4	37	New	225A.10
33	17	40	Add	249A.2.15
33	35	41	New	249A.38C

DIVISION I
DEPARTMENT OF VETERANS AFFAIRS — FY 2026-2027

Section 1. DEPARTMENT OF VETERANS AFFAIRS. There is appropriated from the general fund of the state to the department of veterans affairs for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF VETERANS AFFAIRS ADMINISTRATION
For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 1,369,205
..... FTEs 15.00

General Fund appropriation to the Department of Veterans Affairs (DVA).

DETAIL: This is no change in funding and an increase of 4.00 full-time equivalent (FTE) positions compared to estimated net FY 2026. The increase of 4.00 FTE positions is to restore the FTE positions to the previously authorized amount in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act).

2. IOWA VETERANS HOME
For salaries, support, maintenance, and miscellaneous purposes:
..... $ 8,145,736

General Fund appropriation to the Iowa Veterans Home (IVH).

DETAIL: This is no change in funding compared to estimated net FY 2026.

a. The Iowa veterans home billings involving the department of health and human services shall be submitted to the department on at least a monthly basis.

Requires the IVH to submit monthly claims relating to Medicaid to the Department of Health and Human Services (HHS).

b. The Iowa veterans home expenditure report shall be submitted monthly to the general assembly.

Requires the IVH to submit a monthly expenditure report to the General Assembly.

3. HOME OWNERSHIP ASSISTANCE PROGRAM
For transfer to the Iowa finance authority for the continuation of the home ownership assistance program for persons who are or were eligible members of the armed forces of the United States or eligible service members pursuant to section 16.54:
..... $ 2,200,000

General Fund appropriation to the Home Ownership Assistance Program for military service members and veterans, to be transferred to the Iowa Finance Authority.

DETAIL: This is no change in funding compared to estimated net FY 2026. Under the Program, a $5,000 grant is available to a service member for down payment and closing costs toward the

purchase of a new home in the State of Iowa. The home must be a primary residence, and this is a once-in-a-lifetime grant.

DIVISION II
AGING AND DISABILITY SERVICES — FY 2026-2027

Sec. 2. DEPARTMENT OF HEALTH AND HUMAN SERVICES — AGING AND DISABILITY SERVICES. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For aging programs for the department of health and human services and area agencies on aging to provide citizens of Iowa who are 60 years of age and older with case management; for Iowa's aging and disabilities resource centers; for the return to community program; for the purposes of chapter 231E; to administer the prevention of elder abuse, neglect, and exploitation program pursuant to section 231.56A, in accordance with the requirements of the federal Older Americans Act of 1965, 42 U.S.C. §3001 et seq., as amended; for the operation of the dependent adult abuse services program pursuant to chapter 235B; for matching funding for programs to enable persons with severe physical or mental disabilities to function more independently; for costs associated with centers for independent living; and for other services which may include but are not limited to adult day care, respite care, chore, information and assistance, and material aid; for information and options counseling for persons with disabilities; and for salaries, support, administration, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 19,379,531
..... FTEs 101.00

General Fund appropriation to the HHS — Aging and Disability Services for FY 2027.

DETAIL: This is an increase of $171,351 and 18.00 FTE positions compared to estimated net FY 2026. The funding and FTE position changes include the following:

- An increase of $171,351 due to moving the administration of the Statewide Independent Living Councils (SILCs) and Centers for Independent Living (CILs) from Iowa Workforce Development to the HHS.
- An increase of 5.00 FTE positions to provide the same amount of FTE positions as the total authorized in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act).
- An increase of 12.00 FTE positions to shift Long Term Care Ombudsman staff from the Accountability, Compliance, and Program Integrity appropriation.
- An increase of 1.00 FTE position to shift a community advocacy services position from the Early Intervention and Supports appropriation.

The Division of Aging and Disability Services works with Iowa's Area Agencies on Aging (AAAs) and Aging and Disability Resource Centers to provide supports and services to individuals aged 60 years old and older and individuals with disabilities through programs and initiatives that improve access to affordable, high-quality, long-term living and community supports.

1. Moneys appropriated in this section may be used to supplement federal moneys received under federal regulations. To receive moneys appropriated in this section, a local area agency on aging shall match the moneys with moneys from other

Permits the use of funds appropriated in this section to supplement federal funds for elderly services if those services are approved by the HHS as part of an AAA's area

sources according to rules adopted by the department. Moneys appropriated in this section may be used for services not specifically enumerated in this section only if approved by the department as part of an area agency on aging's area plan.

plan. Requires local AAAs to match the funds for aging programs and services.

2. Of the moneys appropriated in this section, $949,282 is allocated to be used for the comprehensive family support program created in section 231.80 as enacted under this Act.

Allocates $949,282 for the Comprehensive Family Support Program (CFSP), also known as the Children at Home Program, which is reestablished in Iowa Code in Division XVII of this Act.

DETAIL: This is no change in funding compared to estimated net FY 2026.

3. Of the moneys appropriated in this section, $33,632 is allocated to be used to build community capacity through the coordination and provision of training opportunities in accordance with the consent decree of Conner v.Branstad, No. 4-86-CV-30871 (S.D. Iowa, July 15, 1994).

Allocates $33,632 to the HHS for the Conner Decree training requirements.

DETAIL: This is no change in funding compared to estimated net FY 2026. The funds are used for training purposes to comply with the *Conner v. Branstad* consent decree mandating placement of persons with developmental disabilities in the least restrictive setting possible.

DIVISION III
BEHAVIORAL HEALTH — FY 2026-2027

Sec. 3. DEPARTMENT OF HEALTH AND HUMAN SERVICES — BEHAVIORAL HEALTH. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

General Fund appropriation to the HHS — Behavioral Health for FY 2027.

DETAIL: This is a decrease of $1,315,000 and an increase of 6.00 FTE positions compared to estimated net FY 2026. Total FTE positions authorized provide a decrease of 1.00 FTE position compared to the total authorized in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act). The funding and FTE position changes include:

- A decrease of $15,000 and 1.00 FTE position to eliminate a vacant information technology (IT) specialist position.
- A decrease of $100,000 for the Center of Excellence for Behavioral Health.

For behavioral health prevention, education, early intervention, treatment, recovery support, and crisis services in order to support statewide access to treatment for behavioral health conditions; stabilization and mitigation of behavioral health crises; and recovery for individuals and families impacted by behavioral health conditions. Activities shall align with accepted best practice guidance standards for behavioral health including those published by the centers for disease control and prevention of the United States department of health and human services, and the substance abuse and

mental health services administration of the United States department of health and human services, for health promotion; universal, selective, and indicated prevention; treatment; and recovery services and supports; and shall include a 24-hour helpline, public information resources, professional training, youth prevention, program evaluation, and efforts at the state and local levels, and for not more than the following full-time equivalent positions:

..... $ 23,127,121

..... FTEs 70.00

- A decrease of $120,000 for the Iowa Students for Tobacco Education and Prevention (ISTEP) Summit.
- A decrease of $500,000 to eliminate the National Jewish Health Quitline contract.
- A decrease of $580,000 to eliminate certain marketing for gambling and tobacco programs to reflect changes in the public's consumption of marketing and advertising materials.

The Division of Behavioral Health works to provide prevention, treatment, and recovery services related to mental health and addictive disorders.

1. Of the moneys appropriated in this section, $300,000 is allocated to support the work of the children's behavioral health system including evidence-based behavioral health prevention, treatment, and recovery services and supports for children and their families.

Allocates $300,000 for the Children's Behavioral Health System.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation.

2. Of the moneys appropriated in this section, $950,000 is allocated for an integrated substance use disorder managed care system. The department shall maintain the level of mental health and substance use disorder treatment services provided by the managed care contractors, and shall take the steps necessary to continue the federal waivers as needed to maintain the level of services.

Allocates $950,000 for continuation of the Managed Substance Abuse Treatment Program.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation.

Sec. 4. DEPARTMENT OF HEALTH AND HUMAN SERVICES — SPORTS WAGERING RECEIPTS FUND. There is appropriated from the sports wagering receipts fund created in section 8.57I, to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for behavioral health prevention, education, early intervention, treatment, recovery support, and crisis services in order to support statewide access to treatment for behavioral health conditions; stabilization and mitigation of behavioral health crises; and recovery for individuals and families impacted by behavioral health conditions:

..... $ 1,750,000

Sports Wagering Receipts Fund (SWRF) appropriation for problem gambling and substance-related disorder prevention, treatment, and recovery services, including Your Life Iowa, professional training, youth prevention, and program evaluation.

DETAIL: This is no change in funding compared to estimated net FY 2026.

DIVISION IV
PUBLIC HEALTH — FY 2026-2027

Sec. 5. DEPARTMENT OF HEALTH AND HUMAN SERVICES — PUBLIC HEALTH. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For programs that support health promotion, protect the health and safety of the public, conduct disease surveillance and investigation to reduce the incidence of morbidity and mortality, serve individuals with chronic conditions including but not limited to cancer, support the Iowa donor registry as specified in section 142C.18, and strengthen the health care delivery system and workforce to improve health outcomes for all Iowans, and for not more than the following full-time equivalent positions:
..... $ 21,168,369
..... FTEs 348.60

General Fund appropriation to the HHS — Public Health for FY 2027.

DETAIL: This is a decrease of $1,265,000 and an increase of 6.45 FTE positions compared to estimated net FY 2026. Total FTE positions authorized provide the same as the total authorized in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act). The funding changes include the following:

- A decrease of $40,000 to eliminate a contract for the survey of children who experience adverse childhood experiences.
- A decrease of $225,000 to eliminate a contract with the Polk County Medical Society for the safety net provider patients access to specialty health care clinics initiative.
- A decrease of $1,000,000 for a Medicaid graduate medical education reduction.

The Division of Public Health's responsibilities include promoting the health and safety of the public, conducting disease surveillance and investigation to reduce the incidence of morbidity and mortality, serving individuals with chronic conditions, and strengthening the health care delivery system.

1. Of the moneys appropriated in this section, $191,000 is allocated to the university of Iowa hospitals and clinics to administer a child vision screening program through continuation of an existing contract. The program shall submit a report to the department regarding the use of funds allocated under this subsection. The report shall include the objectives and results for the program year including the target population and how the funds allocated assisted the program in meeting the objectives; the number, age, and location within the state of individuals served; the type of services provided to the individuals served; the distribution of moneys based on

Allocates $191,000 for the Child Vision Screening Program contract with University of Iowa Health Care (UIHC). Requires the Program to submit a report to the HHS regarding objectives, results, and the use of funds allocated to the Child Vision Screening Program.

DETAIL: This is a new allocation for FY 2027. The allocation previously existed in 2023 Iowa Acts, chapter 112 (FY 2024 Health and Human Services Appropriations Act).

5 37 the services provided; and the continuing needs of the program.

5 38 2. Of the moneys appropriated in this section, $144,000 is
5 39 allocated for the public purpose of allowing the department
6 1 to continue an existing contract with an existing affiliated
6 2 organization to provide education, client-centered programs,
6 3 and client and family support, for people living with epilepsy
6 4 and their families. The moneys allocated in excess of $50,000
6 5 shall be matched dollar for dollar by the existing affiliated
6 6 organization. Moneys under this section shall be distributed
6 7 in their entirety on July 1, 2026, for the purpose specified.

Allocates $144,000 for epilepsy education and support. Funds allocated are required to be distributed on July 1, 2026. The allocation requires a dollar-for-dollar match of the funds above $50,000.

DETAIL: This is a new allocation for FY 2027. The allocation previously existed in 2023 Iowa Acts, chapter 112 (FY 2024 Health and Human Services Appropriations Act). Funding provides for education, client-centered programs, and client and family support for people and families of people living with epilepsy.

6 8 3. Of the moneys appropriated in this section, the following
6 9 amounts are allocated to the department of health and human
6 10 services to be used as follows to support the goals of
6 11 increased access, health system integration, and engagement:

Allocates a total of $999,000 of the Public Health appropriation to support increased access, health system integration, and engagement.

DETAIL: This is a decrease of $225,000 compared to the estimated net FY 2026 allocation to eliminate a contract with the Polk County Medical Society for the safety net provider patients access to specialty health care clinics initiative.

6 12 a. $600,000 for distribution to a nonprofit organization
6 13 that established the first statewide drug donation repository
6 14 for continuation of the pharmaceutical infrastructure for
6 15 safety net providers established as described in 2007 Iowa
6 16 Acts, chapter 218, section 108, and for the prescription drug
6 17 donation repository program established in chapter 135M.
6 18 Moneys under this paragraph shall be distributed in their
6 19 entirety on July 1, 2026, for the purpose specified.

Distributes $600,000 of the allocation to be used for pharmaceutical infrastructure for the SafeNetRx prescription drug donation repository program. Requires these moneys to be distributed in their entirety on July 1, 2026.

6 20 b. $374,000 for distribution to free clinics, as defined in
6 21 section 135.24, and a nonprofit organization that facilitates
6 22 the initiation, operation, and collaboration of free clinics
6 23 for necessary infrastructure, statewide coordination, provider
6 24 recruitment, service delivery, and provision of assistance to
6 25 patients in securing a medical home inclusive of oral health
6 26 care. Of the moneys allocated, $40,000 shall be used to lower
6 27 fees associated with using an electronic prescribing system.
6 28 Moneys under this paragraph shall be distributed in their

Distributes $374,000 of the allocation to be used for free clinics and a nonprofit organization that facilitates free clinics. Of these moneys, $40,000 will be used to lower fees associated with an electronic prescribing system. Requires these moneys to be distributed in their entirety on July 1, 2026.

6 29 entirety on July 1, 2026, for the purpose specified.

6 30 c. $25,000 for distribution to an organization that raises
6 31 awareness about issues related to rural health clinics for
6 32 necessary infrastructure and service delivery transformation.
6 33 Moneys under this paragraph shall be distributed in their
6 34 entirety on July 1, 2026, for the purpose specified.

Distributes $25,000 of the allocation to be used for an organization that raises awareness about rural health clinic issues and infrastructure and service delivery transformation. Requires these moneys to be distributed in their entirety on July 1, 2026.

6 35 4. Of the moneys appropriated in this section, $400,000
6 36 is allocated for rural psychiatric residencies for residents
6 37 selected on or before June 30, 2026.

Allocates $400,000 of the Public Health appropriation for rural psychiatric residencies to support the funding of psychiatric residents, selected on or before June 30, 2026.

DETAIL: This is a decrease of $200,000 compared to the estimated net FY 2026 allocation.

6 38 5. Of the moneys appropriated in this section, $20,000 is
6 39 allocated to make radon test kits available, free of charge,
7 1 to homeowners and renters in the state. The department shall
7 2 provide a link on the department's internet site for homeowners
7 3 and renters in the state to order radon test kits.

Allocates $20,000 of the Public Health appropriation to make radon test kits available, free of charge, to homeowners and renters in Iowa. Requires the HHS to provide a link on the HHS's website for homeowners and renters to order radon test kits.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation.

7 4 6. Of the moneys appropriated in this section, $1,500,000 is
7 5 allocated for awarding grants for medical residency programs in
7 6 the state that meet the following criteria:
7 7 a. The medical residency program is not related to the
7 8 practice of family medicine.
7 9 b. The medical residency program is not located in a county
7 10 that has a population of one hundred fifty thousand or more
7 11 based on the most recent federal decennial census, and in which
7 12 the main campus of an institution of higher learning governed
7 13 by the state board of regents is located.

Allocates $1,500,000 for medical residency program grants that are not related to the practice of family medicine and not located in Johnson county.

DETAIL: This is a new allocation for FY 2027.

7 14 7. The university of Iowa hospitals and clinics under
7 15 the control of the state board of regents shall not receive
7 16 indirect costs from the moneys appropriated in this section.
7 17 The university of Iowa hospitals and clinics billings to the
7 18 department shall be, at a minimum, on a quarterly basis.

Prohibits the UIHC from receiving indirect costs from the General Fund Public Health appropriation to the HHS. Requires the UIHC to submit billings to the HHS on no less than a quarterly basis.

DIVISION V
COMMUNITY ACCESS AND ELIGIBILITY — CHILD SUPPORT SERVICES — TANF — FY 2026-2027

Sec. 6. DEPARTMENT OF HEALTH AND HUMAN SERVICES — COMMUNITY ACCESS AND ELIGIBILITY. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
To be used for salaries, support, maintenance, and miscellaneous purposes and for family investment program (FIP) assistance in accordance with chapter 239B, and for other costs associated with providing needs-based benefits or assistance including but not limited to maternal and child health, oral health, obesity prevention, the promoting independence and self-sufficiency through employment, job opportunities and the basic skills (PROMISE JOBS) program, supplemental nutrition assistance program (SNAP) employment and training, the FIP diversion program, family planning, rent reimbursement, and eligibility determinations for medical assistance, food assistance, and the children's health insurance program, and for not more than the following full-time equivalent positions:
..... $ 76,371,516
..... FTEs 883.90

General Fund appropriation to the HHS — Community Access and Eligibility for FY 2027.

DETAIL: This is a net increase of $7,829,060 and 76.90 FTE positions compared to estimated net FY 2026. The funding and FTE position changes include the following:

- An increase of $8,738,907 for the increase to the State share of Supplemental Nutrition Assistance Program (SNAP) administrative costs beginning in federal fiscal year (FFY) 2027 due to requirements of the federal One Big Beautiful Bill Act (OBBBA).
- An increase of $1,171,999 for the State share of administrative costs for the Summer Electronic Benefits Transfer (EBT) program.
- An increase of $859,280 and 23.00 FTE positions for Medicaid eligibility services related to requirements of the federal OBBBA.
- An increase of $58,874 for Medicaid waiver cost neutrality analysis.
- A decrease of $3,000,000 to move Family Investment Program (FIP) expenditures to the Temporary Assistance for Needy Families (TANF) block grant to address excess maintenance of effort (MOE) spending.
- An increase of 63.40 FTE positions to provide the same amount of FTE positions as the total authorized in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act).
- A decrease of 9.50 FTE positions due to the reorganization of refugee services.

The Division of Community Access and Eligibility is the entity responsible for the determination of eligibility for needs-based benefits and assistance programs under the authority of the HHS.

1. Of the child support collections assigned under FIP, the federal share of the child support collections shall be credited to the child support services appropriation made in this division of this Act. Of the remainder of the child support collections assigned under FIP, a portion shall be credited to community access and eligibility, and the remaining moneys may be used to increase recoveries, to sustain cash flow in the collection services center refund account as provided in section 252B.13A, or for technology needs. If child support collections assigned under FIP are greater than estimated or are otherwise determined not to be required for maintenance of efforts, the state share of either amount is appropriated to the department for child support services as described in this division of this Act, or may be transferred to or retained in the collection services center refund account.

Requires the federal share of child support collections recovered by the State to be credited to Child Support Services. Of the remainder of support collected, a portion is credited to community access and eligibility, and the HHS is permitted to use the remaining funds to increase recoveries, to sustain cash flow, or for technology needs for the Child Support Payments Account.

2. Of the moneys appropriated in this section, $3,075,000 is allocated for continuation of the department's initiative to provide for adequate developmental surveillance and screening during a child's first five years. The moneys shall first be used to fully fund the current participating counties to ensure that those counties are fully operational, with the remaining moneys to be used for expanding participation to additional counties. Full implementation and expansion shall include enhancing the scope of the initiative through collaboration with child health specialty clinics to promote the use of developmental surveillance and screening to support healthy child development through early identification and response to biomedical and social determinants of healthy development by providing practitioner consultation and continuous improvement through training and education, particularly for children with behavioral conditions and needs. The department shall also collaborate with the Medicaid program and child health specialty clinics to assist in coordinating the activities of the first five initiative into the establishment of patient-centered medical homes developed to improve health quality and population health while reducing health care costs. To the maximum extent possible, moneys allocated in this subsection shall be utilized as matching moneys for Medicaid program reimbursement.

Allocates $3,075,000 for the Iowa First Five Healthy Mental Development Initiative programs.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation. This is a public-private mental development initiative that partners primary care and public health services in Iowa to enhance high-quality well-child care. The First Five Model supports health providers in the early detection of socioemotional delays, developmental delays, and family risk-related factors in children from birth to age five. The Initiative then coordinates referrals, interventions, and follow-ups.

9 4 3. Of the moneys appropriated in this section, $1,145,102 is
9 5 allocated to the Iowa commission on volunteer service created
9 6 in section 15H.2 for programs and grants.

Allocates $1,145,102 to the Iowa Commission on Volunteer Service in the HHS for programs and grants.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation.

9 7 4. The university of Iowa hospitals and clinics under
9 8 the control of the state board of regents shall not receive
9 9 indirect costs from the moneys appropriated in this section.
9 10 The university of Iowa hospitals and clinics billings to the
9 11 department shall be, at a minimum, on a quarterly basis.

Prohibits the UIHC from receiving indirect cost reimbursement from General Fund appropriations to the HHS. Requires the UIHC to submit billings to the HHS on a quarterly basis.

9 12 Sec. 7. DEPARTMENT OF HEALTH AND HUMAN SERVICES — CHILD
9 13 SUPPORT SERVICES. There is appropriated from the general fund
9 14 of the state to the department of health and human services for
9 15 the fiscal year beginning July 1, 2026, and ending June 30,
9 16 2027, the following amount, or so much thereof as is necessary,
9 17 to be used for the purposes designated:
9 18 For child support services, including salaries, support,
9 19 maintenance, and miscellaneous purposes, and for not more than
9 20 the following full-time equivalent positions:
9 21 ..... $ 15,644,114
9 22 ..... FTEs 464.00

General Fund appropriation to the HHS — Child Support Services for FY 2027.

DETAIL: This is no change in funding and an increase of 52.00 FTE positions compared to estimated net FY 2026. Total FTE positions authorized provide the same amount as the total authorized in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act).

9 23 1. Federal access and visitation grant moneys shall be used
9 24 for services designed to increase compliance with the child
9 25 access provisions of court orders, including but not limited to
9 26 neutral visitation sites and mediation services.

Specifies the process for utilization of receipts from federal Access and Visitation Grants.

9 27 2. Moneys appropriated in this section may be used
9 28 throughout the fiscal year in the manner necessary for
9 29 cash flow management. For cash flow management under this
9 30 subsection, the department may temporarily draw more than the
9 31 amount appropriated provided the amount appropriated is not
9 32 exceeded at the close of the fiscal year.

Permits the HHS to use the appropriation for child support recovery as necessary and draw more than appropriated if needed to solve any cash flow problems, provided the amount appropriated is not exceeded at the end of the fiscal year.

9 33 Sec. 8. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
9 34 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT. There is
9 35 appropriated from the special fund created in section 8.41 to
9 36 the department of health and human services for the fiscal year
9 37 beginning July 1, 2026, and ending June 30, 2027, from moneys

Appropriates a total of $153,673,068 from the TANF Federal Block Grant Fund appropriation for FY 2027.

DETAIL: This is a decrease of $5,307,315 compared to estimated net FY 2026. The federal government implemented

received under the federal temporary assistance for needy families (TANF) block grant pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub.L. No.104-193, and successor legislation, including TANF block grant moneys received in any prior fiscal year that were deposited in the special fund and remain unencumbered or unobligated on June 30, 2026, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

Federal Welfare Reform on August 22, 1996. Reform eliminated Aid to Families with Dependent Children (AFDC), ending federal entitlement and creating a flexible funding source for states to use in helping needy families achieve self-sufficiency. Iowa's annual TANF award is $131,524,959; however, federal law reduces the annual award by $434,032 and reserves those funds for research and evaluation projects. In addition, $582,859 is allocated to Native American tribes.

1. For community access and eligibility:
..... $ 12,566,312

Appropriates funds from the TANF Block Grant for community access and eligibility.

DETAIL: This is a decrease of $422,315 compared to estimated net FY 2026 to reflect expected decreased technology expenditures for FY 2027.

2. For community access and eligibility to provide pregnancy prevention grants on the condition that family planning services are funded:
..... $ 1,913,203

Appropriates funds from the TANF Block Grant for pregnancy prevention grants on the condition that family planning services are funded.

DETAIL: This is no change in funding compared to estimated net FY 2026.

Pregnancy prevention grants shall be awarded to programs in existence on or before July 1, 2026, if the programs have demonstrated positive outcomes. Grants shall be awarded to pregnancy prevention programs developed after July 1, 2026, if the programs are based on existing models that have demonstrated positive outcomes. Grants must comply with the requirements provided in 1997 Iowa Acts, chapter 208, section 14, subsections 1 and 2, including the requirement that a program awarded a grant must emphasize sexual abstinence. Priority in awarding grants shall be given to programs that serve areas of the state which demonstrate the highest percentage of unplanned pregnancies of females of childbearing age within the geographic area to be served by the grant.

Requires the HHS to award pregnancy prevention grants only to programs that are based on existing models and have demonstrated positive outcomes. Requires pregnancy prevention grants from the TANF to include the requirement that sexual abstinence be emphasized. Specifies that priority in awarding the grants is to be given to programs in areas of Iowa that have the highest percentage of unplanned adolescent pregnancies within the geographic area served by the grant.

3. To meet one of the four purposes of TANF as specified in 45 C.F.R. §260.20, including by modernizing the program to promote economic mobility and self-sufficiency, ensuring

Appropriates funds from the TANF Block Grant to promote economic mobility and self-sufficiency, ensure that families are able to overcome benefit cliffs, encourage healthy

10 30	that families are able to overcome benefit cliffs, encouraging healthy families, and streamlining service delivery to reduce duplication: ..... $ 25,000,000		families, and streamline service delivery. DETAIL: This is no change in funding compared to estimated net FY 2026.
10 34	4. For early intervention and supports for child abuse prevention and the family development and self-sufficiency (FaDSS) grant program in accordance with section 216A.107: ..... $ 3,013,980		Appropriates funds from the TANF Block Grant for early intervention and supports for child abuse prevention grants and the Family Development and Self-Sufficiency (FaDSS) Grant Program. DETAIL: This is no change in funding compared to estimated net FY 2026.
10 38	5. For accountability, compliance, program integrity, technology needs, and other resources necessary to meet federal and state reporting, tracking, and case management requirements, and other departmental needs: ..... $ 3,533,647		Appropriates funds from the TANF Block Grant for administration and compliance for federal and State reporting, tracking, and case management technology and resource needs. DETAIL: This is no change in funding compared to estimated net FY 2026.
11 4	6. For state child care assistance: ..... $ 42,281,826		Appropriates funds from the TANF Block Grant to Child Care Assistance (CCA). DETAIL: This is a decrease of $4,885,000 compared to estimated net FY 2026 to reflect the estimated CCA budget for FY 2027.
11 6	7. For child protective services: ..... $ 65,364,100		Appropriates funds from the TANF Block Grant to Child Protective Services. DETAIL: This is no change in funding compared to estimated net FY 2026.
11 8	DIVISION VI MEDICAL ASSISTANCE PROGRAM — STATE SUPPLEMENTARY ASSISTANCE — HEALTHY AND WELL KIDS IN IOWA PROGRAM AND OTHER HEALTH-RELATED PROGRAMS — FY 2026-2027		

11 12 Sec. 9. DEPARTMENT OF HEALTH AND HUMAN SERVICES — MEDICAL
11 13 ASSISTANCE PROGRAM, STATE SUPPLEMENTARY ASSISTANCE, AND HEALTHY
11 14 AND WELL KIDS IN IOWA PROGRAM. There is appropriated from the
11 15 general fund of the state to the department of health and human
11 16 services for the fiscal year beginning July 1, 2026, and ending
11 17 June 30, 2027, the following amount, or so much thereof as is
11 18 necessary, to be used for the purposes designated:
11 19 For medical assistance program reimbursement and associated
11 20 costs as specifically provided in the reimbursement
11 21 methodologies in effect on June 30, 2026, except as otherwise
11 22 expressly authorized by law, consistent with options under
11 23 federal law and regulations, and contingent upon receipt of
11 24 approval from the office of the governor of reimbursement for
11 25 each abortion performed under the medical assistance program;
11 26 for the state supplementary assistance program; for the health
11 27 insurance premium payment program; and for maintenance of
11 28 the healthy and well kids in Iowa (Hawki) program pursuant
11 29 to chapter 514I, including supplemental dental services,
11 30 for receipt of federal financial participation under Tit.
11 31 XXI of the federal Social Security Act, which creates the
11 32 children's health insurance program; and for other specified
11 33 health-related programs:
11 34 ..... $ 1,992,550,706

General Fund appropriation to the HHS for the Medical Assistance (Medicaid) Program, State Supplementary Assistance (SSA), and the Healthy and Well Kids in Iowa (Hawki) Program for FY 2027.

DETAIL: This is no change in funding compared to estimated net FY 2026. The changes include:

- An increase of $151,896,005 for the expected Medical Assistance shortfall in FY 2026.
- An increase of $3,000,000 for a Home- and Community-Based Services (HCBS) elderly waiver rate increase.
- An increase of $1,167,867 for an ambulatory surgical center rate increase.
- An increase of $333,000 for a special population nursing facility (SPNF) rate adjustment.
- A decrease of $150,000 due to allowing Medicaid to dispense a 90-day supply of a prescription.
- A decrease of $307,500 due to shifting certain behavioral service costs from Medicaid to Medicare.
- A decrease of $491,250 due to applying a site of service differential for telehealth service billing.
- A decrease of $601,593 due to venipuncture and therapy rehabilitation billing code adjustments.
- A decrease of $1,136,250 due to a 30-day readmission policy requiring the use of the same diagnosis related group payment for the same condition.
- A decrease of $1,166,667 million due to changes for speech therapy and rehabilitation service codes and reimbursement.
- A decrease of $2,169,875 due to requiring Medicaid to always pay the lowest available price when adjudicating claims.
- A decrease of $5,400,000 for a facility- and provider-based billing adjustment.
- A decrease of $5,580,938 for an appropriation from the Behavioral Health Fund.
- A decrease of $6,465,833 for a Managed Care Organization (MCO) premium tax payment adjustment, shifting costs to the MCOs.

- A decrease of $132,926,966 due to Health Maintenance Organization (HMO) tax revenue.

1. Of the moneys appropriated in this section, $1,919,596,113 is allocated for medical assistance program reimbursement and associated costs. Of the moneys allocated in this subsection, $3,383,880 shall be used for program administration, outreach, and enrollment activities of the state family planning services program pursuant to section 217.41B, and of this amount, the department may use $200,000 for administrative expenses.

Allocates $1,919,596,113 for the Medicaid Program. Requires $3,383,880 of the allocation to be used for the State Family Planning Services Program and allows $200,000 to be used for administrative expenses.

DETAIL: This is an increase of $81,792,040 compared to estimated net FY 2026. This is no change in funding for the State Family Planning Services Program compared to the estimated net FY 2026 allocation.

2. Iowans support reducing the number of abortions performed in our state. Moneys appropriated under this section shall not be used for abortions, unless otherwise authorized under this section.

Prohibits moneys appropriated for Medical Assistance from being used for abortions, unless otherwise authorized under this section.

3. The provisions of this section relating to abortions shall also apply to the Iowa health and wellness plan created pursuant to chapter 249N.

Specifies that the policy on abortion also applies to the Iowa Health and Wellness Plan.

4. Of the moneys appropriated in this section, $4,479,762 is allocated for the state supplementary assistance program.

Allocates $4,479,762 of the funds appropriated for Medicaid for the SSA Program.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation.

5. Of the moneys appropriated in this section, $68,474,831 is allocated for maintenance of the Hawki program pursuant to chapter 514I, including supplemental dental services, for receipt of federal financial participation under Tit.XXI of the federal Social Security Act, which creates the children’s health insurance program.

Allocates $68,474,831 of the funds appropriated for Medicaid for the Children's Health Insurance Program (CHIP), also known as the Hawki Program.

DETAIL: This is an increase of $7,207,960 compared to estimated net FY 2026.

Sec. 10. DEPARTMENT OF HEALTH AND HUMAN SERVICES — HEALTH PROGRAM OPERATIONS. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is

General Fund appropriation to the HHS — Health Program Operations for FY 2027.

12 24 necessary, to be used for the purposes designated:
12 25 For health program operations and the autism support program
12 26 under section 225D.2, and for not more than the following
12 27 full-time equivalent positions:
12 28 ..... $ 40,342,766
12 29 ..... FTEs 97.00

DETAIL: This is an increase of $670,333 and 15.00 FTE positions compared to estimated net FY 2026. The funding and FTE position changes include the following:

- An increase of $670,333 for costs associated with 2026 Iowa Acts, Senate File 2422 (Public Assistance, Verification and Eligibility Act).
- An increase of 15.00 FTE positions to shift Medicaid staffing from the Accountability, Compliance, and Program Integrity appropriation.

12 30 1. The department of inspections, appeals, and licensing
12 31 shall provide all state matching moneys for survey and
12 32 certification activities performed by the department of
12 33 inspections, appeals, and licensing. The department of health
12 34 and human services shall be solely responsible for distributing
12 35 the federal matching moneys for such activities.

Requires the Department of Inspections, Appeals, and Licensing (DIAL) to provide the State matching funds for survey and certification activities and requires the HHS to distribute the federal matching funds.

12 36 2. Of the moneys appropriated in this section, a sufficient
12 37 amount is allocated for the administration of the health
12 38 insurance premium payment program, including salaries, support,
12 39 maintenance, and miscellaneous purposes.

Requires a sufficient portion of the allocation to be used for the administration of the Health Insurance Premium Payment Program.

13 1 3. Of the moneys appropriated in this section, $750,000 is
13 2 allocated for a nonprofit organization that provides access
13 3 to emergency poison information and treatment. Pursuant to
13 4 the directive under 2014 Iowa Acts, chapter 1140, section
13 5 102, the federal matching moneys available to the nonprofit
13 6 organization from the department under the federal Children's
13 7 Health Insurance Program Reauthorization Act of 2009 shall be
13 8 subject to the federal administrative cap rule of 10 percent
13 9 applicable to moneys provided under Tit.XXI of the federal
13 10 Social Security Act, and shall be included in the department's
13 11 calculations of the cap.

Allocates $750,000 for the State Poison Control Center.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation. Requires the moneys to be used by a nonprofit organization to provide access to emergency room poison information and treatment. Requires the federal matching moneys to be subject to the cap rule of 10.00% of applicable moneys to the federal Social Security cap and to be included in the HHS calculations of the cap.

13 12 4. Unless otherwise provided by law, if a contract for
13 13 services provided under this section initially entered into
13 14 during the fiscal year beginning July 1, 2026, and ending
13 15 June 30, 2027, provides for an annual increase of the cost of
13 16 services provided under the contract, the annual increase shall
13 17 not exceed the amount by which the consumer price index for
13 18 all urban consumers increased during the immediately preceding

Specifies that annual increases for services provided through contracts must not exceed the increase in the Consumer Price Index for All Urban Consumers for the most recently ended calendar year.

DETAIL: The Consumer Price Index for All Urban Consumers was 2.70% in calendar year 2025.

calendar year. This subsection does not affect a contract entered into on or before June 30, 2026, that is for a term of more than one year.

Sec. 11. DEPARTMENT OF HEALTH AND HUMAN SERVICES — PHARMACEUTICAL SETTLEMENT ACCOUNT. There is appropriated from the pharmaceutical settlement account created in section 249A.33 to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

Notwithstanding any provision of law to the contrary, to supplement the appropriation made in this Act from the general fund of the state for health program operations under the medical assistance program for the same fiscal year:

..... $ 234,193

Pharmaceutical Settlement Account (PSA) appropriation to the HHS to supplement Health Program Operations under the Medicaid Program.

DETAIL: This is no change in funding compared to estimated net FY 2026.

Sec. 12. DEPARTMENT OF HEALTH AND HUMAN SERVICES — QUALITY ASSURANCE TRUST FUND.

1. Notwithstanding any provision of law to the contrary, and subject to the availability of moneys, there is appropriated from the quality assurance trust fund created in section 249L.4 to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, for the purposes designated:

To supplement the appropriation made in this Act from the general fund of the state to the department of health and human services for medical assistance for the same fiscal year:

..... $ 111,216,205

Quality Assurance Trust Fund (QATF) appropriation to the HHS to supplement nursing facilities under the Medicaid Program.

DETAIL: This is no change in funding compared to estimated net FY 2026.

2. Notwithstanding section 249L.4, subsection 2, after the appropriation in subsection 1, any moneys remaining in the quality assurance trust fund for the fiscal year beginning July 1, 2026, and ending June 30, 2027, are appropriated to the department of health and human services to supplement the appropriation made in this Act from the general fund of the state for the medical assistance program for the same fiscal year.

CODE: Appropriates any moneys remaining in the QATF to the HHS for Medical Assistance in FY 2027.

Sec. 13. DEPARTMENT OF HEALTH AND HUMAN SERVICES — HOSPITAL HEALTH CARE ACCESS TRUST FUND.

Hospital Health Care Access Trust Fund (HHCAT) appropriation to the HHS for the Medicaid Program.

1. Notwithstanding any provision of law to the contrary, and subject to the availability of moneys, there is appropriated from the hospital health care access trust fund created in section 249M.4, to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, for the purposes designated:

To supplement the appropriation made in this Act from the general fund of the state to the department of health and human services for medical assistance for the same fiscal year:

..... $ 33,920,554

DETAIL: This is no change in funding compared to estimated net FY 2026.

2. Notwithstanding section 249M.4, subsection 2, after the appropriation in subsection 1, any moneys remaining in the hospital health care access trust fund for the fiscal year beginning July 1, 2026, and ending June 30, 2027, are appropriated to the department of health and human services to supplement the appropriation made in this Act from the general fund of the state for the medical assistance program for the same fiscal year.

CODE: Appropriates any moneys remaining in the HHCAT to the HHS for Medical Assistance in FY 2027.

Sec. 14. DEPARTMENT OF HEALTH AND HUMAN SERVICES — BEHAVIORAL HEALTH FUND. Notwithstanding section 225A.7, subsection 2, and subject to the availability of moneys, there is appropriated from the behavioral health fund established in section 225A.7, to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, for the purposes designated:

To supplement the appropriation made in this Act from the general fund of the state to the department of health and human services for medical assistance for the fiscal year beginning July 1, 2026, and ending June 30, 2027:

..... $ 5,580,938

Behavioral Health Fund (BHF) appropriation to the HHS to supplement the FY 2027 General Fund Medical Assistance appropriation.

DETAIL: This is a new appropriation for FY 2027.

Sec. 15. REIMBURSEMENT RATES.

1. Reimbursement for medical assistance, state supplementary assistance, and social service providers and services reimbursed under the purview of the department of health and human services shall remain at the reimbursement rate in effect on June 30, 2026, or shall be determined pursuant to the reimbursement methodology in effect on June 30,

Requires that reimbursement for Medical Assistance, SSA, and social service providers and services remain at the reimbursement rate in effect of June 30, 2026, or be determined pursuant to the reimbursement methodology in effect on June 30, 2026, unless otherwise negotiated by contract or provided in this section.

15 18 2026, with the exception of the following:
15 19 a. If reimbursement is otherwise negotiated by contract or
15 20 pursuant to an updated fee schedule.
15 21 b. As otherwise provided in this section.

15 22 2. a. (1) Notwithstanding any provision of law to the
15 23 contrary, for the fiscal year beginning July 1, 2026, and
15 24 ending June 30, 2027, the department of health and human
15 25 services shall reimburse case-mix nursing facility rates based
15 26 on the methodology in effect on June 30, 2026.

Requires the HHS to base case-mix nursing facility reimbursement rates for FY 2027 based on the rates in effect June 30, 2026.

15 27 (2) July 1, 2025, through December 31, 2025, the department
15 28 of health and human services shall calculate each nursing
15 29 facility's case-mix index for rates effective July 1, 2026.

Requires the HHS to calculate each nursing facility's case-mix index for the rate period beginning July 1, 2026, from July 1, 2025, through December 31, 2025.

15 30 (3) January 1, 2026, through June 30, 2026, the department
15 31 of health and human services shall calculate each nursing
15 32 facility's case-mix index for rates effective January 1, 2027.

Requires the HHS to calculate each nursing facility's case-mix index for the rate period beginning January 1, 2027, from January 1, 2026, through June 30, 2026.

15 33 (4) All nursing facility rate adjustments under this
15 34 paragraph shall be budget neutral.

Requires the nursing facility rate adjustment to be budget neutral.

15 35 b. For the fiscal year beginning July 1, 2026, $1,167,867
15 36 shall be used to increase to the extent possible reimbursement
15 37 rates for ambulatory surgical centers compared to rates in
15 38 effect on June 30, 2026.

Requires $1,167,867 to be used for FY 2027 to increase Medicaid reimbursement rates for ambulatory surgical centers compared to rates in effect on June 30, 2026.

DETAIL: Medicaid reimbursement expenditures are paid for by the Medical Assistance appropriation.

15 39 c. For the fiscal year beginning July 1, 2026, $3,000,000
16 1 shall be used to increase to the extent possible, compared
16 2 with rates in effect on June 30, 2026, reimbursement rates for
16 3 providers of Medicaid home and community-based services waiver
16 4 services used most frequently by elderly waiver recipients
16 5 including attendant care, homemaker, and assisted living
16 6 services.

Requires $3,000,000 to be used for FY 2027 to increase Medicaid reimbursement rates for HCBS elderly waiver services compared to the rates in effect on June 30, 2026.

DETAIL: Medicaid reimbursement expenditures are paid for by the Medical Assistance appropriation.

16 7 d. (1) Adjustments to Medicaid reimbursement rates
16 8 developed using cost reports shall be applied starting on the
16 9 effective date specified in the applicable rate letter issued

Requires adjustments to Medicaid reimbursement rates developed using cost reports to be applied starting on the

to a provider.

effective date specified in the applicable rate letter issued to a provider.

(2) Minimum Medicaid reimbursement rates for all provider and service types shall be no lower than the reimbursement rates established in the department's minimum fee schedule.

Prohibits minimum Medicaid reimbursement rates from being lower than the rates established in the HHS's minimum fee schedule.

(3) Any increase in a Medicaid reimbursement rate specified under this section shall be effective October 1, 2026.

Provides that any increase in a Medicaid reimbursement rate is effective October 1, 2026.

DIVISION VII

FAMILY WELL-BEING AND PROTECTION — FY 2026-2027

Sec. 16. DEPARTMENT OF HEALTH AND HUMAN SERVICES — STATE CHILD CARE ASSISTANCE. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For state child care assistance in accordance with sections 237A.13 and 237A.14, and for not more than the following full-time equivalent positions:

..... $ 32,723,000

..... FTEs 53.00

General Fund appropriation to the HHS for CCA for FY 2027.

DETAIL: This is a decrease of $2,260,000 and no change in FTE positions compared to estimated net FY 2026. Total FTE positions authorized provide the same amount as the total authorized in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act). The decrease in funding is to move funding to the federal Child Care Development Block Grant and the federal TANF Block Grant.

1. If the appropriation made for purposes of the state child care assistance program for the fiscal year is determined to be insufficient, it is the intent of the general assembly to appropriate sufficient moneys for the fiscal year to avoid application of waiting list requirements.

Specifies that it is the intent of the General Assembly to provide sufficient funding for the State CCA Program in FY 2027 to avoid the establishment of a waiting list.

2. A portion of the state match for the federal child care and development block grant shall be provided as necessary to meet federal matching moneys requirements through the state general fund appropriation made for child development grants and other programs for at-risk children in section 279.51.

Requires a portion of the State match for the federal Child Care and Development Block Grant to be provided from the State appropriation for child development grants and other programs for at-risk children as necessary to meet federal matching requirements.

Sec. 17. DEPARTMENT OF HEALTH AND HUMAN SERVICES — EARLY INTERVENTION AND SUPPORTS. There is appropriated from the general fund of the state to the department of health and human

General Fund appropriation to the HHS — Early Intervention and Supports for FY 2027.

services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For promotion of optimum health status for children and adolescents from birth through 21 years of age, and for families, and for not more than the following full-time equivalent positions:
..... $ 36,495,203
..... FTEs 28.00

DETAIL: This is a net increase of $1,193,299 and an increase of 1.00 FTE position compared to estimated net FY 2026. Total FTE positions authorized provide a decrease of 1.00 FTE position compared to the total authorized in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act). These changes in funding and FTE positions include the following:

- An increase of $1,493,299 to meet increased program expenditure needs for the More Options for Maternal Support (MOMS) Program
- A decrease of $300,000 to eliminate funding for a contracted Child Abuse Prevention administrator that the HHS had deemed duplicative.
- A decrease of 1.00 FTE position to move a program manager from the Family Well-Being and Protection division to the Aging and Disability Services division.

1. Of the moneys appropriated in this section, not more than $734,000 is allocated for the healthy opportunities for parents to experience success (HOPES) – healthy families Iowa (HFI) program established pursuant to section 135.106.

Limits the General Fund allocation used to fund the Healthy Opportunities for Parents to Experience Success – Healthy Families Iowa (HOPES-HFI) Program to $734,000.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation. This Program provides support for families through home visits that begin during pregnancy or at the birth of a child and can continue through age four.

2. Of the moneys appropriated in this section, $4,313,854 is allocated for the FaDSS grant program, and not more than 5 percent of the allocated moneys shall be used for administration of the grant program.

Allocates $4,313,854 for the FaDSS Grant Program. Requires that a maximum of 5.00% ($215,693) of the allocation be spent on administration of the Program.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation.

3. Of the moneys appropriated in this section, $29,256,799 shall be deposited in the early childhood Iowa fund created in section 256I.11.

Allocates $29,256,799 for the Early Childhood Iowa (ECI) Fund.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation. The funds are distributed to local ECI Area Boards in addition to the following five allocations:

- Funding for technical assistance through the ECI Office within the Department of Management (DOM) and to provide skill development and support for training the ECI State Board.
- Funding to local ECI Area Boards to improve the quality of early care, health, and education programs.
- Funding to support professional development and training activities for persons working in early care, health, and education.
- Funding for the State's early childhood database system.
- Funding for community-based early childhood programs.

17 23 4. Of the moneys appropriated in this section, $1,493,299 is
17 24 allocated for program administration and provision of pregnancy
17 25 support services through the more options for maternal support
17 26 program pursuant to section 217.41C.

Allocates $1,493,299 for the MOMS Program.

DETAIL: This is a new allocation for FY 2027.

17 27 Sec. 18. DEPARTMENT OF HEALTH AND HUMAN SERVICES — CHILD
17 28 PROTECTIVE SERVICES. There is appropriated from the general
17 29 fund of the state to the department of health and human
17 30 services for the fiscal year beginning July 1, 2026, and ending
17 31 June 30, 2027, the following amount, or so much thereof as is
17 32 necessary, to be used for the purposes designated:
17 33 For child, family, and adoption services, and for salaries,
17 34 support, maintenance, and miscellaneous purposes, and for not
17 35 more than the following full-time equivalent positions:
17 36 ..... $ 164,527,690
17 37 ..... FTEs 977.00

General Fund appropriation to the HHS — Child Protective Services for FY 2027.

DETAIL: This is a net decrease of $1,030,341 and an increase of 117.80 FTE positions compared to estimated net FY 2026. Total FTE positions authorized provide the same amount as the total authorized in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act). The changes in funding in include:

- An increase of $3,245,594 for a Qualified Residential Treatment Program (QRTP) rate increase.
- An increase of $1,590,842 for shelter rate increases.
- A decrease of $110,000 to end auto-dissemination of printed Child Protective Services reports.
- A decrease of $243,000 to charge the Juvenile Court Services (JCS) for certain activities conducted by the Child Protective Services team.
- A decrease of $1,004,000 for personnel salary costs due to the establishment of a central consulting model that is expected to decrease overtime hours for social workers.
- A decrease of $1,400,000 to end contracts for the Treatment Outcome Package (TOPs) protocol in order to utilize an existing lower-cost tool.

- A decrease of $1,409,777 for the adoption subsidy program to utilize existing surplus in the program.
- A decrease of $1,700,000 to end the Child Protective Services Decategorization Program.

17 38 1. Based on client need, a portion of the moneys
17 39 appropriated in this section may be used to provide other
18 1 resources required to support family preservation, emergency
18 2 client need, or family reunification efforts.

Permits funds to be used for emergency family assistance under certain conditions.

18 3 2. Of the moneys appropriated in this section, a sufficient
18 4 amount is allocated for foster family care, group foster care
18 5 maintenance and services, shelter care, child welfare emergency
18 6 services, qualified residential treatment programs, supervised
18 7 apartment living contracts, and for medical assistance program
18 8 reimbursement and associated costs.

Allocates a sufficient amount of the Child Protective Services appropriation to group foster care.

DETAIL: In FY 2024, $40,500,000 was allocated for group foster care.

18 9 3. Federal moneys received by the state during the fiscal
18 10 year beginning July 1, 2026, as the result of the expenditure
18 11 of state moneys appropriated during a previous state fiscal
18 12 year for a service or activity funded under this section,
18 13 are appropriated to the department to be used as additional
18 14 moneys for services and purposes provided under this section.
18 15 Notwithstanding section 8.33, moneys appropriated under this
18 16 subsection that remain unencumbered or unobligated at the close
18 17 of the fiscal year shall not revert but shall remain available
18 18 for the purposes designated until the close of the succeeding
18 19 fiscal year.

Requires federal moneys received in FY 2027 because of the expenditure of State funds in a previous year to be used for Child Protective Services. Allows any unencumbered or unobligated funds to remain available for expenditure through FY 2028.

18 20 4. a. Of the moneys appropriated in this section, $748,000
18 21 is allocated for the payment of the expenses of court-ordered
18 22 services provided to children who are under the supervision
18 23 of the department, which expenses are a charge upon the state
18 24 pursuant to section 232.141, subsection 4.

Allocates $748,000 for court-ordered services provided to children who are under the supervision of the HHS.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation.

18 25 b. Notwithstanding chapter 232 or any other provision of
18 26 law to the contrary, a district or juvenile court shall not
18 27 order any service which is a charge upon the state pursuant to
18 28 section 232.141, subsection 4, if the moneys allocated under
18 29 paragraph “a” for court-ordered services are insufficient to
18 30 pay for the service.

Prohibits a district or juvenile court from ordering any service that is a charge to the State if there are insufficient funds to pay for the service.

18 31 5. Of the moneys appropriated in this section, $4,359,500
18 32 is allocated for the preparation for adult living program
18 33 established pursuant to section 234.46.

Allocates $4,359,500 to the Preparation for Adult Living (PAL) Program.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation.

18 34 6. Of the moneys appropriated in this section, a portion may
18 35 be used for family-centered services for purposes of complying
18 36 with the federal Family First Prevention Services Act of 2018,
18 37 Pub.L. No.115-123, and successor legislation.

Allows the HHS to use a portion of the funds allocated in this section for family-centered services to comply with the federal Family First Prevention Services Act.

18 38 7. a. Of the moneys appropriated in this section,
18 39 $38,414,178 is allocated for adoption subsidy payments and
19 1 related costs.

Allocates $38,414,178 to the Adoption Subsidy Program.

DETAIL: This is a decrease of $1,409,777 compared to the estimated net FY 2026 allocation.

19 2 b. Any moneys remaining after the allocation under
19 3 paragraph “a” is designated and allocated as state savings
19 4 resulting from implementation of the federal Fostering
19 5 Connections to Success and Increasing Adoptions Act of 2008,
19 6 Pub.L. No.110-351, and successor legislation, as determined
19 7 in accordance with 42 U.S.C. §673(a)(8), and shall be used for
19 8 post-adoption services and for other purposes allowed under
19 9 those federal Acts and regulations, and Tit.IV-B or Tit.IV-E
19 10 of the federal Social Security Act.

CODE: Directs the HHS to use the funds appropriated to the Adoption Subsidy Program for adoption subsidy payments and post-adoption services as allowed under Title IV-B and Title IV-E of the federal Social Security Act, due to the federal Fostering Connections to Success and Increasing Adoptions Act of 2008.

19 11 8. Of the moneys appropriated in this section, a sufficient
19 12 amount is allocated to support training needs for child welfare
19 13 providers and to address disproportionality within the child
19 14 welfare system.

Allocates a sufficient amount of moneys appropriated for Child Protective Services to support training and to address disproportionality within the child welfare system.

19 15 9. Of the moneys appropriated in this subsection,
19 16 $1,658,000 shall be allocated for child protection centers
19 17 located in Iowa pursuant to the child protection center grant
19 18 program under section 135.118. The grant amounts under the
19 19 program shall be equalized so that each center receives a
19 20 uniform base amount of $245,000, and the remaining moneys
19 21 are awarded through a funding formula based upon the volume
19 22 of children served by a center. To increase access to child
19 23 protection center services for children in rural areas, the

Requires $1,658,000 to be used for the Child Protection Center (CPC) Grant Program. Each CPC will receive $245,000, and the remaining funds will be distributed through a funding formula based on the volume of children served. Requires the funding formula to provide for the awarding of an enhanced amount to eligible grantees to develop and maintain satellite centers in underserved regions of the State.

19 24 funding formula for awarding the remaining moneys shall provide
19 25 for awarding an enhanced amount to eligible grantees to develop
19 26 and maintain satellite centers in underserved regions of the
19 27 state.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation.

19 28 10. Of the moneys appropriated in this subsection, up to
19 29 $227,000 shall be used for the public purpose of continuing a
19 30 grant to a nonprofit human services organization that provides
19 31 services to individuals and families in multiple locations in
19 32 southwest Iowa and Nebraska, for support of a project providing
19 33 immediate, sensitive support and forensic interviews, medical
19 34 exams, needs assessments, and referrals for victims of child
19 35 abuse and their nonoffending family members.

Allocates $227,000 to Project Harmony for support of victims of child abuse and their nonoffending family members.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation.

19 36 11. If a separate funding source is available that reduces
19 37 the need for state moneys within an allocation under this
19 38 section, the allocated state moneys may be redistributed to
19 39 other allocations under this section for the same fiscal year.

Specifies that if other funding is available, the allocations of State funds in this section may be redistributed to other allocations for FY 2027.

DETAIL: Other funding sources for Child and Family Services include Title IV-B and IV-E of the Social Security Act, the TANF Block Grant, and the Social Services Block Grant.

20 1 DIVISION VIII
20 2 STATE-OPERATED SPECIALTY CARE — FY 2026-2027

20 3 Sec. 19. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
20 4 STATE-OPERATED SPECIALTY CARE. There is appropriated from the
20 5 general fund of the state to the department of health and human
20 6 services for the fiscal year beginning July 1, 2026, and ending
20 7 June 30, 2027, the following amount, or so much thereof as is
20 8 necessary, to be used for the purposes designated:
20 9 For salaries, support, maintenance, and miscellaneous
20 10 purposes at institutions under the jurisdiction of the
20 11 department of health and human services, and for not more than
20 12 the following full-time equivalent positions:
20 13 ..... $ 100,225,768
20 14 ..... FTEs 1,304.45
20 15 1. The department shall utilize the moneys appropriated in
20 16 this section as necessary to maximize bed capacity and to most
20 17 effectively meet the needs of the individuals served.

General Fund appropriation to the HHS — State-Operated Specialty Care for FY 2027.

DETAIL: This is a decrease of $2,117,739 and 25.00 FTE positions compared to estimated net FY 2026. Total FTE positions authorized provide an increase of 548.45 FTE positions compared to the total authorized in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act), in order to include the FTE positions at the Woodward Resource Center in the authorized FTE positions. The change in funding and FTE positions includes:

- A decrease of $56,600 and 1.00 FTE position to eliminate a vacant advanced typist position at the Independence Mental Health Institute (MHI).

- A decrease of $74,357 and 1.00 FTE position to eliminate a vacant behavioral health assistant position at the Eldora State Training School (STS).
- A decrease of $349,315 and 5.00 FTE positions to eliminate five vacant licensed practical nurse (LPN) positions at the Woodward Resource Center.
- A decrease of $410,100 and 1.00 FTE position to eliminate a vacant physician position at the Independence MHI.
- A decrease of $1,227,367 and 17.00 FTE positions to consolidate the homes in use at the Woodward Resource Center from 10 to 9 when the census at the facility approaches 100 individuals.

2. Of the moneys appropriated in this section, the following amounts are allocated to each institution as follows:

a. For the state mental health institute at Cherokee:
..... $ 19,878,962

Allocates $19,878,962 for the MHI at Cherokee.

DETAIL: This is a decrease of $650,139 compared to estimated net FY 2026 for general operating expenses.

b. For the state mental health institute at Independence:
..... $ 23,760,205

Allocates $23,760,205 for the MHI at Independence.

DETAIL: This is a decrease of $1,090,878 compared to estimated net FY 2026. Of this decrease, $56,600 is to eliminate a vacant advanced typist position, $410,100 is to eliminate a vacant physician position, and $624,178 is for general operating expenses.

c. For the civil commitment unit for sexual offenders at Cherokee:
..... $ 23,272,111

Allocates $23,272,111 for the Civil Commitment Unit for Sexual Offenders (CCUSO) at Cherokee.

DETAIL: This is an increase of $2,810,827 compared to estimated net FY 2026 for general operating expenses.

d. For the state resource center at Woodward:
..... $ 12,567,092

Allocates $12,567,092 for the State Resource Center at Woodward.

DETAIL: This is a decrease of $1,866,780 compared to estimated net FY 2026. Of this decrease, $290,098 is for

	general operating expenses, $349,315 is to eliminate five vacant LPN positions, and $1,227,367 is to consolidate the homes in use at the Woodward Resource Center from 10 to 9 when the census at the facility approaches 100 individuals.
e. For the state training school at Eldora: ..... $ 19,805,171	Allocates $19,805,171 for the STS at Eldora. DETAIL: This is a decrease of $672,866 compared to estimated net FY 2026. Of this decrease, $74,357 is to eliminate a vacant behavioral health assistant position and $598,509 is for general operating expenses.
f. For outstanding obligations related to workers' compensation, the sick leave insurance program, unemployment, and other costs related to the closure of the state resource center at Glenwood: ..... $ 942,227	Allocates $942,227 for outstanding obligations related to workers' compensation, the Sick Leave Insurance Program, unemployment, and other costs related to the closure of the Glenwood Resource Center. DETAIL: This is a decrease of $647,903 compared to estimated net FY 2026 to reflect the estimated obligation needs for FY 2027.
DIVISION IX ADMINISTRATION AND COMPLIANCE — FY 2026-2027	
Sec. 20. DEPARTMENT OF HEALTH AND HUMAN SERVICES — ACCOUNTABILITY, COMPLIANCE, AND PROGRAM INTEGRITY. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated: For accountability, compliance, and program integrity, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions: ..... $ 23,152,404 ..... FTEs 382.00	General Fund appropriation to the HHS — Accountability, Compliance, and Program Integrity for FY 2027. DETAIL: This is net increase of $1,248,190 and 111.99 FTE positions compared to estimated net FY 2026. Total FTE positions authorized provide a decrease of 27.00 FTE positions compared to the total authorized in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act). The changes in funding and FTE positions include the following: • An increase of $1,383,620 for the increase to the State share of SNAP administrative costs beginning in FFY 2027. • An increase of $64,570 for Medicaid waiver cost neutrality analysis.

- A decrease of $200,000 to move the Iowa Achieving a Better Life Experience (ABLE) Savings Plan Trust allocation from the HHS Accountability, Compliance, and Program Integrity appropriation line item to a new appropriation for the Treasurer of State, who administers the Trust.
- A decrease of 12.00 FTE positions to move Long-Term Care Ombudsman staff from the Accountability, Compliance, and Program Integrity division to the Aging and Disability Services division.
- A decrease of 15.00 FTE positions to move Medicaid staff from the Accountability, Compliance, and Program Integrity division to the Health Program Operations division.

1. Of the moneys appropriated in this section, $2,602,312 is allocated for foster care review and the court appointed special advocate program, including for salaries, support, maintenance, and miscellaneous purposes.

Allocates $2,602,312 for foster care review and the Court Appointed Special Advocate (CASA) Program.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation. The State's Local Foster Care Review Boards and the CASA Program work to recruit, train, and support community volunteers through the State to represent the interests of abused and neglected children.

2. Of the moneys appropriated in this section, $1,148,959 is allocated for the office of long-term care ombudsman for salaries, support, administration, maintenance, and miscellaneous purposes.

Allocates $1,148,959 to the Office of Long-Term Care Ombudsman.

DETAIL: This is no change in funding compared to the estimated net FY 2026 allocation.

DIVISION X
TRANSFERS, CASH FLOW, AND NONREVERSIONS — FY 2026-2027

Sec. 21. DEPARTMENT OF HEALTH AND HUMAN SERVICES — TRANSFERS AND CASH FLOW.

1. Notwithstanding any provision of law to the contrary, the department of health and human services may transfer moneys appropriated in this Act to support continuing alignment efforts, to maximize federal support in accordance with the department's federal costs allocation plan, and to secure resources necessary to implement and administer the services

Permits the HHS to transfer funds allocated in this Act for continuing alignment efforts, maximizing federal support, and the implementation and administration of services. Requires the HHS to report any transfers made pursuant to this subsection to the General Assembly. Requires the HHS to report to the chairpersons of the HHS appropriations subcommittee the allocations and FTE positions for each

21 30 for which moneys are appropriated. The department shall report
21 31 any transfers made pursuant to this subsection to the general
21 32 assembly. On or before December 1, 2026, the department shall
21 33 report to the chairpersons of the health and human services
21 34 appropriations subcommittee the allocations and full-time
21 35 equivalent positions for each division of the department for
21 36 the fiscal year beginning July 1, 2027.

division of the HHS for FY 2028 on or before December 1, 2026.

21 37 2. If, due to ongoing cost management efforts,
21 38 appropriations under this Act for the Medicaid program
21 39 exceed the associated costs for the Medicaid program for the
22 1 fiscal year, the department may transfer any savings to the
22 2 appropriations made in this Act for health program operations,
22 3 or for accountability, compliance, and program integrity,
22 4 to defray the costs associated with ongoing cost management
22 5 efforts.

Specifies that if savings to the Medicaid Program for cost management efforts during FY 2027 exceed costs, the HHS may transfer any savings to the appropriations in this Act to Health Program Operations, or for Accountability, Compliance, and Program Integrity, to defray the costs associated with implementation of cost management efforts.

22 6 3. Notwithstanding any provision of law to the contrary,
22 7 the department may transfer moneys appropriated under this Act
22 8 for child protective services to pay the nonfederal share costs
22 9 of services reimbursed under the medical assistance program,
22 10 state child care assistance program, or family investment
22 11 program which are provided to children who would otherwise
22 12 receive services paid by the appropriation for child protective
22 13 services.

Permits the HHS to transfer funds appropriated to Child Protective Services to pay the nonfederal share of services reimbursed under Medicaid, the State CCA Program, or the FIP for children who would otherwise receive services paid under the appropriation for Child Protective Services.

22 14 4. The department may transfer moneys from the temporary
22 15 assistance for needy families block grant to the federal social
22 16 services block grant appropriation, and to the child care and
22 17 development block grant appropriation, in accordance with
22 18 federal law.

Permits the HHS to transfer funds from the TANF Block Grant to the Federal Social Services Block Grant appropriation and the Child Care and Development Block Grant appropriation in accordance with federal law.

22 19 5. To the extent the department determines that moneys
22 20 appropriated under this Act, or allocated for a specific
22 21 purpose under this Act, will remain unencumbered or unobligated
22 22 at the close of the fiscal year, such unencumbered or
22 23 unobligated moneys may be used in the same fiscal year for any
22 24 other purpose for which the appropriated moneys may be used, or
22 25 for any other allocation within the same appropriation.

Allows the HHS to use unencumbered and unobligated moneys for any other purpose for which the moneys appropriated may be used or for any other allocation within the same appropriation.

Sec. 22. DEPARTMENT OF HEALTH AND HUMAN SERVICES — NONREVERSIONS.

1. Notwithstanding section 8.33, moneys appropriated under this Act from the general fund of the state and the temporary assistance for needy families block grant to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the purposes of the FaDSS grant program, 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 the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds appropriated from the General Fund for the FaDSS grant program in FY 2027 to remain available for FY 2028.

2. Notwithstanding section 8.33, of the moneys appropriated under this Act from the general fund of the state, the quality assurance trust fund, and the hospital health care access trust fund to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the purposes of the medical assistance program, the amount in excess of actual expenditures for the medical assistance program that remains unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the medical assistance program until the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds appropriated from the General Fund, the QATF, and the HHCAT to the HHS in FY 2027 for the Medicaid Program to remain available for FY 2028.

3. Notwithstanding section 8.33, and notwithstanding the nonreversion amount limitation specified for state resource centers in section 222.92, subsection 4, moneys appropriated under this Act from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the purposes of state-operated specialty care, 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 for subsequent fiscal years.

CODE: Allows any unencumbered or unobligated funds appropriated from the General Fund to the HHS for State-Operated Specialty Care in FY 2027 to remain available for subsequent fiscal years.

4. Notwithstanding section 8.33, moneys appropriated in this Act from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the Iowa commission on volunteer service for programs and grants, that remain unencumbered or unobligated at the close of the fiscal year

CODE: Allows any unencumbered or unobligated funds appropriated from the General Fund to the HHS for the Iowa Commission on Volunteer Services in FY 2027 to remain available for subsequent fiscal years.

shall not revert but shall remain available for expenditure for the purposes designated for subsequent fiscal years.

5. Notwithstanding section 8.33, moneys appropriated under this Act from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, and allocated for rural psychiatric residencies, 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 the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds appropriated from the General Fund to the HHS for rural psychiatric residencies in FY 2027 to remain available for FY 2028.

6. Notwithstanding section 8.33, moneys appropriated under this Act from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, and allocated for adoption subsidy payments and related costs, or for post-adoption services and allowable related purposes, that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for adoption reinvestment obligations.

CODE: Allows any unencumbered or unobligated funds appropriated from the General Fund to the HHS and allocated for adoption subsidy payments or post-adoption services in FY 2027 to remain available for FY 2028.

7. Notwithstanding section 8.33, moneys appropriated under this Act from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, and allocated for child protective services, 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 the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds appropriated from the General Fund to the HHS and allocated for Child Protective Services in FY 2027 to remain available for FY 2028.

DIVISION XI
REPORT ON NONREVERSION OF MONEYS

Sec. 23. DEPARTMENT OF HEALTH AND HUMAN SERVICES — REPORT ON NONREVERSION OF MONEYS. The department of health and human services shall report the expenditure of any moneys for which nonreversion authorization was provided for the fiscal year beginning July 1, 2026, and ending June 30, 2027, to the general assembly on a quarterly basis beginning October 1, 2027.

Requires the HHS to report the expenditure of any moneys for which nonreversion authorization was provided for FY 2026 to the General Assembly on a quarterly basis beginning October 1, 2027.

DIVISION XII

EMERGENCY RULES

Sec. 24. DEPARTMENT OF HEALTH AND HUMAN SERVICES — EMERGENCY RULES.

1. If necessary to comply with federal requirements, including time frames, the department of health and human services shall adopt administrative rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph “b”, to implement the applicable provisions of this Act. The rules shall be effective immediately upon filing unless a later date is specified in the rules. Any rules adopted in accordance with this section shall also be published as a notice of intended action as provided in section 17A.4.

Requires the HHS to adopt emergency administrative rules to comply with federal requirements or to implement this Act. The rules are required to be effective immediately upon filing or on a later effective date specified in the rules. The rules must also be published as a Notice of Intended Action under Iowa Code section 17A.4.

2. If the department of health and human services adopts emergency rules in accordance with this section, or as otherwise directed or authorized by state law, and the rules will result in an increase in expenditures beyond the amount anticipated in the budget for the fiscal year, or if the expenditures were not addressed in the budget for the fiscal year, the department shall notify the general assembly and the department of management concerning the rules and the increase in expenditures. The notification shall be provided at least thirty calendar days prior to the date notice of the rules is submitted to the administrative rules coordinator and the administrative code editor.

Requires the HHS to notify the General Assembly and the DOM if adopted emergency administrative rules will increase expenditures. The notification is required to be made at least 30 calendar days prior to the notice of the rules being submitted to the Administrative Rules Coordinator and Editor.

DIVISION XIII

MORE OPTIONS FOR MATERNAL SUPPORT PROGRAM APPROPRIATION NONREVERSION

Sec. 25. 2025 Iowa Acts, chapter 169, section 27, is amended by adding the following new subsection:

NEW SUBSECTION 8. Notwithstanding section 8.33, moneys appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2025, and ending June 30, 2026, for the more options for maternal support program created in section 217.41C 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 the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds appropriated in 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act), from the General Fund for the MOMS Program in FY 2026 to remain available for expenditure until the close of FY 2027.

Sec. 26. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Specifies that Division XIII of this Act related to MOMS appropriation nonreversion takes effect upon enactment.

Sec. 27. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to July 1, 2025.

Specifies that Division XIII of this Act related to MOMS appropriation nonreversion applies retroactively to July 1, 2025.

DIVISION XIV
REIMBURSEMENT RATES — REVIEW

Sec. 28. Section 235.2, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 9. Upon implementation by the department of a uniform cost report for shelter care and qualified residential treatment providers, biennially conduct a review of shelter care and qualified residential treatment provider costs compared to current shelter care and qualified residential treatment provider rates. On or before October 1 of the calendar year immediately succeeding the calendar year in which the review is conducted, the department shall submit a report to the governor and the general assembly detailing the results of the department's review and recommendations for rate adjustments.

CODE: Requires the HHS to biennially review shelter care and QRTP provider rates upon implementation of a uniform cost report. Requires the HHS, on or before October 1 of the immediately succeeding calendar year in which the review is conducted, to submit a report to the Governor and the General Assembly detailing the results of the review and recommendations for rate adjustments.

Sec. 29. Section 249A.4, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 15. a. Conduct an annual review of provider reimbursement rates for medical and health services provided under this chapter that are reimbursed by a statewide fee schedule and that are not periodically updated or rebased pursuant to federal or state law or rule. The department shall compare each provider reimbursement rate in the following manner:

CODE: Requires the HHS to annually review provider reimbursement rates for Medicaid services that are reimbursed by a statewide fee schedule and that are not periodically updated or rebased pursuant to federal or State law or rule.

(1) For all medical and health services other than dental services, to reimbursement rates under the federal Medicare program.

CODE: Requires the HHS to compare provider reimbursement rates, other than dental services, to the federal Medicare program.

(2) For dental services, to reimbursement rates for Medicaid programs in states contiguous to Iowa.

CODE: Requires the HHS to compare dental provider reimbursement rates to the rates set by Medicaid programs in states contiguous to Iowa.

b. On or before January 15 of each calendar year, the department shall submit to the general assembly a report summarizing the department's review under paragraph "a".

CODE: Requires the HHS to submit an annual report that summarizes the review to the General Assembly by January 15.

DIVISION XV
MENTAL DISEASES EXCLUSION — WAIVER

Sec. 30. DEPARTMENT OF HEALTH AND HUMAN SERVICES — MEDICAL DISEASES EXCLUSION WAIVER. No later than July 1, 2027, the department of health and human services shall apply to the centers for Medicare and Medicaid services of the United States department of health and human services for a waiver of Medicaid's institution for mental diseases exclusion.

Requires the HHS to apply to the Centers for Medicare and Medicaid Services (CMS) for a waiver of Medicaid's institution for mental diseases (IMD) exclusion no later than July 1, 2027.

FISCAL IMPACT: The HHS estimates that applying to the CMS for a waiver of Medicaid's IMD exclusion will increase costs to the HHS by the following amounts for future fiscal years:

- FY 2027: $595,000, of which the State cost is $297,500 and the federal cost is $297,500.
- FY 2028: $277,500, of which the State cost is $138,750 and the federal cost is $138,750.
- FY 2029: $678,750, of which the State cost is $339,375 and the federal cost is $339,375.
- FY 2030: $678,750, of which the State cost is $339,375 and the federal cost is $339,375.
- FY 2031: $678,750, of which the State cost is $339,375 and the federal cost is $339,375.

DIVISION XVI
DEPARTMENT OF HEALTH AND HUMAN SERVICES — FULL-TIME EQUIVALENT DASHBOARD

Sec. 31. DEPARTMENT OF HEALTH AND HUMAN SERVICES — FULL-TIME EQUIVALENT DASHBOARD. Pursuant to section 217.22, the department of health and human services shall make publicly available information on full-time equivalent positions as

Requires the HHS to make the following FTE position information publicly available:

described in section 8.36A, that details all of the following:
1. The number of full-time equivalent positions authorized by the general assembly for the department, categorized by the department division or appropriation.
2. The number of filled full-time, part-time, or temporary positions by department division or appropriation.
3. The percentage of moneys from each federal, state, or other funding source for each department division and department appropriation.

- The number of FTE positions authorized by the General Assembly for the HHS categorized by division or appropriation.
- The number of filled full-time, part-time, or temporary positions by division or appropriation.
- The percentage of moneys from each federal, State, or other funding source for each division or appropriation.

DIVISION XVII
COMPREHENSIVE FAMILY SUPPORT PROGRAM

Sec. 32. NEW SECTION 231.80 COMPREHENSIVE FAMILY SUPPORT PROGRAM.

CODE: Defines terms related to the CFSP as reestablished by this Act.

1. For the purposes of this section, unless the context otherwise requires:
a. "Comprehensive family support" means services and supports that assist families caring for an individual with a disability who is a member of the family, including but not limited to programs, services, parent-to-parent support, assistive devices, and various adaptations that allow an individual with a disability to participate more fully in family and community life.
b. (1) "Family" means a group of interdependent persons living in the same household. A family consists of an individual with a disability and any of the following:
(a) The individual's parent.
(b) The individual's sibling.
(c) The individual's grandparent, aunt, or uncle.
(d) The individual's legal custodian.
(e) A person providing short-term foster care to the individual with a disability subject to a case permanency plan that provides for reunification between the individual and the individual's parent.
(2) "Family" does not include a person who is employed to provide services to an individual with a disability in an out-of-home setting, including but not limited to a hospital, nursing facility, personal care home, board and care home, group foster care home, or other institutional setting.
c. "Individual with a disability" means an individual who is less than twenty-two years of age and meets the definition of

developmental disability in 42 U.S.C.§15002.

d. "Services and support" means assistance intended to enable an individual with a disability to control the individual's environment, to remain living with the individual's family, to function more independently, and to increase the integration of the individual into the individual's community including but not limited to funding for purchase of equipment, respite care, supplies, assistive technology, and payment of other costs attributable to the individual's disability which are identified by the individual's family.

2. A comprehensive family support program is created under the purview of the department to provide a statewide system of services and support to eligible families. The program shall be implemented in a manner that enables a family member of an individual with a disability to identify the needed services and support.

CODE: Reestablishes the CFSP under the HHS in Iowa Code to provide a statewide system of services and support to eligible families. Requires the CFSP to be implemented to enable a family member of an individual with a disability to identify the needed services and support.

DETAIL: The CFSP was previously authorized under 2025 Iowa Code section 225C.47, but was repealed by 2024 Iowa Acts, chapter 1161 (Behavioral Health Service System Act).

3. Eligibility for the program is limited to families who meet all of the following criteria:

a. The family resides in the state of Iowa.

b. The family intends for the family member who is an individual with a disability to remain living in the family's home.

c. The family's taxable income is less than sixty thousand dollars for the most recently completed tax year.

CODE: Requires families to meet the following criteria to be eligible for the CFSP:

- The family resides in Iowa.
- The family intends for the family member who is an individual with a disability to remain living in the family's home.
- The family's taxable income is less than $60,000 for the most recently completed tax year.

4. A family may apply to the department or to a family support center for assistance under the comprehensive family support program. The department or family support center shall determine eligibility for the comprehensive family support program in accordance with subsection 3.

CODE: Allows a family to apply to the HHS or to a family support center for assistance under the CFSP. Requires the HHS or the family support center to determine eligibility for the CFSP.

5. The department shall adopt rules pursuant to chapter 17A to implement the comprehensive family support program. The comprehensive family support program must do all of the

CODE: Requires the HHS to adopt administrative rules to implement the CFSP. Requires the CFSP to do all of the following:

following:

a. To the extent possible, incorporate in the application process the eligibility determination processes that the department uses for other disability services programs.

b. Ensure the ability of families to maintain control of decisions which affect an individual with a disability who is a member of a family.

c. Utilize existing local agencies to provide facilities and a single entry point for program applicants.

d. Ensure services and support are provided in a timely manner and emergency access to needed services and support is provided.

e. Ensure technical assistance is provided to providers and users of services and support.

f. Utilize state, regional, and local media to publicize the program.

g. Incorporate a process to appeal the department's or family support center's denial of services and support to a family under the program, including reasonable efforts by the department to utilize telecommunications in the appeal process.

h. Identify the services and support, and service provider components, included in the program.

i. Upon request by a family member, provide a family with assistance in locating a service provider.

j. Make payment for services and support directly to families by voucher or other appropriate means.

k. Utilize a voucher system for payment for the family support center component of the program under subsection 7.

- Incorporate the eligibility determination processes that the HHS uses for other disability services programs in the applications process.
- Ensure the ability of families to maintain control of decisions which affect an individual with a disability who is a member of a family.
- Use existing local agencies to provide facilities and a single entry point for applicants.
- Ensure that services and support are provided in a timely manner and that emergency access to needed services and support is provided.
- Ensure that technical assistance is provided to providers and users of services and support.
- Use State, regional, and local media to publicize the CFSP.
- Incorporate a process to appeal the HHS's or family support center's denial of services and support to a family under the CFSP, including reasonable efforts by the HHS to utilize telecommunications in the appeal process.
- Identify the services and support, and service provider components, included in the CFSP.
- Provide a family with assistance in locating a service provider upon request by a family member.
- Make payment for services and support directly to families by voucher or other appropriate means.
- Use a voucher system for payment for the family support center component of the CFSP.

6. Services and support provided under the comprehensive family support program shall not be used to supplant other services and support available to a family of an individual with a disability but shall be used to meet family needs that will not be met without the program.

CODE: Prohibits services and support provided under the CFSP from being used to supplant other services and support available to a family of an individual with a disability.

7. The comprehensive family support program shall include a family support center component. Under the component, a family member of an individual with a disability shall be assisted by a family support center in identifying the services and support to be provided to the family under the family support subsidy program or the comprehensive family support program. The identification of services and support must be based upon

CODE: Requires the CFSP to include a family support center component in which a family member of an individual with a disability must be assisted by a family support center in identifying the services and support to be provided to the family under the family support subsidy program or the CFSP. Requires the identification of services and support to be based on the specific needs of the individual with a

the specific needs of the individual with a disability and the individual's family which are not met by other service programs available to the individual with a disability and the individual's family.

disability and the individual's family which are not met by other service programs.

8. The comprehensive family support program shall be funded by appropriations made by the general assembly for purposes of the program. Notwithstanding section 8.33, moneys appropriated for the comprehensive family support program under this section that remain unobligated or unexpended at the close of each fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the immediately succeeding fiscal year.

CODE: Requires the CFSP to be funded by appropriations made by the General Assembly. Allows any unobligated or unexpended funds appropriated for the CFSP to remain available for subsequent fiscal years.

Sec. 33. CODE EDITOR DIRECTIVE. The Code editor is directed to designate section 231.80, as enacted in this division of this Act, as subchapter VIII of chapter 231 entitled "Comprehensive Family Support Program".

Requires the Iowa Code Editor to designate Iowa Code section 231.80, as established by this Act, as subchapter VIII of Iowa Code chapter 231 entitled "Comprehensive Family Support Program."

Sec. 34. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Specifies that Division XVII of this Act related to the CFSP takes effect upon enactment.

Sec. 35. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to July 1, 2025.

Provides that Division XVII of this Act related to the CFSP applies retroactively to July 1, 2025.

DIVISION XVIII
FEDERAL COMMUNITY MENTAL HEALTH SERVICES BLOCK GRANT

Sec. 36. 2025 Iowa Acts, chapter 152, section 2, subsection 1, paragraph d, is amended to read as follows:

d. ~~For the federal fiscal year beginning October 1, 2025, and ending September 30, 2026, of~~ Of the moneys allocated to providers under paragraph "c", 70 percent of the moneys allocated each federal fiscal year shall be distributed by a behavioral health administrative services organization or the department of health and human services to the state's accredited community mental health centers designated by the department of health and human services under section 225A.3, as enacted by 2024 Iowa Acts, chapter 1161, section 3. Community mental health centers that receive moneys distributed under this paragraph shall use the moneys for the

VETOED

CODE: Requires 70.00% of the funds set aside for community mental health service providers in FFY 2026 and FFY 2027 appropriated to the HHS from the Community Mental Health Services Block Grant to be distributed to State-accredited community mental health centers under Iowa Code section 225A.3 as enacted by 2024 Iowa Acts, chapter 1161 (Behavioral Health Service System Act), and requires the HHS to publish the amounts to be distributed to community mental health centers on the Department's internet site on or before October 1, 2025, and on or before October 1, 2026.

purposes of training staff, providing services to adults with a serious mental illness, or providing services to children with a serious emotional disturbance, and shall bill treatment dollars related to such services to the department of health and human services through the department's claims system. The department of health and human services shall publish the amounts to be distributed to community mental health centers on the department's internet site on or before October 1, 2025, and on or before October 1, 2026, and distribute the moneys to the recipients on a quarterly basis. Recipients of the moneys shall submit quarterly reports to the department of health and human services containing data consistent with performance measures approved by the federal substance abuse and mental health services administration.

DETAIL: 2025 Iowa Acts, Senate File 626 (Federal Block Grant Appropriations and Other Federal Funds Act), appropriated $7,754,083 in FFY 2026 and $7,754,083 in FFY 2027 from the Community Mental Health Services Block Grant to the HHS.

VETOED: The Governor vetoed Division XVIII this Act stating that there was an intentional redesign of Iowa's mental and behavioral health administration and funding through 2024 Iowa Acts, chapter 1161 (Behavioral Health Service System Act), as well as 2025 Iowa Acts, Senate File 626 (Federal Block Grant Appropriations and Other Federal Funds Act). The Governor noted that to support the redesign of Iowa's Community Mental Health Services Block Grant allocations, Medicaid reimbursements for community mental health centers were increased and additional funds were made available through the Behavioral Health Administrative Service Organization to sustain safety net access.

DIVISION XIX

DEPARTMENT OF HEALTH AND HUMAN SERVICES — BEHAVIORAL HEALTH EXPENDITURE REPORT

Sec. 37. NEW SECTION 225A.10 BEHAVIORAL HEALTH SERVICES EXPENDITURE REPORT.

No later than December 15 of each year, the department shall submit to the general assembly a summary of the department's expenditures for behavioral health services for adults and children for the immediately preceding fiscal year, including a summary of which appropriations or funding sources were used to fund the expenditures.

CODE: Requires the HHS to submit to the General Assembly a summary of the Department's expenditures for behavioral health services for adults and children for the immediately preceding fiscal year, including a summary of which appropriations or funding sources were used to fund the expenditures, no later than December 15 of each year.

DIVISION XX

OPIOID SETTLEMENT FUND — FY 2026-2027

Sec. 38. OPIOID SETTLEMENT FUND — DEPARTMENT OF HEALTH AND HUMAN SERVICES.

1. There is appropriated from the opioid settlement fund created in section 12.51 to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof is as

VETOED

Opioid Settlement Fund (OSF) appropriation to the HHS for for an opioid treatment program that meets the requirements of this Act.

DETAIL: This is a new appropriation for FY 2027.

necessary, for the purposes designated:
..... $ 3,000,000

VETOED: The Governor vetoed Division XX of this Act stating that Iowa established a competitive, accessible, and fair process for allocation of opioid settlement funds in 2025 Iowa Acts, House File 1038 (Opioid Settlement Fund Act).

2. Notwithstanding any provision of law to the contrary, of the moneys appropriated to the department of health and human services under subsection 1, the department shall disburse to an opioid treatment program that operates a facility with at least one hundred fifty licensed beds that provides medical detoxification stabilization and residential substance abuse disorder treatment to support comprehensive addiction and co-occuring mental health treatment, and provides 24-hour medical detoxification, residential treatment, and medication-assisted treatment.

Requires the HHS to disburse the appropriation to Renewal Falls Recovery Center in Cedar Falls.

a. Moneys disbursed under this subsection shall be used by the recipient in compliance with the requirements of the national opioid settlement agreements and section 12.51.

Requires the moneys disbursed from the OSF to be used by the recipient in compliance with the requirements of the national opioid settlement agreements and Iowa Code section 12.51 (Opioid Settlement Fund).

b. The recipient shall utilize the indicators and outcomes identified under section 12.51, subsection 2, paragraph “b”, subparagraph (3), subparagraph division (c), to determine whether the services and activities that are funded by the disbursement achieve the intended outcomes, and shall report the recipient’s findings to the department of health and human services.

Requires the recipient of the OSF appropriation to use the indicators and outcomes under Iowa Code section 12.51(2)(b)(3)(c) to determine whether the services and activities achieve the intended outcomes, and to report the recipient's findings to the HHS.

DIVISION XXI
GRADUATE MEDICAL EDUCATION

Sec. 39. 2025 Iowa Acts, chapter 120, section 19, is amended to read as follows:

SEC. 19. TRANSFER OF MONEYS. Notwithstanding section 8.33 or any other provision to the contrary, any unobligated or unencumbered moneys in any of the following accounts or funds or constituting any specified appropriation, shall not revert but are appropriated to the department of health and human services to ~~fund Medicaid graduate medical education efforts~~ award grants to start medical residency programs in

CODE: Modifies 2025 Iowa Acts, House File 972 (Rural Health Care Act), to transfer any unencumbered moneys remaining in the repealed accounts under Division VI of the Act to the HHS to award grants to start medical residency programs in the State that are not sponsored by the UIHC and that are not related to the practice of family medicine, rather than to fund Medicaid graduate medical education (GME) efforts. Requires $298,000 from the Medical

the state that are not related to the practice of family medicine, are not located in a county which has a population of one hundred fifty thousand or more based on the most recent federal decennial census, and in which the main campus of an institution of higher learning governed by the state board of regents is located.

1. The health care workforce shortage fund created in section 135.175, subsection 1, paragraph "b", Code 2025.

2. The medical residency training account created in section 135.175, subsection 5, paragraph "a", Code 2025, except $298,000 of such moneys is appropriated to the department of health and human services for the purposes of implementing the waiver of Medicaid's institution for mental diseases exclusion the department must apply for under this 2026 Iowa Act.

3. The nurse residency state matching grants program account created in section 135.175, subsection 5, paragraph "b", Code 2025.

4. The health care workforce shortage national initiatives account created in section 135.175, subsection 5, paragraph "c", Code 2025.

5. The family medicine obstetrics fellowship program fund created in section 135.193, Code 2025.

6. Moneys appropriated to the department of health and human services for rural psychiatric residencies to fund psychiatric residents to provide mental health services in underserved areas of the state as described in the following:

a. 2024 Iowa Acts, chapter 1157, section 5, subsection 3, and 2024 Iowa Acts, chapter 1157, section 22, subsection 5.

b. 2023 Iowa Acts, chapter 112, section 5, subsection 4, paragraph "j", as amended by 2024 Iowa Acts, chapter 1157, section 29.

c. 2022 Iowa Acts, chapter 1131, section 3, subsection 4, paragraph "j", as amended by 2024 Iowa Acts, chapter 1157, section 23.

d. 2021 Iowa Acts, chapter 182, section 3, subsection 4, paragraph "j".

e. 2019 Iowa Acts, chapter 85, section 3, subsection 4, paragraph "j", as amended by 2020 Iowa Acts, chapter 1121, section 19.

DIVISION XXII

MEDICAID REIMBURSEMENT RATE — SPECIAL POPULATION NURSING

Residency Training Account to be used to apply for a waiver of Medicaid's IMD exclusion.

FISCAL IMPACT: In June 2025, the HHS estimated that the repealed funds and accounts may have a total unobligated and unencumbered balance of $9,919,682, which includes the following:

- $1,103,235 from the Health Care Workforce Shortage Fund Interest Account.
- $7,242,641 from the Medical Residency Training Account.
- $1,120,000 from the Family Medicine Obstetrics Fellowship Program Fund.
- $453,806 from the rural psychiatry residency and fellowship positions allocation.

FACILITIES

Sec. 40. Section 249A.2, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 15. "Special population nursing facility" refers to a nursing facility that serves one of the following populations and has been designated as a special population nursing facility by the department:

a. One hundred percent of the residents served are aged thirty and under and require a skilled level of care.

b. Seventy percent of the residents served require a skilled level of care for neurological disorders.

c. One hundred percent of the residents require care from a facility licensed by the department of inspections, appeals, and licensing as an intermediate care facility for persons with mental illness.

d. One hundred percent of the residents require care from a facility licensed by the department of inspections, appeals, and licensing as an intermediate care facility for persons with medical complexity.

CODE: Defines "special population nursing facility" as a nursing facility that has been designated as an SPNF by the HHS and services one of the following:

- 100.00% of the residents served are aged 30 and under and require a skilled level of care.
- 70.00% of the residents served require a skilled level of care for neurological disorders.
- 100.00% of the residents require care from a facility licensed by the DIAL as an intermediate care facility for persons with mental illness.
- 100.00% of the residents require care from a facility licensed by the DIAL as an intermediate care facility for persons with medical complexity.

Sec. 41. NEW SECTION 249A.38C MEDICAID REIMBURSEMENT RATE — SPECIAL POPULATION NURSING FACILITIES.

The provider reimbursement rate for each special population nursing facility must be the special population nursing facility's average allowable per diem costs as adjusted in compliance with applicable federal laws and regulations, including the upper payment limits specified in 42 C.F.R. §447.272(b).If a special population nursing facility subject to this section increases the special population nursing facility's number of beds or expands to provide additional services on or after July 1, 2026, the reimbursement rate in this section shall apply to such additional beds or services.

CODE: Requires the HHS to set the Medicaid reimbursement rate for SPNFs at the facility's average allowable per diem costs as adjusted in compliance with applicable federal laws and regulations, including upper payment limits. Provides that the reimbursement requirements also apply to new beds and services.

FISCAL IMPACT: Adjusting SPNF reimbursement is estimated to cost approximately $905,000 in FY 2027. Of the cost, the federal government will pay $572,000 and the State will pay $333,000.

Health and Human Services
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY26 (4)	Page and Line # (5)
Health and Human Services, Department of					
Health and Human Services					
Child Abuse Prevention - Standing	$ 221,830	$ 232,570	$ 232,570	$ 0	STANDING
Congenital & Inherited Disorders Registry - Standing	221,830	223,521	223,521	0	STANDING
Psychiatry Residency & Fellowship Program - Standing	100,000	0	0	0	STANDING
Centers of Excellence - Standing	383,538	425,000	425,000	0	STANDING
LiHEAP Weatherization Assistance Program - Standing	139,637	1	1	0	STANDING
Commission of Inquiry - Standing	0	1,394	1,394	0	STANDING
Nonresident Mental Illness Commitment - Standing	7,010	142,802	142,802	0	STANDING
Aging and Disability Services	19,088,714	19,208,180	19,379,531	171,351	PG 2 LN 27
Behavioral Health	24,400,114	24,442,121	23,127,121	-1,315,000	PG 3 LN 34
Public Health	22,531,821	22,433,369	21,168,369	-1,265,000	PG 5 LN 9
Community Access and Eligibility	68,043,944	68,542,456	76,371,516	7,829,060	PG 7 LN 22
Child Support Services	15,434,282	15,644,114	15,644,114	0	PG 9 LN 12
Medical Assistance	1,650,866,536	1,992,550,706	1,992,550,706	0	PG 11 LN 12
Health Program Operations	39,597,231	39,672,433	40,342,766	670,333	PG 12 LN 19
Child Care Assistance	34,966,931	34,983,000	32,723,000	-2,260,000	PG 16 LN 18
Early Intervention and Supports	35,277,739	35,301,904	36,495,203	1,193,299	PG 16 LN 39
Child Protective Services	166,101,034	165,558,031	164,527,690	-1,030,341	PG 17 LN 27
State-Operated Specialty Care	100,006,128	102,343,507	100,225,768	-2,117,739	PG 20 LN 3
Accountability, Compliance, and Program Integrity	22,356,598	21,904,214	23,152,404	1,248,190	PG 20 LN 38
Behavioral Health Fund - Standing	0	1,000,000	1,000,000	0	STANDING
Total Health and Human Services, Department of	$ 2,199,744,916	$ 2,544,609,323	$ 2,547,733,476	$ 3,124,153	
Veterans Affairs, Department of					
Veterans Affairs, Dept. of					
General Administration	$ 1,369,205	$ 1,369,205	$ 1,369,205	$ 0	PG 2 LN 3
Home Ownership Assistance Program	2,200,000	2,200,000	2,200,000	0	PG 2 LN 18
Veterans County Grants - Standing	990,000	990,000	990,000	0	STANDING
Veterans Affairs, Dept. of	$ 4,559,205	$ 4,559,205	$ 4,559,205	$ 0	
Veterans Affairs, Dept. of					
Iowa Veterans Home	$ 8,145,736	$ 8,145,736	$ 8,145,736	$ 0	PG 2 LN 9
Total Veterans Affairs, Department of	$ 12,704,941	$ 12,704,941	$ 12,704,941	$ 0	
Total Health and Human Services	$ 2,212,449,857	$ 2,557,314,264	$ 2,560,438,417	$ 3,124,153	

Health and Human Services
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Act FY27 vs Est Net FY26 (6)	Page and Line # (7)
Health and Human Services, Department of							
Health and Human Services							
Gambling Treatment Program - SWRF	$ 1,750,000	$ 1,750,000	$ 1,750,000	$ 0	$ 1,750,000	$ 0	PG 4 LN 33
Health Program Operations - PSA	234,193	234,193	234,193	0	234,193	0	PG 13 LN 22
Medical Assistance - QATF	111,216,205	111,216,205	111,216,205	0	111,216,205	0	PG 13 LN 34
Medical Assistance - HHCAT	33,920,554	33,920,554	33,920,554	0	33,920,554	0	PG 14 LN 16
Behavioral Analysis Treatment - ASF	750,000	0	0	0	0	0	
Medical Assistance - BHF	0	0	5,580,938	0	5,580,938	5,580,938	PG 14 LN 37
Opioid Treatment Program - OSF	0	0	3,000,000	-3,000,000	0	0	PG 31 LN 14
Medical Assistance - MFF	744,869	150,000	150,000	0	150,000	0	STANDING
Medical Assistance - HCTF	176,470,000	150,997,000	137,639,000	0	137,639,000	-13,358,000	STANDING
Health and Human Services	$ 325,085,821	$ 298,267,952	$ 293,490,890	$ -3,000,000	$ 290,490,890	$ -7,777,062	
HHS - Human Services							
Community Access and Eligibility - TANF	$ 15,347,831	$ 12,988,627	$ 12,566,312	$ 0	$ 12,566,312	$ -422,315	PG 10 LN 8
Core Purposes - TANF	0	25,000,000	25,000,000	0	25,000,000	0	PG 10 LN 27
FaDSS - TANF	2,736,168	0	0	0	0	0	
Early Intervention and Supports - TANF	0	3,013,980	3,013,980	0	3,013,980	0	PG 10 LN 34
Administration and Compliance - TANF	3,288,458	3,533,647	3,533,647	0	3,533,647	0	PG 10 LN 38
Child Care Assistance - TANF	26,205,412	47,166,826	42,281,826	0	42,281,826	-4,885,000	PG 11 LN 4
Child Protective Service - TANF	64,716,156	65,364,100	65,364,100	0	65,364,100	0	PG 11 LN 6
HHS - Human Services	$ 112,294,025	$ 157,067,180	$ 151,759,865	$ 0	$ 151,759,865	$ -5,307,315	
HHS - Assistance Payment							
Pregnancy Prevention - TANF	$ 1,721,903	$ 1,913,203	$ 1,913,203	$ 0	$ 1,913,203	$ 0	PG 10 LN 10
Total Health and Human Services, Department of	$ 439,101,749	$ 457,248,335	$ 447,163,958	$ -3,000,000	$ 444,163,958	$ -13,084,377	
Total Health and Human Services	$ 439,101,749	$ 457,248,335	$ 447,163,958	$ -3,000,000	$ 444,163,958	$ -13,084,377	

Health and Human Services
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY26 (4)	Page and Line # (5)
Health and Human Services, Department of					
HHS - Aging					
Aging Programs	0.39	0.00	0.00	0.00	
Office of LTC Ombudsman	0.16	0.00	0.00	0.00	
HHS - Aging	0.55	0.00	0.00	0.00	
HHS - Assistance Payment					
Family Investment Program/PROMISE JOBS	0.39	0.00	0.00	0.00	
Medical Assistance	0.17	0.00	0.00	0.00	
Health Program Operations	0.06	0.00	0.00	0.00	
Child Care Assistance	0.07	0.00	0.00	0.00	
Child and Family Services	0.12	0.00	0.00	0.00	
Volunteers	0.02	0.00	0.00	0.00	
HHS - Assistance Payment	0.82	0.00	0.00	0.00	
HHS - Eldora State Training School					
Eldora Training School	2.66	0.00	0.00	0.00	
HHS - Cherokee Mental Health Institution					
Cherokee MHI	2.46	0.00	0.00	0.00	
HHS - Independence Mental Health Institution					
Independence MHI	2.55	0.00	0.00	0.00	
HHS - Glenwood Resource Center					
Glenwood Resource Center	2.77	0.00	0.00	0.00	
HHS - Woodward Resource Center					
Woodward Resource Center	8.36	0.00	0.00	0.00	
HHS - Civil Commitment Unit / Sexual Offenders					
Civil Commitment Unit for Sexual Offenders	2.18	0.00	0.00	0.00	
HHS - Community Services					
Child Support Services	6.60	0.00	0.00	0.00	
Field Operations	24.32	0.00	0.00	0.00	
HHS - Community Services	30.92	0.00	0.00	0.00	
HHS - Human Services					
General Administration	5.14	0.00	0.00	0.00	
HHS - Human Rights					
Central Administration	0.07	0.00	0.00	0.00	
Community Advocacy and Services	0.09	0.00	0.00	0.00	
Criminal & Juvenile Justice	0.15	0.00	0.00	0.00	
HHS - Human Rights	0.31	0.00	0.00	0.00	

Health and Human Services
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY26 (4)	Page and Line # (5)
Health and Human Services					
Aging and Disability Services	75.25	83.00	101.00	18.00	PG 2 LN 27
Behavioral Health	56.23	64.00	70.00	6.00	PG 3 LN 34
Public Health	238.48	342.15	348.60	6.45	PG 5 LN 9
Community Access and Eligibility	820.60	807.00	883.90	76.90	PG 7 LN 22
Child Support Services	400.02	412.00	464.00	52.00	PG 9 LN 12
Health Program Operations	67.37	82.00	97.00	15.00	PG 12 LN 19
Child Care Assistance	33.71	53.00	53.00	0.00	PG 16 LN 18
Early Intervention and Supports	20.22	27.00	28.00	1.00	PG 16 LN 39
Child Protective Services	836.16	859.20	977.00	117.80	PG 17 LN 27
State-Operated Specialty Care	1,177.16	1,329.45	1,304.45	-25.00	PG 20 LN 3
Accountability, Compliance, and Program Integrity	361.77	270.01	382.00	111.99	PG 20 LN 38
Health and Human Services	4,086.95	4,328.81	4,708.95	380.14	
HHS - Public Health					
Addictive Disorders	0.16	0.00	0.00	0.00	
Healthy Children and Families	0.15	0.00	0.00	0.00	
Chronic Conditions	0.18	0.00	0.00	0.00	
Community Capacity	0.07	0.00	0.00	0.00	
Infectious Diseases	0.08	0.00	0.00	0.00	
Public Protection	0.78	0.00	0.00	0.00	
Resource Management	0.05	0.00	0.00	0.00	
HHS - Public Health	1.45	0.00	0.00	0.00	
Total Health and Human Services, Department of	4,147.12	4,328.81	4,708.95	380.14	
Veterans Affairs, Department of					
Veterans Affairs, Dept. of					
General Administration	10.14	11.00	15.00	4.00	PG 2 LN 3
Total Veterans Affairs, Department of	10.14	11.00	15.00	4.00	
Total Health and Human Services	4,157.26	4,339.81	4,723.95	384.14	

FUNDING SUMMARY

General Fund FY 2027: Appropriates a total of $222.3 million from the General Fund to the Judicial Branch for FY 2027. This is no change in funding compared to estimated net FY 2026. This Act makes the following appropriations:

- $202.7 million for general operations within the Judicial Branch.
- $3.6 million to the Jury and Witness Fee Revolving Fund.
- $3.3 million for court-ordered services.
- $12.3 million for juvenile delinquent graduated sanctions services.
- $500,000 for salaries of business court judges and the establishment and operation of a specialty business court.

The Judicial Branch has 1,858.3 full-time equivalent (FTE) positions that are not appropriated in this Act. This is no change in FTE positions compared to estimated net FY 2026.

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Appropriates $500,000 from the General Fund for the establishment of the Business Court of Iowa pursuant to Senate File 639 (Business Court Act). This is a new appropriation for FY 2027. This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 1, 2026. — Page 3, Line 30

STUDIES AND INTENT

Intent

Requires appropriations to be distributed among the judicial districts, as determined by the State Court Administrator, within 30 days of the date on which the annual census data is released. — Page 2, Line 14

Prohibits a district or juvenile court from ordering any service that is a charge to the State pursuant to Iowa Code section 232.141 if there are insufficient funds to pay for the service. Requires the Chief Juvenile Court Officer to use the court-ordered services funds in a manner that will cover the entire fiscal year and permits funds to be transferred between districts. — Page 2, Line 21

Prohibits a district or juvenile court from ordering a county to pay for a service provided to a juvenile that is chargeable to the State under Iowa Code section 232.141(4). — Page 2, Line 35

Prohibits the Judicial Branch from duplicating current State payroll, budgeting, and accounting systems, except for the purposes of internal processing. Page 3, Line 34

Requires the Judicial Branch to focus efforts on collecting delinquent fines and fees. Page 4, Line 11

Specifies that it is the intent of the General Assembly that the offices of the clerks of the district court operate in all 99 counties and be accessible to the public as much as is reasonably possible to address the relative needs of the citizens of each county. Requires that an office of the clerk of the district court be open during regular courthouse hours. Page 4, Line 14

Permits parties to a civil case, including a jury trial, to move the case to a contiguous county during FY 2027 if all parties in a case agree. The case may be moved even if the contiguous county is located in an adjacent judicial district. Specifies that if the trial is moved, court personnel will treat the case as a change of venue. Page 5, Line 7

Permits a judicial officer to waive travel reimbursement for any official judicial business travel outside the county of residence of the judicial officer during FY 2027. Page 5, Line 16

Permits the Supreme Court to order judicial officers to take unpaid leave in the same manner as noncontract employees of the Judicial Branch during FY 2027. Page 5, Line 21

Specifies that it is the intent of the General Assembly that the Judicial Branch use the Iowa Communications Network (ICN) or other secure electronic communications instead of traveling during FY 2027. Page 5, Line 35

Nonreversion

Allows any unencumbered or unobligated funds appropriated to the Judicial Branch for court-ordered services from the General Fund to remain available for expenditure through FY 2030. Page 3, Line 11

Allows any unencumbered or unobligated funds appropriated to the Judicial Branch for Juvenile Court Services from the General Fund to remain available for expenditure through FY 2030. Page 3, Line 25

Required Reports

Requires the Judicial Branch to submit monthly financial statements for all appropriated accounts to the Legislative Services Agency (LSA) and to the Department of Management (DOM). Specifies the format and content to be included in the financial statements. Page 4, Line 1

Requires the Judicial Branch to notify the LSA prior to any intradepartmental transfer of funds and specifies the contents to be included in the notice. Page 4, Line 20

Requires the Judicial Branch to provide a semiannual report to the LSA and the DOM specifying the amounts of fines, surcharges, and court costs collected using the Iowa Court Information System (ICIS). Requires the Judicial Branch to continue to share vital sentencing and other information with other State departments and government agencies involved with the criminal justice system through the ICIS. Page 4, Line 29

Requires the Judicial Branch to provide a report to the General Assembly and the DOM by January 1, 2027, specifying funds received and expended from the Court Technology and Modernization Fund during FY 2026 and the plans for expenditures from the Fund during FY 2027. Page 4, Line 38

SIGNIFICANT CODE CHANGES

Requires the Judicial Council to conduct an open session meeting when discussing the Judicial Retirement System. Page 6, Line 1

Requires the State Court Administrator to advise the Judicial Council regarding all decisions made about the Judicial Retirement System. Page 6, Line 14

EFFECTIVE DATE

This Act takes effect July 1, 2026.

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 2, 2026.

STAFF CONTACT: Nathan Moore (515.725.0155) nathan.moore@legis.iowa.gov

House File 2769 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
6	1	6	Amend	602.1202
6	14	7	Amend	602.9102

Section 1. JUDICIAL BRANCH.

1. There is appropriated from the general fund of the state to the judicial branch for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For salaries of supreme court justices, appellate court judges, district court judges, district associate judges, associate juvenile judges, associate probate judges, judicial magistrates and staff, state court administrator, clerk of the supreme court, district court administrators, clerks of the district court, juvenile court officers, board of law examiners, board of examiners of shorthand reporters, and commission on judicial qualifications; receipt and disbursement of child support payments; reimbursement of the auditor of state for expenses incurred in completing audits of the offices of the clerks of the district court during the fiscal year beginning July 1, 2026; and maintenance, equipment, and miscellaneous purposes:
..... $ 202,691,378

General Fund appropriation to the Judicial Branch for operations.

DETAIL: This is no change in funding compared to estimated net FY 2026.

NOTE: For FY 2027, the full-time equivalent (FTE) positions for the Judicial Branch are not appropriated in this Act but can be found within the FTE positions tracking spreadsheet attached to this document.

b. For deposit in the revolving fund created pursuant to section 602.1302, subsection 3, for jury and witness fees, mileage, costs related to summoning jurors, costs and fees for interpreters and translators, and reimbursement of attorney fees paid by the state public defender:
..... $ 3,600,000

General Fund appropriation to the Jury and Witness Fee Revolving Fund for the reimbursement of juror and witness fees, mileage, costs related to summoning jurors, interpreters, translators, and reimbursement of attorney fees paid by the Office of the State Public Defender.

DETAIL: This is no change in funding compared to estimated net FY 2026.

c. For payment of expenses for court-ordered services provided to juveniles who are under the supervision of juvenile court services, which expenses are a charge upon the state pursuant to section 232.141, subsection 4:
..... $ 3,290,000

General Fund appropriation to the Judicial Branch for court-ordered services provided to juveniles.

DETAIL: This is no change in funding compared to estimated net FY 2026.

(1) Of the moneys appropriated in this lettered paragraph, no more than $1,556,000 is allocated to provide school-based supervision of children under chapter 232, of which no more

Allocates no more than $1,556,000 for school-based supervision of delinquent children, of which no more than $25,000 may be

2 13 than $25,000 may be used for purposes of training.

used for training. A portion of the cost for school-based liaisons is required to be paid by school districts.

DETAIL: The overall allocation is no change compared to estimated net FY 2026.

2 14 (2) Notwithstanding section 232.141 or any other provision
2 15 of law to the contrary, the moneys appropriated in this
2 16 lettered paragraph shall be distributed to the judicial
2 17 districts as determined by the state court administrator. The
2 18 state court administrator shall make the determination of the
2 19 distribution amounts within thirty days of the date on which
2 20 the annual census data is released.

CODE: Requires appropriations to be distributed among the judicial districts, as determined by the State Court Administrator, within 30 days of the date on which the annual census data is released.

2 21 (3) Notwithstanding chapter 232 or any other provision of
2 22 law to the contrary, a district or juvenile court shall not
2 23 order any service which is a charge upon the state pursuant
2 24 to section 232.141 if there are insufficient court-ordered
2 25 services moneys available in the district court distribution
2 26 amounts to pay for the service. The chief juvenile court
2 27 officer shall encourage use of the moneys appropriated in this
2 28 lettered paragraph such that there are sufficient moneys to pay
2 29 for all court-ordered services during the entire fiscal year.
2 30 The chief juvenile court officer shall attempt to anticipate
2 31 potential surpluses and shortfalls in the distribution amounts
2 32 and shall cooperatively request the state court administrator
2 33 to transfer moneys between the judicial districts' distribution
2 34 amounts as prudent.

CODE: Prohibits a district or juvenile court from ordering any service that is a charge to the State pursuant to Iowa Code section 232.141 if there are insufficient funds to pay for the service. Requires the Chief Juvenile Court Officer to use the court-ordered services funds in a manner that will cover the entire fiscal year and permits funds to be transferred between districts.

2 35 (4) Notwithstanding any provision of law to the contrary,
2 36 a district or juvenile court shall not order a county to pay
2 37 for any service provided to a juvenile pursuant to an order
2 38 entered under chapter 232 which is a charge upon the state
2 39 under section 232.141, subsection 4.

Prohibits a district or juvenile court from ordering a county to pay for a service provided to a juvenile that is chargeable to the State under Iowa Code section 232.141(4).

3 1 (5) Of the moneys appropriated in this lettered paragraph,
3 2 no more than $83,000 may be used by the judicial branch
3 3 for administration of the requirements under this lettered
3 4 paragraph.

Allocates no more than $83,000 to the Judicial Branch for administration related to court-ordered services.

DETAIL: This is no change in funding compared to estimated net FY 2026.

3 5 (6) Of the moneys appropriated in this lettered paragraph,
3 6 an amount not to exceed the actual cost of the annual
3 7 membership fee is allocated to the judicial branch to support
3 8 the interstate commission for juveniles in accordance with
3 9 the interstate compact for juveniles as provided in section
3 10 232.173.

Allocates moneys to the Judicial Branch to be used to support the Interstate Commission for Juveniles in accordance with the Interstate Compact for Juveniles.

3 11 (7) Notwithstanding section 8.33, moneys appropriated in
3 12 this lettered paragraph that remain unencumbered or unobligated
3 13 at the close of the fiscal year shall not revert but shall
3 14 remain available for expenditure for the purposes designated
3 15 until the close of the fiscal year that begins July 1, 2029.

CODE: Allows any unencumbered or unobligated funds appropriated to the Judicial Branch for court-ordered services from the General Fund to remain available for expenditure through FY 2030.

3 16 d. For juvenile delinquent graduated sanctions services
3 17 pursuant to section 232.192:
3 18 ..... $ 12,253,000

General Fund appropriation to the Judicial Branch for juvenile delinquent graduated sanctions services.

DETAIL: This is no change in funding compared to estimated net FY 2026.

3 19 (1) Any state moneys saved as a result of efforts by
3 20 juvenile court services to earn a federal fund match pursuant
3 21 to Tit.IV-E of the federal Family First Prevention Services
3 22 Act of 2018, Pub.L.No.115-123, for juvenile court services
3 23 administration is appropriated to the judicial branch for
3 24 purposes of this lettered paragraph.

Appropriates to the Judicial Branch any moneys saved as a result of efforts by Juvenile Court Services to earn a federal fund match pursuant to Title IV-E of the federal Family First Prevention Services Act for Juvenile Court Services administration.

3 25 (2) Notwithstanding section 8.33, moneys appropriated in
3 26 this lettered paragraph that remain unencumbered or unobligated
3 27 at the close of the fiscal year shall not revert but shall
3 28 remain available for expenditure for the purposes designated
3 29 until the close of the fiscal year that begins July 1, 2029.

CODE: Allows any unencumbered or unobligated funds appropriated to the Judicial Branch for Juvenile Court Services from the General Fund to remain available for expenditure through FY 2030.

3 30 e. For salaries of business court judges and the
3 31 establishment and operation of a specialty business court
3 32 pursuant to 2026 Iowa Acts, Senate File 639, if enacted:
3 33 ..... $ 500,000

General Fund appropriation to the Judicial Branch for the salaries of business court judges and the establishment and operation of a specialty Business Court of Iowa.

DETAIL: This is a new appropriation for FY 2027 for the establishment of the Business Court of Iowa pursuant to Senate File 639 (Business Court Act). This Act was

	approved by the General Assembly on May 2, 2026, and signed by the Governor on June 1, 2026.
3 34 2. The judicial branch, except for purposes of internal 3 35 processing, shall use the current state budget system, the 3 36 state payroll system, and the Iowa finance and accounting 3 37 system in administration of programs and payments for services, 3 38 and shall not duplicate the state payroll, accounting, and 3 39 budgeting systems.	Prohibits the Judicial Branch from duplicating current State payroll, budgeting, and accounting systems, except for the purposes of internal processing.
4 1 3. The judicial branch shall submit monthly financial 4 2 statements to the legislative services agency and the 4 3 department of management containing all appropriated accounts 4 4 in the same manner as provided in the monthly financial status 4 5 reports and personal services usage reports of the department 4 6 of administrative services. The monthly financial statements 4 7 must include a comparison of the dollars and percentage 4 8 spent of budgeted versus actual revenues and expenditures on 4 9 a cumulative basis for full-time equivalent positions and 4 10 dollars.	Requires the Judicial Branch to submit monthly financial statements for all appropriated accounts to the Legislative Services Agency (LSA) and to the Department of Management (DOM). Specifies the format and content to be included in the financial statements.
4 11 4. The judicial branch shall focus efforts upon the 4 12 collection of delinquent fines, penalties, court costs, fees, 4 13 surcharges, or similar amounts.	Requires the Judicial Branch to focus efforts on collecting delinquent fines and fees.
4 14 5. It is the intent of the general assembly that the offices 4 15 of the clerks of the district court operate in all 99 counties 4 16 and be accessible to the public as much as is reasonably 4 17 possible in order to address the relative needs of the citizens 4 18 of each county. An office of the clerk of the district court 4 19 shall be open regular courthouse hours.	Specifies that it is the intent of the General Assembly that the offices of the clerks of the district court operate in all 99 counties and be accessible to the public as much as is reasonably possible to address the relative needs of the citizens of each county. Requires that an office of the clerk of the district court be open during regular courthouse hours.
4 20 6. In addition to the requirements for transfers under 4 21 section 8.39, the judicial branch shall not change the 4 22 appropriations from the amounts appropriated to the judicial 4 23 branch in this Act unless notice of the revisions is given to 4 24 the legislative services agency prior to the effective date. 4 25 The notice must include information on the judicial branch's 4 26 rationale for making the changes and details concerning the 4 27 workload and performance measures upon which the changes are 4 28 based.	Requires the Judicial Branch to notify the LSA prior to any intradepartmental transfer of funds and specifies the contents to be included in the notice.

4 29 7. The judicial branch shall submit a semiannual update to
4 30 the legislative services agency and department of management
4 31 specifying the amounts of fines, surcharges, and court costs
4 32 collected using the Iowa court information system since the
4 33 last report. The judicial branch shall continue to facilitate
4 34 the sharing of vital sentencing and other information with
4 35 other state departments and governmental agencies involved in
4 36 the criminal justice system through the Iowa court information
4 37 system.

Requires the Judicial Branch to provide a semiannual report to the LSA and the DOM specifying the amounts of fines, surcharges, and court costs collected using the Iowa Court Information System (ICIS). Requires the Judicial Branch to continue to share vital sentencing and other information with other State departments and government agencies involved with the criminal justice system through the ICIS.

4 38 8. The judicial branch shall provide a report to the general
4 39 assembly and department of management by January 1, 2027,
5 1 concerning the amounts received and expended from the court
5 2 technology and modernization fund created in section 602.8108,
5 3 subsection 7, during the fiscal year beginning July 1, 2025,
5 4 and ending June 30, 2026, and the plans for expenditures from
5 5 the fund during the fiscal year beginning July 1, 2026, and
5 6 ending June 30, 2027.

Requires the Judicial Branch to provide a report to the General Assembly and the DOM by January 1, 2027, specifying the revenues to and expenses from the Court Technology and Modernization Fund during FY 2026 and the plans for expenditures from each fund during FY 2027.

5 7 Sec. 2. CIVIL TRIALS — LOCATION. Notwithstanding any
5 8 provision to the contrary, for the fiscal year beginning July
5 9 1, 2026, and ending June 30, 2027, if all parties in a case
5 10 agree, a civil trial including a jury trial may take place in a
5 11 county contiguous to the county with proper jurisdiction, even
5 12 if the contiguous county is located in an adjacent judicial
5 13 district or judicial election district. If the trial is moved
5 14 pursuant to this section, court personnel shall treat the case
5 15 as if a change of venue occurred.

Permits parties to a civil case, including a jury trial, to move the case to a contiguous county during FY 2027 if all parties in a case agree. The case may be moved even if the contiguous county is located in an adjacent judicial district. Specifies that if the trial is moved, court personnel will treat the case as if a change of venue has occurred.

5 16 Sec. 3. TRAVEL REIMBURSEMENT. Notwithstanding section
5 17 602.1509, for the fiscal year beginning July 1, 2026, and
5 18 ending June 30, 2027, a judicial officer may waive travel
5 19 reimbursement for any travel outside the judicial officer's
5 20 county of residence to conduct official judicial business.

Permits a judicial officer to waive travel reimbursement for any official judicial business travel outside the county of residence of the judicial officer during FY 2027.

5 21 Sec. 4. JUDICIAL OFFICER — UNPAID LEAVE. Notwithstanding
5 22 the annual salary rates for judicial officers established by
5 23 2025 Iowa Acts, chapter 158, section 6, for the fiscal year
5 24 beginning July 1, 2026, and ending June 30, 2027, the supreme
5 25 court may by order place all judicial officers on unpaid leave
5 26 status on any day employees of the judicial branch are placed
5 27 on temporary layoff status. The biweekly pay of the judicial

Permits the Supreme Court to order judicial officers to take unpaid leave in the same manner as noncontract employees of the Judicial Branch during FY 2027.

officers shall be reduced accordingly for the pay period in which the unpaid leave date occurred in the same manner as for noncontract employees of the judicial branch. Through the course of the fiscal year, the judicial branch may use an amount equal to the aggregate amount of salary reductions due to the judicial officer unpaid leave days for any purpose other than for judicial salaries.

Sec. 5. IOWA COMMUNICATIONS NETWORK. It is the intent of the general assembly that the judicial branch utilize the Iowa communications network or other secure electronic communications in lieu of traveling for the fiscal year beginning July 1, 2026, and ending June 30, 2027.

Specifies that it is the intent of the General Assembly that the Judicial Branch use the Iowa Communications Network (ICN) or other secure electronic communications instead of traveling during FY 2027.

Sec. 6. Section 602.1202, Code 2026, is amended to read as follows:

602.1202 JUDICIAL COUNCIL.

1. A judicial council is established, consisting of the chief judges of the judicial districts, the chief judge of the court of appeals, and the chief justice who shall be the chairperson. The council shall convene not less than twice each year at times and places as ordered by the chief justice. The council shall advise the supreme court with respect to the supervision and administration of the judicial branch.

2. A meeting of the judicial council in which the judicial retirement system is discussed shall not be held as a closed session under section 21.5.

CODE: Requires the Judicial Council to conduct an open session meeting when discussing the Judicial Retirement System.

Sec. 7. Section 602.9102, Code 2026, is amended to read as follows:

602.9102 ADMINISTERED BY COURT ADMINISTRATOR.

1. The court administrator ~~shall be vested with authority~~ is authorized to administer the system and related reports and may promulgate rules therefor not inconsistent with ~~the provisions of~~ this article.

2. The state court administrator shall advise the judicial council on all determinations made by the state court administrator concerning the judicial retirement system.

CODE: Requires the State Court Administrator to advise the Judicial Council regarding all decisions made about the Judicial Retirement System.

Justice System
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY 2026 (4)	Page and Line # (5)
Judicial Branch					
Judicial Branch					
Judicial Branch	$ 201,018,878	$ 202,691,378	$ 202,691,378	$ 0	PG 1 LN 9
Jury & Witness Fee Revolving Fund	3,600,000	3,600,000	3,600,000	0	PG 1 LN 23
Court-Ordered Services	3,290,000	3,290,000	3,290,000	0	PG 2 LN 5
Graduated Sanctions	12,253,000	12,253,000	12,253,000	0	PG 3 LN 16
Business Court of Iowa	0	0	500,000	500,000	PG 3 LN 30
Total Judicial Branch	$ 220,161,878	$ 221,834,378	$ 222,334,378	$ 500,000	
Total Justice System	$ 220,161,878	$ 221,834,378	$ 222,334,378	$ 500,000	

Justice System
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY 2026 (4)	Page and Line # (5)
Judicial Branch					
Judicial Branch					
Judicial Branch	1,767.42	1,845.75	1,845.75	0.00	PG 1 LN 9
Jury & Witness Fee Revolving Fund	2.29	2.30	2.30	0.00	PG 1 LN 23
Graduated Sanctions	8.94	10.25	10.25	0.00	PG 3 LN 16
Total Judicial Branch	1,778.65	1,858.30	1,858.30	0.00	
Total Justice System	1,778.65	1,858.30	1,858.30	0.00	

FUNDING SUMMARY

General Fund FY 2027: Appropriates a total of $715.7 million from the General Fund and 5,641.5 full-time equivalent (FTE) positions to the departments of Justice (DOJ); Corrections (DOC); Inspections, Appeals, and Licensing (DIAL); Public Defense (DPD); Public Safety (DPS); and Homeland Security and Emergency Management (HSEMD); the Iowa Law Enforcement Academy (ILEA); and the Board of Parole (BOP) for FY 2027. This is an increase of $12.6 million and 48.6 FTE positions compared to estimated net FY 2026.

Other Funds FY 2027: Appropriates a total of $21.5 million from other funds for FY 2027. This is an increase of $782,000 compared to estimated net FY 2026.

Standing Appropriations FY 2027: The attached tracking report also includes a standing unlimited appropriation from the General Fund estimated at $10,000 for State Cases Court Costs, which does not appear in the Act. The Act includes the standing limited Consumer Education and Litigation Fund appropriation for public education related to consumer fraud and enforcement of $1.9 million and the standing limited appropriation for investigation, prosecution, and consumer education related to consumer fraud of $125,000, which is no change compared to estimated net FY 2026.

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Creates the Attorney Loan Repayment Program to be administered by the College Student Aid Commission. The program will provide loan repayments for attorneys who agree to practice law in Iowa with priority in rural areas and provide a specified amount of indigent defense legal services per year.	Page 21, Line 18
Specifies that the amount of attorney loan repayment for an individual cannot exceed $10,000 annually over a period of six consecutive years and cannot exceed a total of $60,000 or the amount of the outstanding eligible loan balance, whichever is less. Loan payment assistance is not subject to Iowa income tax.	Page 22, Line 29
Creates the Attorney Loan Repayment Program Trust Fund under the control of the College Student Aid Commission. The Commission may accept gifts, grants, bequests, and other private contributions, as well as State or federal moneys, for deposit in the Trust Fund. Unobligated and unencumbered moneys in the Trust Fund will not revert to the General Fund but will remain available for expenditure in subsequent fiscal years.	Page 23, Line 18
Contingent on the enactment of 2026 Iowa Acts, House File 2794 (Forensic Exam Center Program Act), or another Act of the General Assembly, beginning in FY 2028, 20.0% from fees paid from each dissolution of	Page 28, Line 7

marriage filing is appropriated for the Sexual Assault Forensic Examination Center Grant Program. This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 19, 2026.

Contingent on the enactment of 2026 Iowa Acts, House File 2794 (Forensic Exam Center Program Act), or another Act of the General Assembly, beginning in FY 2028, 20.0% from fees paid from each dissolution of marriage filing is appropriated for the Sexual Assault Forensic Examination Center Grant Program. This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 19, 2026. Page 28, Line 14

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

General Fund

Department of Justice: An increase of $1.1 million and 17.6 FTE positions compared to estimated net FY 2026. Page 2, Line 3

The General Fund appropriation to the Attorney General's Office will be increased by $165,000 for a new total increase of $924,020 if Senate File 639 (Business Court Act) is not enacted. Page 2, Line 19

NOTE: Senate File 639 was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 1, 2026.

Department of Corrections: A net increase of $5.8 million and 13.0 FTE positions compared to estimated net FY 2026. These changes include: Page 6, Line 3

- An increase of $1.5 million for corrections administration.
- An increase of $369,000 to the DOC for department-wide duties.
- An increase of $163,000 for the Fort Madison Correctional Facility.
- An increase of $897,000 for the Anamosa Correctional Facility.
- An increase of $390,000 for the Oakdale Correctional Facility.
- An increase of $230,000 for the Newton Correctional Facility.
- An increase of $263,000 for the Mount Pleasant Correctional Facility.
- An increase of $195,000 for the Rockwell City Correctional Facility.
- An increase of $426,000 for the Clarinda Correctional Facility.
- An increase of $268,000 for the Mitchellville Correctional Facility.
- An increase of $382,000 for the Fort Dodge Correctional Facility.
- An increase of $94,000 for Community-Based Corrections (CBC) District 1.
- An increase of $160,000 for CBC District 2.
- An increase of $98,000 for CBC District 4.

- An increase of $188,000 for CBC District 5.
- An increase of $148,000 for CBC District 6.
- An increase of $19,000 for CBC District 8.

The General Fund appropriation for department-wide duties will be increased by $105,000 for a new total increase of $474,222 if Senate File 639 (Business Court Act) is not enacted. Page 9, Line 17

NOTE: Senate File 639 was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 1, 2026.

Iowa Law Enforcement Academy: A decrease of $45,000 and no change in FTE positions compared to estimated net FY 2026. Page 12, Line 28

Office of the State Public Defender: An increase of $3.1 million and 10.0 FTE positions for the Office of the State Public Defender and a decrease of $1.2 million to the Indigent Defense Fund compared to estimated net FY 2026. Page 13, Line 31

Department of Public Defense: An increase of $378,000 and 4.0 FTE positions compared to estimated net FY 2026. Page 14, Line 31

Department of Homeland Security and Emergency Management: A decrease of $50,000 and no change in FTE positions compared to estimated net FY 2026. Page 15, Line 13

Department of Public Safety: An increase of $3.4 million compared to estimated net FY 2026. These changes include: Page 15, Line 32

- An increase of $230,000 for increased operating costs within Public Safety Administration.
- An increase of $477,000 for increased operating costs within the Division of Criminal Investigation.
- An increase of $232,000 for increased operating costs within the Division of Narcotics Enforcement.
- An increase of $80,000 for increased operating costs within the Division of State Fire Marshal.
- An increase of $2.0 million for increased operating costs within the Iowa State Patrol.
- An increase of $371,000 for Department-wide duties.
- An increase of $21,000 for increased operating costs within the Office of Drug Control Policy.

Other Funds

Department of Public Safety: An increase of $782,000 and 3.0 FTE positions compared to estimated net FY 2026 from the Gaming Enforcement Revolving Fund (GEF) for the Division of Criminal Investigation. Page 19, Line 13

STUDIES AND INTENT

Intent

Specifies the intent of the General Assembly that the DOC prohibit the use of offender labor for partisan political purposes when negotiating leases with a private corporation providing private industry employment. Violation of these contract terms will result in termination of the lease agreement.	Page 8, Line 7
Specifies the intent of the General Assembly that the DOC, as a condition of receiving appropriated funds, restrict offender access to personal identifying information of citizens when contracting with a private business for offender employment.	Page 8, Line 16
Specifies that it is the intent of the General Assembly that the first, second, fifth, sixth, and seventh judicial districts maintain their drug courts.	Page 9, Line 19
Requires that, within available funding, each CBC district department continue programs and plans for intensive supervision, sex offender treatment, diversion of low-risk offenders to the least restrictive sanction available, job development, and expanded use of intermediate sanctions.	Page 10, Line 31
Requires each CBC district department to provide alternatives to prison consistent with Iowa Code chapter 901B.	Page 11, Line 3
Requires the Office of Drug Control Policy of the DPS to consider federal grants made to the DOC for the benefit of the CBC district departments as local government grants rather than State government grants as defined by federal regulations.	Page 11, Line 9
Prohibits the use of the Public Safety Assessment in pretrial hearings when determining whether to detain or release a defendant before trial until the use of the Public Safety Assessment has been specifically authorized by the General Assembly.	Page 11, Line 18
Permits the DOC to work with nonprofit and government entities to use inmate labor to restore or preserve rural cemeteries or historical landmarks and to clean up roads and water resources.	Page 12, Line 3
Encourages State agencies to buy products from Iowa Prison Industries (IPI) whenever possible. Requires State agencies to obtain a bid from IPI for office furniture purchases exceeding $5,000 or in accordance with administrative rules.	Page 12, Line 20

Allows the Division of Narcotics Enforcement (DNE) an additional 1.0 FTE position in excess of the authorized FTE positions if the DNE receives sufficient federal moneys to maintain the position. — Page 17, Line 1

Specifies that it is the intent of the General Assembly that the Iowa State Patrol assign State patrol members to patrol the highways and roads in lieu of inspecting school buses for school districts. — Page 18, Line 1

Repeals the Attorney Loan Repayment Program July 1, 2041. — Page 24, Line 5

Nonreversion

Allows any unencumbered or unobligated funds appropriated from the General Fund for the Victim Assistance Grant Program to the Iowa DOJ for FY 2027 to remain available for expenditure in FY 2028. — Page 4, Line 7

Allows any unencumbered or unobligated funds appropriated from the General Fund to the DOC for educational programs for inmates at State penal institutions to remain available for expenditure through FY 2028. — Page 9, Line 3

Allows any unencumbered or unobligated funds appropriated to the DPS for the Criminalistics Laboratory Fund from the General Fund to remain available for expenditure through FY 2028. — Page 16, Line 21

Allows any unencumbered or unobligated funds appropriated to the DPS for costs associated with the training and equipment needs of volunteer fire fighters from the General Fund to remain available for expenditure through FY 2028. — Page 18, Line 13

Required Reports

Requires the DOJ to submit a report to the General Assembly by January 15, 2027, with the FY 2028 budget estimate that specifies the amount of funding from all non-General Fund sources and any revisions that occur as a result of actual reimbursements. The report is required to include actual reimbursements for FY 2026 and actual and expected FY 2027 reimbursements from other agencies and internal funds. — Page 4, Line 18

SIGNIFICANT CODE CHANGES

Makes the current hourly rates for court-appointed counsel applicable to FY 2026 only. — Page 21, Line 2

Increases the hourly rates for court-appointed counsel by $4 for each case type beginning July 1, 2026 (FY 2027). — Page 21, Line 9

The loan repayment assistance received under the Attorney Loan Repayment Program is not subject to Iowa income tax and cannot exceed $10,000 in any tax year, and eligibility is for no more than six consecutive years. Page 24, Line 25

Amends Iowa Code section 602.8105(1) to increase court filing fees by $20 across the following case types: Page 25, Line 14

- Filing and docketing a petition.
- Filing and docketing a petition of any dissolution decree.
- Dissolution of marriage petition.
- Appeal from a judgement in small claims or for filing and docketing a writ of error.
- Motion to show cause in a civil case.
- Docketing a transcript of judgement in a civil case.
- Filing a tribal judgement.

Amends Iowa Code section 602.8105(2) to increase miscellaneous court service fees by $20 for the following: Page 26, Line 18

- Filing and entering statutory liens.
- Certificate and seal.
- Change in the title in real estate.
- Filing a praecipe to issue execution in Iowa Code chapter 625 (court costs in civil actions).
- Filing a praecipe to issue execution in Iowa Code chapter 627 (exemptions from debt collection).
- Filing a lis pendens.

Amends Iowa Code section 631.6(1)(a) to increase small claims filing fees from $95 to $115. Page 28, Line 28

Repeals Iowa Code sections 618.13, 622.93, and 624.8. The repeal of Iowa Code section 618.13, which required the publication of petitions, eliminates the process for verifying and paying publishers for petition publications in Iowa Code section 622.93. The repeal of Iowa Code section 624.8 removes the keeping of a calendar of pending criminal cases from the duties of the County Clerk of Court. Page 28, Line 32

EFFECTIVE DATE

This Act takes effect July 1, 2026.

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 2, 2026.

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House File 2770 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
21	2	18	Amend	815.7.10
21	9	19	Add	815.7.10A
21	18	20	New	256.232
24	6	21	Amend	331.424.1.a.(6)
24	25	22	Add	422.7.46
25	8	23	Amend	602.8102.98
25	12	24	Amend	602.8105.1,2
27	14	25	Add	602.8108.12
28	28	26	Amend	631.6.1.a
28	32	27	Repeal	618.13; 622.93; 624.8

DIVISION I
FY 2026-2027 APPROPRIATIONS

Section 1. DEPARTMENT OF JUSTICE.

1. There is appropriated from the general fund of the state to the department of justice for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For the general office of attorney general for salaries, support, maintenance, and miscellaneous purposes, including the prosecuting attorneys training program, matching funds for federal violence against women grant programs, victim assistance grants, the office of drug control policy prosecuting attorney program, and odometer fraud enforcement, and for not more than the following full-time equivalent positions:

..... $ 11,672,266
..... FTEs 238.00

General Fund appropriation to the Department of Justice (DOJ) for the Office of the Attorney General for salaries, support, maintenance, and miscellaneous purposes.

DETAIL: This is an increase of $759,020 and 15.62 FTE positions compared to estimated net FY 2026. This is an increase of 2.00 Assistant Attorney General 2 FTE positions and 2.00 Assistant Attorney General 3 FTE positions in the Litigation Division. The remaining increase of 11.62 FTE positions compared to estimated net FY 2026 is to restore the FTE positions to the previously authorized amount in SF 644 (FY 2026 Justice System Appropriations Act).

The appropriation in this lettered paragraph shall be increased by $165,000 if 2026 Iowa Acts, Senate File 639, is not enacted.

The General Fund appropriation to the Attorney General's Office will be increased by $165,000 for a new total increase of $924,020 if Senate File 639 (Business Court Act) is not enacted.

NOTE: Senate File 639 was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 1, 2026.

As a condition of receiving the appropriation provided in this lettered paragraph, the department of justice shall maintain a record of the estimated time incurred representing each agency or department.

Requires the DOJ to maintain a record of the estimated time incurred to represent each agency or department.

The general office of attorney general may temporarily exceed and draw more than the amount appropriated in this lettered paragraph and incur a negative cash balance as long as there are receivables equal to or greater than the negative

Permits the Office of the Attorney General to incur a negative General Fund balance as long as there are equal receivables available to the Office by the close of the fiscal year.

3 9 balances and the amount appropriated in this lettered paragraph
3 10 is not exceeded at the close of the fiscal year.

3 11 b. For victim assistance grants:
3 12 ..... $ 5,541,708

General Fund appropriation to the DOJ for the Victim Assistance Grants Program.

DETAIL: This is an increase of $375,000 compared to estimated net FY 2026. The increase in funding is for operating expenses.

3 13 Of the moneys appropriated in this lettered paragraph,
3 14 $225,000 is allocated to provide grants to care providers
3 15 providing services to victims of human trafficking. The
3 16 remaining moneys appropriated in this lettered paragraph
3 17 are allocated to provide grants to care providers providing
3 18 services to all other victims of violent crime.

Allocates $225,000 to provide grants to care providers providing services to human trafficking victim, with the remaining moneys allocated as grants to care providers providing services to all other victims of violent crime.

3 19 The balance of the victim compensation fund established in
3 20 section 915.94 may be used to provide salary and support of not
3 21 more than 24.00 full-time equivalent positions and to provide
3 22 maintenance for the victim compensation functions of the
3 23 department of justice. In addition to the full-time equivalent
3 24 positions authorized pursuant to this unnumbered paragraph,
3 25 7.00 full-time equivalent positions are authorized and shall be
3 26 used by the department of justice to employ one accountant and
3 27 four program planners. The department of justice may employ
3 28 the additional 7.00 full-time equivalent positions authorized
3 29 pursuant to this unnumbered paragraph that are in excess of the
3 30 number of full-time equivalent positions authorized only if
3 31 the department of justice receives sufficient federal moneys
3 32 to maintain employment for the additional full-time equivalent
3 33 positions during the current fiscal year. The department
3 34 of justice shall only employ the additional 7.00 full-time
3 35 equivalent positions in succeeding fiscal years if sufficient
4 1 federal moneys are received during each of those succeeding
4 2 fiscal years.

Permits 24.00 FTE positions to be funded from the Victim Compensation Fund to administer the victim compensation functions of the DOJ. Authorizes an additional 7.00 FTE positions to be used by the DOJ to employ one accountant and four program planners. The DOJ may employ the additional 7.00 FTE positions in excess of the number of FTE positions authorized only if the DOJ receives sufficient federal funding to maintain employment for the FTE positions during FY 2027 and succeeding fiscal years.

DETAIL: This is no change in funding and an increase of 2.00 FTE positions compared to estimated net FY 2026. The increase of 2.00 FTE positions is to restore the FTE positions to the previously authorized amount in SF 644 (FY 2026 Justice System Appropriations Act). The Victim Compensation Fund will provide the support costs for these positions. The 7.00 FTE positions in this Section are federally funded from the federal Victims of Crime Act (VOCA) Victim Assistance Grant. A percentage of the Grant may be used for the administration of the Grant. Currently, the Crime Victim Assistance Division (CVAD) uses up to 5.00% of the VOCA Victim Assistance Grant for administration.

NOTE: The federal VOCA Victim Assistance Grant for the current fiscal year is $12,206,052. This award may be distributed

	over several years. Up to 5.00% ($610,303) of the Grant may be used for administrative costs.
4 3 The department of justice shall transfer at least $150,000 4 4 from the victim compensation fund established in section 915.94 4 5 to the victim assistance grant program established in section 4 6 13.31.	Requires the DOJ to transfer at least $150,000 from the Victim Compensation Fund to the Victim Assistance Grant Program in FY 2027.
4 7 Notwithstanding section 8.33, moneys appropriated in this 4 8 lettered paragraph that remain unencumbered or unobligated at 4 9 the close of the fiscal year shall not revert but shall remain 4 10 available for expenditure for the purposes designated until the 4 11 close of the succeeding fiscal year.	CODE: Allows any unencumbered or unobligated funds appropriated for the Victim Assistance Grant Program to remain available through the end of FY 2028.
4 12 c. For legal services for persons in poverty grants as 4 13 provided in section 13.34: 4 14 ..... $ 2,634,601	General Fund appropriation to the DOJ for the Legal Services Poverty Grants Program. DETAIL: This is no change in funding compared to estimated net FY 2026. Iowa Code section 13.34 requires the Office of the Attorney General to contract with a nonprofit organization to provide legal counsel to indigent persons in civil matters. The Office of the Attorney General currently contracts with Iowa Legal Aid to provide those services.
4 15 d. To improve the department of justice's cybersecurity and 4 16 technology infrastructure: 4 17 ..... $ 202,060	General Fund appropriation to the DOJ for cybersecurity and technology infrastructure. DETAIL: This is no change in funding compared to estimated net FY 2026.
4 18 2. a. The department of justice, in submitting budget 4 19 estimates for the fiscal year beginning July 1, 2027, pursuant 4 20 to section 8.23, shall include a report of funding from sources 4 21 other than amounts appropriated directly from the general fund 4 22 of the state to the department of justice or to the office of 4 23 consumer advocate. These funding sources must include but 4 24 are not limited to reimbursements from other state agencies, 4 25 commissions, boards, or similar entities, and reimbursements 4 26 from special funds or internal accounts within the department 4 27 of justice. The department of justice shall also report actual 4 28 reimbursements for the fiscal year beginning July 1, 2025,	Requires the DOJ to submit a report with the FY 2028 budget estimate that specifies the amount of funding from all non-General Fund sources and any revisions that occur as a result of actual reimbursements. The report is required to include actual reimbursements for FY 2026 and actual and expected FY 2027 reimbursements from other agencies and internal funds.

and actual and expected reimbursements for the fiscal year beginning July 1, 2026.

b. The department of justice shall include the report required under paragraph "a", as well as information regarding any revisions occurring as a result of reimbursements actually received or expected at a later date, in a report to the general assembly. The department of justice shall submit the report on or before January 15, 2027.

Requires the DOJ to submit the report described above to the General Assembly by January 15, 2027.

3. a. The department of justice shall fully reimburse the costs and necessary related expenses incurred by the Iowa law enforcement academy to continue to employ one additional instructor position who shall provide training for human trafficking-related issues throughout the state.

Requires the DOJ to fully reimburse the costs incurred by the Iowa Law Enforcement Academy (ILEA) to continue to employ an additional instructor to provide training on human trafficking-related issues throughout the State.

b. The department of justice shall obtain the moneys necessary to reimburse the Iowa law enforcement academy to employ such an instructor from unrestricted moneys from either the victim compensation fund established in section 915.94 or the human trafficking victim fund established in section 915.95 or the human trafficking enforcement fund established in 2015 Iowa Acts, chapter 138, section 141.

Requires the DOJ to fully reimburse the ILEA for the costs of the additional instructor with unrestricted moneys from the Victim Compensation Fund, the Human Trafficking Victim Fund, or the Human Trafficking Enforcement Fund.

4. Notwithstanding sections 553.19 and 714.16C, for the fiscal year beginning July 1, 2026, and ending June 30, 2027, any moneys not otherwise appropriated from the antitrust fund created in section 553.19 and the consumer education and litigation fund created in section 714.16C are appropriated to the department of justice for salaries, support, maintenance, and miscellaneous purposes necessary to perform the duties described in section 13.2.

CODE: Allocates moneys not otherwise appropriated from the Antitrust Fund created in Iowa Code section 553.19 and the Consumer Education and Litigation Fund created in Iowa Code section 714.16C to the Office of the Attorney General for salaries, maintenance, and miscellaneous purposes under Iowa Code section 13.2 (general duties of the Attorney General).

Sec. 2. OFFICE OF CONSUMER ADVOCATE. There is appropriated from the commerce revolving fund created in section 546.12 to the office of consumer advocate of the department of justice for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 3,784,047

Commerce Revolving Fund appropriation to the DOJ for the Office of Consumer Advocate.

DETAIL: This is no change in funding and an increase of 1.00 FTE position compared to estimated net FY 2026. The increase of 1.00 FTE position is to restore the FTE positions to the previously authorized amount in SF 644 (FY 2026 Justice System Appropriations Act).

5 32 ..... FTEs 18.00

5 33 The office of consumer advocate shall include in its charges
5 34 assessed or revenues generated an amount sufficient to cover
5 35 the amount stated in its appropriation and any state-assessed
6 1 indirect costs determined by the department of administrative
6 2 services.

Requires the Office of Consumer Advocate to include in its charges assessed or revenues generated an amount sufficient to cover the amount stated in its appropriation and any State-assessed indirect costs determined by the Department of Administrative Services (DAS).

6 3 Sec. 3. DEPARTMENT OF CORRECTIONS — FACILITIES.
6 4 1. There is appropriated from the general fund of the state
6 5 to the department of corrections for the fiscal year beginning
6 6 July 1, 2026, and ending June 30, 2027, the following amounts,
6 7 or so much thereof as is necessary, to be used for the purposes
6 8 designated:

6 9 a. For the operation of the Fort Madison correctional
6 10 facility, including salaries, support, maintenance, and
6 11 miscellaneous purposes:
6 12 ..... $ 46,724,722

General Fund appropriation to the Department of Corrections (DOC) for the Fort Madison Correctional Facility.

DETAIL: This is an increase of $163,000 compared to estimated net FY 2026 for increased operating costs.

6 13 b. For the operation of the Anamosa correctional facility,
6 14 including salaries, support, maintenance, and miscellaneous
6 15 purposes:
6 16 ..... $ 40,255,974

General Fund appropriation to the DOC for the Anamosa Correctional Facility.

DETAIL: This is an increase of $897,000 compared to estimated net FY 2026 for increased operating costs.

6 17 c. For the operation of the Oakdale correctional facility,
6 18 including salaries, support, maintenance, and miscellaneous
6 19 purposes:
6 20 ..... $ 59,344,020

General Fund appropriation to the DOC for the Oakdale Correctional Facility.

DETAIL: This is an increase of $390,000 compared to estimated net FY 2026 for increased operating costs.

6 21 d. For the Oakdale correctional facility for
6 22 department-wide institutional pharmaceuticals and miscellaneous
6 23 purposes:
6 24 ..... $ 10,175,417

General Fund appropriation to the DOC for department-wide institutional pharmaceuticals.

DETAIL: This is no change in funding compared to estimated net FY 2026.

6 25 e. For the operation of the Newton correctional facility,
6 26 including salaries, support, maintenance, and miscellaneous
6 27 purposes:
6 28 ..... $ 32,509,092

General Fund appropriation to the DOC for the Newton Correctional Facility.

DETAIL: This is an increase of $230,000 compared to estimated net FY 2026 for increased operating costs.

6 29 f. For the operation of the Mount Pleasant correctional
6 30 facility, including salaries, support, maintenance, and
6 31 miscellaneous purposes:
6 32 ..... $ 30,619,297

General Fund appropriation to the DOC for the Mount Pleasant Correctional Facility.

DETAIL: This is an increase of $263,000 compared to estimated net FY 2026 for increased operating costs.

6 33 g. For the operation of the Rockwell City correctional
6 34 facility, including salaries, support, maintenance, and
6 35 miscellaneous purposes:
7 1 ..... $ 11,916,579

General Fund appropriation to the DOC for the Rockwell City Correctional Facility.

DETAIL: This is an increase of $195,000 compared to estimated net FY 2026 for increased operating costs.

7 2 h. For the operation of the Clarinda correctional facility,
7 3 including salaries, support, maintenance, and miscellaneous
7 4 purposes:
7 5 ..... $ 29,678,380

General Fund appropriation to the DOC for the Clarinda Correctional Facility.

DETAIL: This is an increase of $426,000 compared to estimated net FY 2026 for increased operating costs.

7 6 Moneys received by the department of corrections as
7 7 reimbursement for services provided to the Clarinda youth
7 8 corporation are appropriated to the department and shall be
7 9 used for the purpose of operating the Clarinda correctional
7 10 facility.

Specifies that moneys received by the DOC as reimbursements provided to the Clarinda Youth Corporation are appropriated to the DOC to be used for operations at the Clarinda Correctional Facility.

7 11 i. For the operation of the Mitchellville correctional
7 12 facility, including salaries, support, maintenance, and
7 13 miscellaneous purposes:
7 14 ..... $ 26,350,539

General Fund appropriation to the DOC for the Mitchellville Correctional Facility.

DETAIL: This is an increase of $268,000 compared to estimated net FY 2026 for increased operating costs.

7 15 j. For the operation of the Fort Dodge correctional
7 16 facility, including salaries, support, maintenance, and
7 17 miscellaneous purposes:

General Fund appropriation to the DOC for the Fort Dodge Correctional Facility.

7 18 ..... $ 34,467,251

DETAIL: This is an increase of $382,000 compared to estimated net FY 2026 for increased operating costs.

7 19 k. For reimbursement of counties for temporary confinement
7 20 of prisoners, as provided in sections 901.7, 904.908, and
7 21 906.17, and for offenders confined pursuant to section 904.513:
7 22 ..... $ 1,345,319

General Fund appropriation to the DOC for the County Confinement Account to pay for holding alleged parole and work release violators until their revocation hearings.

DETAIL: This no change in funding compared to estimated net FY 2026.

7 23 l. For federal prison reimbursement, reimbursements for
7 24 out-of-state placements, and miscellaneous contracts:
7 25 ..... $ 234,411

General Fund appropriation to the DOC to reimburse the federal Bureau of Prisons for confining Iowa inmates and to pay miscellaneous contracts.

DETAIL: This is no change in funding compared to estimated net FY 2026.

7 26 2. The department of corrections shall use moneys
7 27 appropriated in subsection 1 to continue to contract for the
7 28 services of a Muslim imam and a Native American spiritual
7 29 leader.

Requires the DOC to use the moneys appropriated in this subsection to contract with a Muslim imam and a Native American spiritual leader to provide religious services and religious counseling.

7 30 Sec. 4. DEPARTMENT OF CORRECTIONS — ADMINISTRATION. There
7 31 is appropriated from the general fund of the state to the
7 32 department of corrections for the fiscal year beginning July
7 33 1, 2026, and ending June 30, 2027, the following amounts, or
7 34 so much thereof as is necessary, to be used for the purposes
7 35 designated:
8 1 1. For general administration, including salaries and the
8 2 adjustment of salaries throughout the department, support,
8 3 maintenance, employment of an education director to administer
8 4 a centralized education program for the correctional system,
8 5 and miscellaneous purposes:
8 6 ..... $ 9,650,695

General Fund appropriation to the DOC for general administration, including salaries and the adjustment of salaries throughout the Department; support; maintenance; employment of an education director to administer a centralized education program for the correctional system; and miscellaneous purposes.

DETAIL: This is an increase of $1,485,000 compared to estimated net FY 2026 for increased operating costs and Department of Management (DOM) Division of Information Technology (DoIT) billing costs.

8 7 a. It is the intent of the general assembly that each
8 8 lease negotiated by the department of corrections with a
8 9 private corporation for the purpose of providing private
8 10 industry employment of inmates in a correctional institution

Specifies the intent of the General Assembly that the DOC prohibit the use of offender labor for partisan political purposes when negotiating leases with a private corporation providing

8 11 shall prohibit the private corporation from utilizing inmate
8 12 labor for partisan political purposes for any person seeking
8 13 election to public office in this state and that a violation
8 14 of this requirement shall result in a termination of the lease
8 15 agreement.

private industry employment. Violation of these contract terms will result in termination of the lease agreement.

8 16 b. It is the intent of the general assembly that as a
8 17 condition of receiving the appropriation provided in this
8 18 subsection the department of corrections shall not enter into
8 19 a lease or contractual agreement pursuant to section 904.809
8 20 with a private corporation for the use of building space for
8 21 the purpose of providing inmate employment without providing
8 22 that the terms of the lease or contract establish safeguards to
8 23 restrict, to the greatest extent feasible, access by inmates
8 24 working for the private corporation to personal identifying
8 25 information of citizens.

Specifies the intent of the General Assembly that the DOC, as a condition of receiving appropriated funds, restrict offender access to personal identifying information of citizens when contracting with a private business for offender employment.

8 26 2. For educational programs for inmates at state penal
8 27 institutions:
8 28 ..... $ 3,108,109

General Fund appropriation to the DOC for educational programs for inmates.

DETAIL: This is no change in funding compared to estimated net FY 2026.

8 29 a. To maximize the funding for educational programs,
8 30 the department shall establish guidelines and procedures to
8 31 prioritize the availability of educational and vocational
8 32 training for inmates based upon the goal of facilitating an
8 33 inmate's successful release from the correctional institution.

Requires the DOC to establish guidelines and procedures to prioritize the availability of educational and vocational training for offenders in an effort to maximize funding for educational programs.

8 34 b. The director of the department of corrections may
8 35 transfer moneys from Iowa prison industries and the canteen
9 1 operating funds established pursuant to section 904.310, for
9 2 use in educational programs for inmates.

Permits the DOC to use funds from Iowa Prison Industries (IPI) and the Canteen Funds for educational programs for offenders.

9 3 c. Notwithstanding section 8.33, moneys appropriated in
9 4 this subsection that remain unencumbered or unobligated at the
9 5 close of the fiscal year shall not revert but shall remain
9 6 available for expenditure for the purposes designated in this
9 7 subsection until the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds appropriated to the DOC in this subsection to remain available through the end of FY 2028.

9 8 3. For the development and operation of the Iowa corrections
9 9 offender network (ICON) data system:

General Fund appropriation to the DOC for the Iowa Corrections Offender Network (ICON).

9 10 ..... $ 2,000,000

DETAIL: This is no change in funding compared to estimated net FY 2026. The ICON is an electronic offender management system for staff in the corrections system. The DOC Central Office, institutions, and Community-Based Corrections (CBC) program staff members update offender information and retrieve data daily. The appropriated funds will be used for ongoing system maintenance, enhancements and upgrades, continued data exchanges with the Criminal Justice Information System, and additional modules to enhance offender management.

9 11 4. For offender mental health and substance abuse
9 12 treatment:
9 13 ..... $ 28,065

General Fund appropriation to the DOC for mental health and substance abuse treatment.

DETAIL: This is no change in funding compared to estimated net FY 2026.

9 14 5. For department-wide duties, including operations, costs,
9 15 and miscellaneous purposes:
9 16 ..... $ 6,275,000

General Fund appropriation to the DOC for department-wide duties.

DETAIL: This is an increase of $369,222 compared to estimated net FY 2026 to reflect the distribution of funding to institutions, CBCs, and corrections administration. This appropriation is for operating costs incurred by the DOC.

9 17 The appropriation in this subsection shall be increased by
9 18 $105,000 if 2026 Iowa Acts, Senate File 639, is not enacted.

The General Fund appropriation for department-wide duties will be increased by $105,000 for a new total increase of $474,222 if Senate File 639 (Business Court Act) is not enacted.

NOTE: Senate File 639 was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 1, 2026.

9 19 Sec. 5. DEPARTMENT OF CORRECTIONS — JUDICIAL DISTRICT
9 20 DEPARTMENTS OF CORRECTIONAL SERVICES.
9 21 1. There is appropriated from the general fund of the state
9 22 to the department of corrections for the fiscal year beginning
9 23 July 1, 2026, and ending June 30, 2027, the following amounts,
9 24 or so much thereof as is necessary, to be used for salaries,

support, maintenance, and miscellaneous purposes:

a. For the first judicial district department of correctional services:
..... $ 17,395,981

General Fund appropriation to the DOC for the First CBC District.

DETAIL: This is an increase of $94,000 compared to estimated net FY 2026 for increased operating costs.

It is the intent of the general assembly that the first judicial district department of correctional services maintains the drug courts operated by the district department.

Specifies that it is the intent of the General Assembly that the First CBC District maintain its drug courts.

b. For the second judicial district department of correctional services:
..... $ 14,105,725

General Fund appropriation to the DOC for the Second CBC District.

DETAIL: This is an increase of $160,000 compared to estimated net FY 2026 for increased operating costs.

It is the intent of the general assembly that the second judicial district department of correctional services maintains two drug courts to be operated by the district department.

Specifies that it is the intent of the General Assembly that the Second CBC District maintains two drug courts.

c. For the third judicial district department of correctional services:
..... $ 8,915,376

General Fund appropriation to the DOC for the Third CBC District.

DETAIL: This is no change in funding compared to estimated net FY 2026.

d. For the fourth judicial district department of correctional services:
..... $ 6,563,898

General Fund appropriation to the DOC for the Fourth CBC District.

DETAIL: This is an increase of $98,000 compared to estimated net FY 2026 for increased operating costs.

e. For the fifth judicial district department of correctional services, including funding for electronic monitoring devices for use on a statewide basis:
..... $ 25,194,813

General Fund appropriation to the DOC for the Fifth CBC District.

DETAIL: This is an increase of $188,000 compared to estimated net FY 2026 for increased operating costs.

It is the intent of the general assembly that the fifth judicial district department of correctional services maintains the drug court operated by the district department.

Specifies that it is the intent of the General Assembly that the Fifth CBC District maintain its drug court.

f. For the sixth judicial district department of correctional services:
..... $ 17,554,811

General Fund appropriation to the DOC for the Sixth CBC District.

DETAIL: This is an increase of $148,000 compared to estimated net FY 2026 for increased operating costs.

It is the intent of the general assembly that the sixth judicial district department of correctional services maintains the drug court operated by the district department.

Specifies that it is the intent of the General Assembly that the Sixth CBC District maintain its drug court.

g. For the seventh judicial district department of correctional services:
..... $ 11,003,457

General Fund appropriation to the DOC for the Seventh CBC District.

DETAIL: This is no change in funding compared to estimated net FY 2026.

It is the intent of the general assembly that the seventh judicial district department of correctional services maintains the drug court operated by the district department.

Specifies the intent of the General Assembly that the Seventh CBC District maintain its drug court.

h. For the eighth judicial district department of correctional services:
..... $ 10,259,926

General Fund appropriation to the DOC for the Eighth CBC District.

DETAIL: This is an increase of $18,778 compared to estimated net FY 2026 for increased operating costs.

2. Each judicial district department of correctional services, within the moneys available, shall continue programs and plans established within that district to provide for intensive supervision, sex offender treatment, diversion of low-risk offenders to the least restrictive sanction available, job development, and expanded use of intermediate criminal sanctions.

Requires that within available funding, each CBC district department continue programs and plans for intensive supervision, sex offender treatment, diversion of low-risk offenders to the least restrictive sanction available, job development, and expanded use of intermediate sanctions.

11 3 3. Each judicial district department of correctional
11 4 services shall provide alternatives to prison consistent with
11 5 chapter 901B. The alternatives to prison must ensure public
11 6 safety while providing maximum rehabilitation to the offender.
11 7 A judicial district department of correctional services may
11 8 also establish a day program.

Requires each CBC district department to provide alternatives to prison consistent with Iowa Code chapter 901B.

11 9 4. The office of drug control policy of the department
11 10 of public safety shall consider federal grants made to the
11 11 department of corrections for the benefit of each of the eight
11 12 judicial district departments of correctional services as local
11 13 government grants, as defined pursuant to federal regulations.

Requires the Office of Drug Control Policy of the Department of Public Safety (DPS) to consider federal grants made to the DOC for the benefit of the CBC district departments as local government grants rather than State government grants as defined by federal regulations.

11 14 5. The department of corrections shall continue to contract
11 15 with a judicial district department of correctional services
11 16 to provide for the rental of electronic monitoring equipment
11 17 available statewide.

Requires the DOC to contract with a CBC district department for the rental of electronic monitoring equipment.

DETAIL: The DOC currently contracts with the Fifth CBC District to provide electronic monitoring devices statewide.

11 18 6. The public safety assessment shall not be utilized in
11 19 pretrial hearings when determining whether to detain or release
11 20 a defendant before trial until such time the use of the public
11 21 safety assessment has been specifically authorized by the
11 22 general assembly.

Prohibits the use of the Public Safety Assessment in pretrial hearings when determining whether to detain or release a defendant before trial until the use of the Public Safety Assessment has been specifically authorized by the General Assembly.

11 23 Sec. 6. DEPARTMENT OF CORRECTIONS — REALLOCATION OF
11 24 APPROPRIATIONS. Notwithstanding section 8.39, within the
11 25 moneys appropriated in this division of this Act to the
11 26 department of corrections, the department may reallocate the
11 27 moneys appropriated and allocated as necessary to best fulfill
11 28 the needs of the correctional institutions, administration
11 29 of the department, and the judicial district departments of
11 30 correctional services. However, in addition to complying with
11 31 the requirements of section 904.116 and providing notice to
11 32 the legislative services agency, the department of corrections
11 33 shall also provide notice to the department of management,
11 34 prior to the effective date of the revision or reallocation of
11 35 an appropriation made pursuant to this section. The department
12 1 of corrections shall not reallocate an appropriation or
12 2 allocation for the purpose of eliminating any program.

CODE: Permits funds appropriated to the DOC to be allocated as necessary to fulfill appropriation needs within the DOC. The DOC is not allowed to reallocate an appropriation unless notice is given to the Legislative Services Agency (LSA) and the DOM prior to the effective date of the reallocation. The DOC is not allowed to reallocate the appropriations for the purpose of eliminating a program.

Sec. 7. DEPARTMENT OF CORRECTIONS — INTENT. The department of corrections, in cooperation with townships, the Iowa cemetery associations, and other nonprofit or governmental entities, may use inmate labor during the fiscal year beginning July 1, 2026, to restore or preserve rural cemeteries and historical landmarks. The department, in cooperation with the counties, may also use inmate labor to clean up roads, major water sources, and other water sources around the state.

Permits the DOC to work with nonprofit and government entities to use inmate labor to restore or preserve rural cemeteries or historical landmarks and to clean up roads and water resources.

Sec. 8. STATE AGENCY PURCHASES FROM PRISON INDUSTRIES.

1. As used in this section, unless the context otherwise requires, “state agency” means the government of the state of Iowa, including but not limited to all executive branch departments, agencies, boards, bureaus, and commissions, the judicial branch, the general assembly and all legislative agencies, institutions within the purview of the state board of regents, and any corporation whose primary function is to act as an instrumentality of the state.

Defines "State agency" in regard to purchases from IPI to include all Executive Branch departments, agencies, boards, bureaus, and commissions; the Judicial Branch; the General Assembly; legislative agencies; the State Board of Regents institutions; and any corporation whose primary function is to act as an instrumentality of the State.

2. State agencies are encouraged to purchase products from Iowa state industries, as defined in section 904.802, when purchases are required and the products are available from Iowa state industries. State agencies shall obtain bids from Iowa state industries for purchases of office furniture during the fiscal year beginning July 1, 2026, exceeding $5,000 or in accordance with applicable administrative rules related to purchases for the agency.

Encourages State agencies to buy products from IPI whenever possible. Requires State agencies to obtain a bid from IPI for office furniture purchases exceeding $5,000, or in accordance with administrative rules.

Sec. 9. IOWA LAW ENFORCEMENT ACADEMY.

1. There is appropriated from the general fund of the state to the Iowa law enforcement academy for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

a. For salaries, support, maintenance, and miscellaneous purposes, including jailer training and technical assistance, and for not more than the following full-time equivalent positions:

..... $ 2,919,407

..... FTEs 31.00

General Fund appropriation to the ILEA.

DETAIL: This is a decrease of $45,000 and no change in FTE positions compared to estimated net FY 2026. The decrease in funding is related to efficiencies from a contract conversion and reduced training and supply costs.

b. The Iowa law enforcement academy may temporarily exceed and draw more than the amount appropriated in this subsection and incur a negative cash balance as long as there are receivables equal to or greater than the negative balance and the amount appropriated in this subsection is not exceeded at the close of the fiscal year.

Permits the ILEA to incur a negative General Fund balance as long as there are equal receivables available to the ILEA by the close of the fiscal year.

2. The Iowa law enforcement academy may select at least five automobiles of the department of public safety, division of state patrol, prior to turning over the automobiles to the department of administrative services to be disposed of by public auction, and the Iowa law enforcement academy may exchange any automobile owned by the academy for each automobile selected if the selected automobile is used in training law enforcement officers at the academy. However, any automobile exchanged by the academy must be substituted for the selected vehicle of the department of public safety and sold by public auction with the receipts being deposited in the depreciation fund maintained pursuant to section 8A.365 to the credit of the department of public safety, division of state patrol.

Permits the ILEA to annually exchange at least five of the ILEA's training vehicles for vehicles returned to the DAS by the DPS. The vehicles received from the ILEA are to be sold at public auction, with the receipts to be deposited in the Depreciation Fund used to purchase new vehicles for the Iowa State Patrol.

3. The Iowa law enforcement academy shall provide training for domestic abuse and human trafficking-related issues throughout the state. The academy shall offer the training at no cost to the attendees and the training shall not replace any existing domestic abuse or human trafficking training offered by the academy.

Requires the ILEA to provide domestic abuse- and human trafficking-related training throughout the State. This training is required to be provided at no cost to the attendees and is not intended to replace any existing training related to domestic abuse and human trafficking currently offered by the ILEA.

Sec. 10. STATE PUBLIC DEFENDER.

1. There is appropriated from the general fund of the state to the office of the state public defender of the department of inspections, appeals, and licensing for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

..... $ 38,627,894

..... FTEs 276.00

General Fund appropriation to the Department of Inspections, Appeals, and Licensing (DIAL) for the Office of the State Public Defender.

DETAIL: This is an increase of $3,100,000 and 10.00 FTE positions compared to estimated net FY 2026 to hire 10.00 additional FTE positions in the Office of the State Public Defender.

b. For payments on behalf of eligible adults and juveniles from the indigent defense fund, in accordance with section 815.11:
..... $ 41,576,374

General Fund appropriation to the DIAL for the Indigent Defense Fund.

DETAIL: This is a decrease of $1,150,000 compared to estimated net FY 2026.

2. Moneys received by the office of the state public defender pursuant to Tit.IV-E of the federal Social Security Act remaining unencumbered and unobligated at the end of the fiscal year shall not revert but shall be transferred to the Tit.IV-E juvenile justice improvement fund created in 2022 Iowa Acts, chapter 1146, section 11, subsection 3, to remain available for expenditure by the office of the state public defender in succeeding fiscal years for the purposes allowed by Tit.IV-E of the federal Social Security Act.

Permits the Office of the State Public Defender to transfer funds from federal Title IV-E savings to the Title IV-E Juvenile Justice Improvement Fund. A federal mandate regarding the use of federal Title IV-E funds requires savings to be reinvested and used for child welfare services instead of reverting to the General Fund. Allows any unexpended funds to not revert but remain available until expended.

Sec. 11. BOARD OF PAROLE. There is appropriated from the general fund of the state to the board of parole for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 1,545,114
..... FTEs 10.60

General Fund appropriation to the Board of Parole.

DETAIL: This is no change in funding and no change in FTE positions compared to estimated net FY 2026.

Sec. 12. DEPARTMENT OF PUBLIC DEFENSE.
1. There is appropriated from the general fund of the state to the department of public defense, for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 7,646,037
..... FTEs 242.00

General Fund appropriation to the Department of Public Defense (DPD).

DETAIL: This is an increase of $378,182 and 4.00 FTE positions compared to estimated net FY 2026. The increase in funding will be used for general operating expenses, software, and DOM DoIT costs. The net increase in FTE positions is due to a consolidation of information technology services with the DOM DoIT and restores the FTE positions to the previously authorized amount in SF 644 (FY 2026 Justice System Appropriations Act).

2. The department of public defense may temporarily exceed and draw more than the amount appropriated in this section and

Permits the DPD to incur a negative cash balance as long as the DPD has equal federal reimbursable expenses to cover the

15 9 incur a negative cash balance as long as there are receivables
15 10 of federal funds equal to or greater than the negative balance
15 11 and the amount appropriated in this section is not exceeded at
15 12 the close of the fiscal year.

negative balance.

NOTE: The DPD can experience a delay of up to 30 days in federal reimbursement for eligible expenses. This authorization permits the DPD to use State General Fund moneys to cover these expenses until the federal funds are received.

15 13 Sec. 13. DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY
15 14 MANAGEMENT.
15 15 1. There is appropriated from the general fund of the state
15 16 to the department of homeland security and emergency management
15 17 for the fiscal year beginning July 1, 2026, and ending June 30,
15 18 2027, the following amount, or so much thereof as is necessary,
15 19 to be used for the purposes designated:
15 20 For salaries, support, maintenance, and miscellaneous
15 21 purposes, and for not more than the following full-time
15 22 equivalent positions:
15 23 ..... $ 2,396,138
15 24 ..... FTEs 25.44

General Fund appropriation to the Department of Homeland Security and Emergency Management (HSEMD).

DETAIL: This is a decrease of $50,000 and no change in FTE positions compared to estimated net FY 2026 for program efficiencies.

15 25 2. The department of homeland security and emergency
15 26 management may temporarily exceed and draw more than the amount
15 27 appropriated in this section and incur a negative cash balance
15 28 as long as there are receivables of federal funds equal to or
15 29 greater than the negative balance and the amount appropriated
15 30 in this section is not exceeded at the close of the fiscal
15 31 year.

Permits the HSEMD to incur a negative cash balance if the HSEMD has equal federal reimbursable expenses to cover the negative balance.

NOTE: The HSEMD can experience a delay of up to 30 days in federal reimbursement for eligible expenses. This authorization permits the HSEMD to use State General Fund moneys to cover these expenses until the federal funds are received. To alleviate the cash flow problem, the federal government has instituted an Advance Payment System that permits the State to receive an advance of federal funds to meet payroll and other requirements. The HSEMD has implemented the accounting procedure to use the new system.

15 32 Sec. 14. DEPARTMENT OF PUBLIC SAFETY. There is appropriated
15 33 from the general fund of the state to the department of public
15 34 safety for the fiscal year beginning July 1, 2026, and ending
15 35 June 30, 2027, the following amounts, or so much thereof as is
16 1 necessary, to be used for the purposes designated:

16 2 1. For administrative functions, including salaries and the
16 3 adjustment of salaries throughout the department, the criminal
16 4 justice information system, and for not more than the following
16 5 full-time equivalent positions:
16 6 ..... $ 7,325,444
16 7 ..... FTEs 33.00

General Fund appropriation to the DPS for Public Safety Administration.

DETAIL: This is an increase of $229,538 and no change in FTE positions compared to estimated net FY 2026 for increased operating costs within Public Safety Administration that were funded through Department-wide duties in FY 2026.

16 8 2. For the division of criminal investigation, including
16 9 the state's contribution to the peace officers' retirement,
16 10 accident, and disability system provided in chapter 97A in the
16 11 amount of the state's normal contribution rate, as defined in
16 12 section 97A.8, multiplied by the salaries for which the moneys
16 13 are appropriated, to meet federal fund matching requirements,
16 14 and for not more than the following full-time equivalent
16 15 positions:
16 16 ..... $ 23,282,804
16 17 ..... FTEs 184.00

General Fund appropriation to the DPS for the Division of Criminal Investigation (DCI).

DETAIL: This is an increase of $476,846 and no change in FTE positions compared to estimated net FY 2026 for increased operating costs within the DCI that were funded through Department-wide duties in FY 2026.

16 18 3. For the criminalistics laboratory fund created in
16 19 section 691.9:
16 20 ..... $ 650,000

General Fund appropriation to the DPS for the Criminalistics Laboratory Fund.

DETAIL: This is no change in funding compared to estimated net FY 2026.

16 21 Notwithstanding section 8.33, moneys appropriated in this
16 22 subsection that remain unencumbered or unobligated at the close
16 23 of the fiscal year shall not revert but shall remain available
16 24 for expenditure for the purposes designated until the close of
16 25 the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds appropriated to the Criminalistics Laboratory Fund to remain available through the end of FY 2028.

16 26 4. a. For the division of narcotics enforcement, including
16 27 the state's contribution to the peace officers' retirement,
16 28 accident, and disability system provided in chapter 97A in the
16 29 amount of the state's normal contribution rate, as defined in
16 30 section 97A.8, multiplied by the salaries for which the moneys
16 31 are appropriated, to meet federal fund matching requirements,
16 32 and for not more than the following full-time equivalent
16 33 positions:
16 34 ..... $ 10,496,573

General Fund appropriation to the DPS for the Division of Narcotics Enforcement (DNE).

DETAIL: This is an increase of $231,541 and no change in FTE positions compared to estimated net FY 2026 for increased operating costs within the DNE that were funded through Department-wide duties in FY 2026.

16 35 ..... FTEs 71.00

17 1 The division of narcotics enforcement is authorized an
17 2 additional 1.00 full-time equivalent position pursuant to
17 3 this lettered paragraph that is in excess of the number of
17 4 full-time equivalent positions authorized for the previous
17 5 fiscal year only if the division of narcotics enforcement
17 6 receives sufficient federal moneys to maintain employment
17 7 for the additional full-time equivalent position during the
17 8 current fiscal year. The division of narcotics enforcement
17 9 shall only employ the additional full-time equivalent position
17 10 in succeeding fiscal years if sufficient federal moneys are
17 11 received during each of those succeeding fiscal years.

Allows the DNE an additional 1.00 FTE position in excess of the authorized FTE positions if the DNE receives sufficient federal moneys to maintain the position.

17 12 b. For the division of narcotics enforcement for undercover
17 13 purchases:
17 14 ..... $ 209,042

General Fund appropriation to the DPS for DNE undercover purchases.

DETAIL: This is no change in funding compared to estimated net FY 2026.

17 15 5. For the division of state fire marshal, for fire
17 16 protection services as provided through the state fire service
17 17 and emergency response council as created in the department,
17 18 and for the state's contribution to the peace officers'
17 19 retirement, accident, and disability system provided in chapter
17 20 97A in the amount of the state's normal contribution rate,
17 21 as defined in section 97A.8, multiplied by the salaries for
17 22 which the moneys are appropriated, and for not more than the
17 23 following full-time equivalent positions:
17 24 ..... $ 3,635,378
17 25 ..... FTEs 21.00

General Fund appropriation to the DPS for the Division of State Fire Marshal.

DETAIL: This is an increase of $80,443 and no change in FTE positions compared to estimated net FY 2026 is for increased operating costs within the Division of State Fire Marshal that were funded through Department-wide duties in FY 2026.

17 26 6. For the division of state patrol, for salaries, support,
17 27 maintenance, workers' compensation costs, and miscellaneous
17 28 purposes, including the state's contribution to the peace
17 29 officers' retirement, accident, and disability system provided
17 30 in chapter 97A in the amount of the state's normal contribution
17 31 rate, as defined in section 97A.8, multiplied by the salaries
17 32 for which the moneys are appropriated, and for not more than
17 33 the following full-time equivalent positions:
17 34 ..... $ 94,251,941
17 35 ..... FTEs 613.00

General Fund appropriation to the Iowa State Patrol.

DETAIL: This is an increase of $2,018,972 and no change in FTE positions compared to estimated net FY 2026 for increased operating costs within the Iowa State Patrol that were funded through Department-wide duties in FY 2026.

18 1 It is the intent of the general assembly that members of the
18 2 state patrol be assigned to patrol the highways and roads in
18 3 lieu of assignments for inspecting school buses for the school
18 4 districts.

Specifies that it is the intent of the General Assembly that the Iowa State Patrol assign State patrol members to patrol the highways and roads in lieu of inspecting school buses for school districts.

18 5 7. For deposit in the sick leave benefits fund established
18 6 in section 80.42 for all departmental employees eligible to
18 7 receive benefits for accrued sick leave under the collective
18 8 bargaining agreement:
18 9 ..... $ 279,517

General Fund appropriation to the Sick Leave Benefits Fund in the DPS to be used for payout of accrued sick leave under the collective bargaining agreement.

DETAIL: This is no change in funding compared to estimated net FY 2026.

18 10 8. For costs associated with the training and equipment
18 11 needs of volunteer fire fighters:
18 12 ..... $ 1,075,520

General Fund appropriation to the DPS for volunteer fire fighter training and related equipment needs.

DETAIL: This is no change in funding compared to estimated net FY 2026.

18 13 Notwithstanding section 8.33, moneys appropriated in this
18 14 subsection that remain unencumbered or unobligated at the close
18 15 of the fiscal year shall not revert but shall remain available
18 16 for expenditure for the purposes designated in this subsection
18 17 until the close of the succeeding fiscal year.

CODE: Allows any unencumbered or unobligated funds appropriated for volunteer fire fighter training and equipment needs to remain available through the end of FY 2028.

18 18 9. For the public safety interoperable and broadband
18 19 communications fund established in section 80.44:
18 20 ..... $ 115,661

General Fund appropriation to the DPS for the Public Safety Interoperable and Broadband Communications Fund.

DETAIL: This is no change in funding compared to estimated net FY 2026.

18 21 10. For the office to combat human trafficking established
18 22 in section 80.45, including salaries, support, maintenance, and
18 23 miscellaneous purposes:
18 24 ..... $ 200,742

General Fund appropriation to the DPS for the Office to Combat Human Trafficking.

DETAIL: This is no change in funding compared to estimated net FY 2026.

18 25 11. For department-wide duties, including operations,
18 26 costs, and miscellaneous purposes:
18 27 ..... $ 3,430,000

General Fund appropriation to the DPS for department-wide duties.

DETAIL: This is an increase of $371,333 compared to estimated net FY 2026.

The appropriation in this subsection shall be increased by $230,000 if 2026 Iowa Acts, Senate File 639, is not enacted.

The General Fund appropriation for department-wide duties will be increased by $230,000 for a new total increase of $601,333 if Senate File 639 (Business Court Act) is not enacted.

NOTE: Senate File 639 was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 1, 2026.

12. For the office of drug control policy, for salaries, support, maintenance, and miscellaneous purposes, including statewide coordination of the drug abuse resistance education (D.A.R.E.) programs or other similar programs, and for not more than the following full-time equivalent positions:

..... $ 270,546
..... FTEs 4.00

General Fund appropriation to the Office of Drug Control Policy.

DETAIL: This is an increase of $21,327 and no change in FTE positions compared to estimated net FY 2026 for increased operating costs within the Office of Drug Control Policy that were funded through Department-wide duties in FY 2026.

Notwithstanding section 8.39, the department of public safety may reallocate moneys appropriated in this section as necessary to best fulfill the needs provided for in the appropriation. However, the department shall not reallocate moneys appropriated to the department in this section unless notice of the reallocation is given to the legislative services agency and the department of management prior to the effective date of the reallocation. The notice must include information regarding the rationale for reallocating the moneys. The department shall not reallocate moneys appropriated in this section for the purpose of eliminating any program.

CODE: Specifies that the DPS may reallocate funds appropriated in this Section as necessary to best fulfill the needs provided for in the appropriation. Requires the DPS to notify the LSA and the DOM of any reallocation and provide information regarding the rationale for reallocating moneys. The DPS is not allowed to reallocate the appropriations for the purpose of elimination of a program.

Sec. 15. DEPARTMENT OF PUBLIC SAFETY — GAMING ENFORCEMENT.

1. There is appropriated from the gaming enforcement revolving fund created in section 80.43 to the department of public safety for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For any direct support costs for agents and officers of the division of criminal investigation's excursion gambling

Gaming Enforcement Revolving Fund appropriation to the DPS for direct and indirect support costs for DCI agents and officers involved in gaming enforcement.

DETAIL: This is an increase of $782,100 and 3.00 FTE positions compared to estimated net FY 2026. The increase in FTE positions is for 3.00 Special Agent 2 positions for the Cedar Rapids casino gaming license.

boat, gambling structure, and racetrack enclosure enforcement activities, including salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:
..... $ 13,084,081
..... FTEs 68.00

2. For each additional license to conduct gambling games on an excursion gambling boat, gambling structure, or racetrack enclosure issued during the fiscal year beginning July 1, 2026, there is appropriated from the gaming enforcement revolving fund to the department of public safety for the fiscal year beginning July 1, 2026, and ending June 30, 2027, an additional amount of not more than $300,000 to be used for full-time equivalent positions.

Specifies that for each additional license issued in FY 2027, an additional $300,000 may be authorized and funded from the Gaming Enforcement Revolving Fund for gaming license regulation purposes. The additional funding is to be used for associated FTE positions.

3. The department of public safety, with the approval of the department of management, may employ no more than three special agents for each additional riverboat or gambling structure regulated after July 1, 2026, and three special agents for each racing facility which becomes operational during the fiscal year which begins July 1, 2026. Positions authorized in this subsection are in addition to the full-time equivalent positions otherwise authorized in this section.

Permits the DPS, if approved by the DOM, to employ a maximum of 3.00 Special Agent FTE positions for each riverboat or gambling structure licensed after July 1, 2026, and 3.00 Special Agent FTE positions for each racing facility that begins operations after July 1, 2026.

Sec. 16. DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT. There is appropriated from the 911 emergency communications fund created in section 34A.7A to the department of homeland security and emergency management for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amount, or so much thereof as is necessary, to be used for the purposes designated:
For implementation, support, and maintenance of the functions of the administrator and program manager under chapter 34A and to employ the auditor of the state to perform an annual audit of the 911 emergency communications fund:
..... $ 300,000

911 Emergency Communications Fund appropriation for the 911 Program Manager in the HSEMD and for the annual audit of the 911 Emergency Communications Fund.

DETAIL: This is no change in funding compared to estimated net FY 2026.

Sec. 17. DEPARTMENT OF JUSTICE — CONSUMER EDUCATION AND LITIGATION — FARM MEDIATION AND PROSECUTIONS, APPEALS, AND CLAIMS. Notwithstanding section 714.16C, there is appropriated from the consumer education and litigation fund to the

department of justice for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For farm mediation services as specified in section 13.13, subsection 2:
..... $ 300,000

Consumer Education and Litigation Fund appropriation to the DOJ for farm mediation services.

DETAIL: This is no change in funding compared to estimated net FY 2026. Iowa Code section 13.13 requires the Attorney General to contract with a nonprofit organization to provide farm mediation services. Currently, the Attorney General contracts with Iowa Mediation Services to provide farm mediation services for the State.

2. For salaries, support, maintenance, and miscellaneous purposes for criminal prosecutions, criminal appeals, and performing duties pursuant to chapter 669:
..... $ 2,000,000

Consumer Education and Litigation Fund appropriation to the DOJ for salaries, support, maintenance, and miscellaneous purposes for criminal prosecutions, criminal appeals, and State tort claims.

DETAIL: This is no change in funding compared to estimated net FY 2026.

DIVISION II
INDIGENT DEFENSE AND REPRESENTATION

Sec. 18. Section 815.7, subsection 10, Code 2026, is amended to read as follows:

10. For appointments made on or after July 1, 2025, through June 30, 2026, the reasonable compensation shall be calculated on the basis of eighty-eight dollars per hour for class "A" felonies, eighty-three dollars per hour for class "B" felonies, and seventy-eight dollars per hour for all other cases.

CODE: Specifies that current hourly rates for court-appointed counsel are applicable to FY 2026 only.

DETAIL: The FY 2026 rates are as follows:

- $88 per hour for Class A felonies.
- $83 per hour for Class B felonies.
- $78 per hour for all other cases.

Sec. 19. Section 815.7, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 10A. For appointments made on or after July 1, 2026, the reasonable compensation shall be calculated on the basis of ninety-two dollars per hour for class "A" felonies,

CODE: Increases the hourly rates for court-appointed counsel by $4 for each case type beginning July 1, 2026 (FY 2027).

DETAIL: The new rates are as follows:

21 14 eighty-seven dollars per hour for class “B” felonies, and
21 15 eighty-two dollars per hour for all other cases.

- $92 per hour for Class A felonies.
- $87 per hour for Class B felonies.
- $82 per hour for all other cases.

21 16 DIVISION III
21 17 ATTORNEY LOAN REPAYMENT PROGRAM — COURT FILING FEES

21 18 Sec. 20. NEW SECTION 256.232 ATTORNEY LOAN REPAYMENT
21 19 PROGRAM — FUND.
21 20 1. PROGRAM ESTABLISHED. The college student aid commission
21 21 shall establish an attorney loan repayment program to encourage
21 22 attorneys to remain and practice law in this state.

CODE: Creates the Attorney Loan Repayment Program to encourage attorneys to remain and practice law in Iowa. The Program is to be administered by the Iowa College Student Aid Commission.

21 23 2. ELIGIBILITY. An individual is eligible to apply to
21 24 enter into a program agreement with the college student aid
21 25 commission pursuant to subsection 3 if the individual meets all
21 26 of the following requirements:
21 27 a. Is a graduate of an accredited law school within five
21 28 years of the time of application to the program.
21 29 b. Is licensed to practice law in Iowa.
21 30 c. Is practicing law in Iowa at the time of application or
21 31 commits to begin practicing law in this state upon execution
21 32 of a program agreement.

CODE: Specifies that an applicant must meet the following requirements:

- Is a graduate of an accredited law school within five years of program application.
- Is licensed to practice law in Iowa.
- Is practicing law in Iowa at the time of application or commits to begin practice upon execution of a program agreement.

21 33 3. PROGRAM AGREEMENTS. An agreement must be entered into by
21 34 an eligible attorney and the college student aid commission.
21 35 Under the agreement, to receive loan repayments pursuant to
22 1 subsection 5, an eligible attorney shall agree to and fulfill
22 2 all of the following requirements:
22 3 a. Remain and practice law in Iowa in the area designated
22 4 pursuant to the attorney’s preference determination during each
22 5 year for which loan repayment assistance is received.
22 6 b. Provide not less than the number of hours per year of
22 7 legal services as an indigent defense attorney as designated
22 8 pursuant to the attorney’s preference determination.

CODE: Specifies that a program agreement will require the loan repayment recipient to remain and practice law in Iowa during each year of loan repayment assistance and provide not less than the number of hours per year of indigent defense legal services pursuant to the attorney's preference determination.

22 9 4. PRIORITY.
22 10 a. In awarding loan repayment assistance under this section,
22 11 the commission shall give priority to attorneys who practice
22 12 law in this state in the following order, with preference
22 13 within each of the following subparagraphs to attorneys who
22 14 graduated from an Iowa law school, an Iowa high school, or

CODE: Specifies that loan repayment assistance is prioritized for attorneys in the following order, with additional preference given to those who graduated from an Iowa law school, attended an Iowa high school, or completed private instruction under Iowa Code chapter 299A:

completed private instruction pursuant to chapter 299A:
(1) Attorneys who reside and practice law in rural areas of the state and provide a minimum of fifty hours of indigent defense services annually.
(2) Attorneys who practice law in rural areas of the state and provide a minimum of one hundred hours of indigent defense services annually.
(3) Attorneys who practice law in Iowa and provide two hundred hours of indigent defense services annually.

- Attorneys living and practicing in rural areas who provide at least 50 hours of indigent defense services annually.
- Attorneys practicing in rural areas who provide at least 100 hours of indigent defense services annually.
- Attorneys practicing in Iowa who provide at least 200 hours of indigent defense services annually.

b. For purposes of this subsection, “rural area” means a county or municipality that has a population of less than twenty-six thousand and is located more than twenty miles from a city with a population of at least fifty thousand, based on the most recent federal decennial census.

CODE: Defines "rural area" as a city in Iowa with a population of less than 26,000 that is located more than 20 miles from a city with a population of at least 50,000 as of the latest federal decennial census.

5. LOAN REPAYMENT ASSISTANCE. An eligible attorney who enters into and remains in compliance with a program agreement pursuant to subsection 3 shall receive loan repayment assistance in an amount not to exceed ten thousand dollars per year or the outstanding balance of the attorney’s eligible loans, whichever is less. In the event an attorney who receives loan repayment assistance under this section ceases to practice law in accordance with the program agreement, the loan repayment assistance shall terminate immediately, the loan repayment assistance shall be prorated for the months the attorney complied with the agreement, and no further payment shall be made. Loan repayment assistance may be provided for each year of eligible practice during a period of not more than six consecutive years. The total amount of loan repayment assistance an attorney may receive under the program shall not exceed the total outstanding balance of the attorney’s eligible student loans at the time the program agreement is executed. For purposes of this subsection, “eligible loan” means the attorney’s total federally guaranteed Stafford loan amount under the federal family education loan program or the federal direct loan program, the attorney’s federal graduate plus loans, or the attorney’s federal Perkins loan, including principal and interest. Loan payment assistance received pursuant to this section is not subject to Iowa income tax.

CODE: Specifies that an eligible attorney may receive up to $10,000 per year or the balance of outstanding eligible student loans, whichever is less. Specifies that a recipient may receive assistance for up to six consecutive years and that total assistance cannot exceed a total of $60,000 or the amount of the outstanding eligible loan balance, whichever is less. Loan payment assistance is not subject to Iowa income tax.

Defines "eligible loan" as the total of a recipient's federal guaranteed Stafford Loan amount under the Federal Family Education Loan Program or the Federal Direct Loan Program, or the recipient's Federal Graduate PLUS or Federal Perkins loans, including principal and interest.

6. TRUST FUND ESTABLISHED. An attorney loan repayment program trust fund is created in the state treasury under the control of the college student aid commission. The commission may accept gifts, grants, bequests, and other private contributions, as well as state or federal moneys, for deposit in the fund. All moneys deposited in the trust fund are appropriated and made available to the commission to be used for purposes of meeting the requirements of this section. Notwithstanding section 8.33, moneys in the fund shall not revert but shall remain available for purposes of this section and to provide loan repayment assistance to attorneys in this state. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund and are appropriated to the commission for purposes of administering the attorney loan repayment program under this section.

CODE: Creates the Attorney Loan Repayment Program Trust Fund in the State Treasury under the control of the Iowa College Student Aid Commission. The Commission may accept gifts, grants, bequests, private contributions, and State or federal moneys. Unobligated and unencumbered moneys in the Trust Fund will not revert to the General Fund but will be available at fiscal year-end for program purposes. Any interest or earnings on moneys in the Fund will be credited to the Trust Fund.

7. RULES. The college student aid commission shall adopt rules to administer this section.

CODE: Requires the Commission to adopt administrative rules to administer the program, ensuring proper program oversight and compliance.

8. LIMITATION. The program shall not provide assistance for more than twenty-five attorneys in a single year, and shall not provide assistance to more than one hundred fifty attorneys at any time.

CODE: Limits the Program to 25 participating attorneys per year and 150 attorneys at any time.

9. REPEAL. This section is repealed July 1, 2041.

CODE: Repeals the Attorney Loan Repayment Program on July 1, 2041.

Sec. 21. Section 331.424, subsection 1, paragraph a, subparagraph (6), Code 2026, is amended to read as follows:

(6) The maintenance and operation of the courts, including but not limited to the salary and expenses of the clerk of the district court and other employees of the clerk's office, and bailiffs, court costs if the prosecution fails or if the costs cannot be collected from the person liable, costs and expenses of prosecution under section 189A.17, salaries and expenses of juvenile court officers under chapter 602, court-ordered costs in domestic abuse cases under section 236.5, sexual abuse cases under section 236A.7, and elder abuse cases under section

CODE: Amends Iowa Code section 331.424(1)(a)(6), which modifies county responsibility language relating to court costs, and removes claims filed under Iowa Code section 622.93.

235F.6, the county's expense for confinement of prisoners under chapter 356A, temporary assistance to the county attorney, county contributions to a retirement system for bailiffs, reimbursement for judicial magistrates under section 602.6501, ~~claims filed under section 622.93,~~ sign language interpreters' fees under section 622B.7, uniform citation and complaint supplies under section 805.6, and costs of prosecution under section 815.13.

Sec. 22. Section 422.7, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 46. a. Subtract, to the extent included, income resulting from the payment of the amount of any loan repayment assistance received pursuant to section 256.232, whether paid to the taxpayer or the lender, not to exceed ten thousand dollars in any tax year.

b. If the taxpayer has a deduction in computing federal taxable income under section 221 of the Internal Revenue Code for interest on a qualified education loan, the taxpayer shall recompute for purposes of this subsection the amount of the deduction under paragraph "a" by not subtracting any amount of income resulting from the loan repayment assistance received pursuant to section 256.232 that was also deducted by the taxpayer under section 221 of the Internal Revenue Code.

c. A taxpayer is eligible to receive a deduction pursuant to this subsection for not more than six consecutive tax years in the taxpayer's lifetime.

CODE: Specifies that loan repayment assistance received under the Attorney Loan Repayment Program is not subject to Iowa income tax and cannot exceed $10,000 in any tax year, and eligibility is for no more than six consecutive years.

Sec. 23. Section 602.8102, subsection 98, Code 2026, is amended to read as follows:

98. Carry out duties relating to trials and judgments as provided in sections ~~624.8~~ 624.9 through 624.20 and 624.37.

CODE: Amends Iowa Code section 602.8102(98) to remove the keeping of a calendar of pending criminal cases from the duties of the County Clerk of Court.

Sec. 24. Section 602.8105, subsections 1 and 2, Code 2026, are amended to read as follows:

NOTE: Based on the average number of filings over fiscal years 2023 through 2025, it is estimated that approximately $4,000,000 in additional revenue is expected from the increase in court filing and miscellaneous fees in Iowa Code 602.8105(1) and 602.8105(2).

1. The clerk of the district court shall collect the following fees:

a. Except as otherwise provided in this subsection, for

CODE: Amends Iowa Code section 602.1805(1) to increase court filing fees by $20 across the following case types:

filing and docketing a petition, ~~one hundred ninety-five~~ two hundred fifteen dollars. ~~In counties having a population of ninety-eight thousand or over, an additional five dollars shall be charged and collected to be known as the journal publication fee and used for the purposes provided for in section 618.13.~~

b. For filing and docketing a petition for dissolution of marriage, which includes the docketing of any dissolution decree, two hundred ~~sixty-five~~ eighty-five dollars. ~~It is the intent of the general assembly that twenty percent of the funds generated from these fees be appropriated and used for sexual assault and domestic violence centers and eighty percent of the funds generated from these fees be appropriated to the general fund of the state.~~

c. For filing and docketing a petition pursuant to chapter 598 other than a dissolution of marriage petition, one hundred ~~ten~~ thirty dollars.

d. For filing and docketing an application for modification of a dissolution decree to which a written stipulation is attached at the time of filing containing the agreement of the parties to the terms of modification, one hundred ~~ten~~ thirty dollars.

e. For filing and docketing a petition for adoption pursuant to chapter 600, zero dollars.

f. For filing and docketing a small claims action, the amounts specified in section 631.6.

g. For an appeal from a judgment in small claims or for filing and docketing a writ of error, ~~one hundred ninety-five~~ two hundred fifteen dollars.

h. For a motion to show cause in a civil case, ~~sixty~~ eighty dollars.

i. For filing and docketing a transcript of the judgment in a civil case, ~~sixty~~ eighty dollars.

j. For filing a tribal judgment, one hundred ~~ten~~ thirty dollars.

k. For a civil claim for reimbursement under section 356.7, zero dollars.

- Filing and docketing a petition, from $195 to $215. In addition, removes the requirement to add a $5 journal publication fee for counties with a population of 98,000 or more.
- Filing and docketing a petition of any dissolution decree, from $65 to $85. In addition, removes the requirement that 20.00% of funds generated from dissolution fees be used for sexual assault and domestic violence centers and 80.00% be appropriated by the General Assembly.
- Dissolution of marriage petition, from $110 to $130.
- Appeal from a judgement in small claims or for filing and docketing a writ of error, from $195 to $215.
- Motion to show cause in a civil case, from $60 to $80.
- Docketing a transcript of judgement in a civil case, from $60 to $80.
- Filing a tribal judgement, from $110 to $130.

2. The clerk of the district court shall collect the following fees for miscellaneous services:

a. For filing and entering any other statutory lien, ~~sixty~~ eighty dollars.

b. For a certificate and seal, ~~thirty~~ fifty dollars.

CODE: Amends Iowa Code section 602.8105(2) to increase miscellaneous court service fees by $20 as follows:

- Filing and entering statuatory liens, from $60 to $80.
- Certificate and seal, from $30 to $50.

However, there shall be no charge for a certificate and seal to an application to procure a pension, bounty, or back pay for a member of the armed services or other person.

c. For certifying a change in title of real estate, ~~sixty~~ eighty dollars.

d. For filing a praecipe to issue execution under chapter 626, ~~thirty-five~~ fifty-five dollars. The fee shall be recoverable by the creditor from the debtor against whom the execution is issued. A fee payable by a political subdivision of the state under this paragraph shall be collected by the clerk of the district court as provided in section 602.8109. However, the fee shall be waived and shall not be collected from a political subdivision of the state if a county attorney or county attorney's designee is collecting a delinquent judgment pursuant to section 602.8107, subsection 4.

e. For filing a praecipe to issue execution under chapter 654, ~~sixty~~ eighty dollars.

f. For filing a confession of judgment under chapter 676, ~~sixty~~ eighty dollars if the judgment is five thousand dollars or less, and one hundred ~~ten~~ thirty dollars if the judgment exceeds five thousand dollars.

g. For filing a lis pendens, ~~sixty~~ eighty dollars.

h. For applicable convictions under section 692A.110 on or after June 25, 2020, a civil penalty of two hundred sixty dollars.

i. Other fees provided by law.

- Change in the title in real estate, from $60 to $80.
- Filing a praecipe to issue execution in chapter 625 (court costs in civil actions), from $35 to $55.
- Filing a praecipe to issue execution in chapter 627 (exemptions from debt collection), from $60 to $80.
- Filing a lis pendens, from $60 to $80.

Sec. 25. Section 602.8108, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 12. a. The clerk of the district court shall remit to the state court administrator, not later than the fifteenth day of each month, all moneys collected from the filing and miscellaneous fees provided in section 602.8105, subsections 1 and 2, except moneys collected from the sex offender civil penalty in section 602.8105, subsection 2, paragraph "h", shall be remitted and distributed pursuant to subsection 10. The clerk shall report to the state court administrator the total number of fees that were paid, and the number of filing fees that were paid for dissolution of marriage pursuant to section 602.8105, subsection 1, paragraph "b".

CODE: Requires monthly reporting and remittance by clerks of court to the State Court Administrator. Requires the clerk to report the total number of fees paid and the number of filing fees paid for dissolution of marriage.

b. The state court administrator shall total the number of fees reported pursuant to paragraph "a" each month and shall calculate the amount equal to twenty dollars multiplied by the number of fees that were paid statewide during that month. The state court administrator shall exclude from the number of fees, fees ordered pursuant to section 602.8105, subsection 2, paragraph "h".

CODE: Requires the State Court Administrator to calculate the statewide fee totals and sets a $20-per-filing allocation formula, excluding civil penalties paid under Iowa Code section 692A.110.

c. Of the amount calculated pursuant to paragraph "b", the state court administrator shall deposit fifty percent into the indigent defense fund established in section 815.11.

CODE: Of the $20-per-filing fee calculation, allocates 50.00% of the filing fee funds collected to the Indigent Defense Fund.

d. The state court administrator shall deposit the remaining fifty percent of the amount calculated pursuant to paragraph "b" each fiscal year in the attorney loan repayment program trust fund established in section 256.232.

CODE: Requires that the remaining 50.00% of collected funds from the $20-per-filing fee calculation be deposited in the Attorney Loan Repayment Program Trust Fund.

e. Following the deposits required in paragraphs "c" and "d", the state court administrator shall deposit the remaining filing and miscellaneous fee moneys received under paragraph "a" in the general fund of the state; provided, however, that filing fees paid pursuant to section 602.8105, subsection 1, paragraph "b", for the dissolution of marriage, be appropriated as follows:

(1) Through the close of the fiscal year beginning July 1, 2026, twenty percent of the moneys generated from these fees are appropriated and shall be used for sexual assault and domestic violence centers and eighty percent of the moneys generated from these fees shall be deposited in the general fund of the state.

(2) For the fiscal year beginning July 1, 2027, and for each fiscal year thereafter, twenty percent of the moneys generated from these fees are appropriated and shall be used for the sexual assault forensic examination center grant program established in section 915.47, if enacted by 2026 Iowa Acts, House File 2794, or another 2026 Act of the general assembly, and eighty percent of the moneys generated from these fees shall be deposited in the general fund of the state.

CODE: Requires the remaining filing and miscellaneous fees collected be deposited into the General Fund with the exception of the fees paid from each dissolution of marriage filing, which are appropriated as follows:

- 20.00% is appropriated for sexual assault and domestic violence centers and the remaining 80.00% is deposited in the General Fund through FY 2027.
- 20.00% is appropriated for the Sexual Assault Forensic Examination Center Grant Program and the remaining 80.00% is deposited in the General Fund, beginning in FY 2028, contingent on the enactment of 2026 Iowa Acts, House File 2794 (Forensic Exam Center Program Act), or another Act of the General Assembly. This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 19, 2026.

DETAIL: Based on the average number of filings over fiscal years 2023 through 2025, it is estimated that approximately $470,000 in revenue is expected from the 20.00% distribution.

PG LN	GA:91 HF2770	Explanation
28 28	Sec. 26. Section 631.6, subsection 1, paragraph a, Code 2026, is amended to read as follows:	CODE: Amends Iowa Code section 631.6(1)(a) to increase small claims filing fees from $95 to $115.
28 30	a. Fees for filing and docketing shall be ~~ninety-five~~ one hundred fifteen dollars.	DETAIL: In FY 2025, the Judicial Branch collected approximately $7,800,000 in small claims filing fees.
28 32	Sec. 27. REPEAL. Sections 618.13, 622.93, and 624.8, Code 2026, are repealed.	CODE: Repeals Iowa Code sections 618.13, 622.93, and 624.8, removing conflicting provisions. Iowa Code section 618.13 required the publication of petitions, Iowa Code section 622.93 provided a process for verifying and paying publishers for petition publications, and Iowa Code section 624.8 provides that one duty of the County Clerk of Court is the keeping of a calendar of pending criminal cases.
28 34	Sec. 28. APPLICABILITY. The following apply to fees paid on and after July 1, 2026:	The change to fees paid is effective July 1, 2026.
28 36	1. The section of this division of this Act amending section 602.8105.	Iowa Code section 602.8105 relates to the collection and disposition of fees for civil cases and other court services.
28 38	2. The section of this division of this Act amending section 602.8108.	Iowa Code section 602.8108 relates to the distribution of court revenue.

Justice System
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY 2026 (4)	Page and Line # (5)
Attorney General					
Justice, Dept. of					
General Office AG	$ 10,539,176	$ 10,913,246	$ 11,672,266	$ 759,020	PG 2 LN 3
Victim Assistance Grants	5,016,708	5,166,708	5,541,708	375,000	PG 3 LN 11
Legal Services Poverty Grants	2,634,601	2,634,601	2,634,601	0	PG 4 LN 12
AG Cybersecurity and Technology	202,060	202,060	202,060	0	PG 4 LN 15
Total Attorney General	$ 18,392,545	$ 18,916,615	$ 20,050,635	$ 1,134,020	
Corrections, Department of					
Central Office					
County Confinement	$ 1,345,319	$ 1,345,319	$ 1,345,319	$ 0	PG 7 LN 19
Federal Prisoners/Contractual	234,411	234,411	234,411	0	PG 7 LN 23
Corrections Administration	7,662,297	8,165,695	9,650,695	1,485,000	PG 7 LN 30
Corrections Education	2,608,109	3,108,109	3,108,109	0	PG 8 LN 26
Iowa Corrections Offender Network	2,000,000	2,000,000	2,000,000	0	PG 9 LN 8
Mental Health/Substance Abuse	28,065	28,065	28,065	0	PG 9 LN 11
DOC - Department-Wide Duties	8,654,633	5,905,778	6,275,000	369,222	PG 9 LN 14
State Cases Court Costs (Standing)	197	10,000	10,000	0	STANDING
Central Office	$ 22,533,031	$ 20,797,377	$ 22,651,599	$ 1,854,222	
Fort Madison					
Ft. Madison Institution	$ 45,522,762	$ 46,561,722	$ 46,724,722	$ 163,000	PG 6 LN 9
Anamosa					
Anamosa Institution	$ 38,887,065	$ 39,358,974	$ 40,255,974	$ 897,000	PG 6 LN 13
Oakdale					
Oakdale Institution	$ 57,703,792	$ 58,954,020	$ 59,344,020	$ 390,000	PG 6 LN 17
DOC Institutional Pharmaceuticals	9,925,417	10,175,417	10,175,417	0	PG 6 LN 21
Oakdale	$ 67,629,209	$ 69,129,437	$ 69,519,437	$ 390,000	
Newton					
Newton Institution	$ 31,522,181	$ 32,279,092	$ 32,509,092	$ 230,000	PG 6 LN 25
Mount Pleasant					
Mount Pleasant Institution	$ 29,729,489	$ 30,356,297	$ 30,619,297	$ 263,000	PG 6 LN 29
Rockwell City					
Rockwell City Institution	$ 11,364,524	$ 11,721,579	$ 11,916,579	$ 195,000	PG 6 LN 33
Clarinda					
Clarinda Institution	$ 28,625,610	$ 29,252,380	$ 29,678,380	$ 426,000	PG 7 LN 2
Mitchellville					
Mitchellville Institution	$ 25,512,183	$ 26,082,539	$ 26,350,539	$ 268,000	PG 7 LN 11
Fort Dodge					
Fort Dodge Institution	$ 33,279,423	$ 34,085,251	$ 34,467,251	$ 382,000	PG 7 LN 15

Justice System
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY 2026 (4)	Page and Line # (5)
CBC District 1					
CBC District I	$ 16,826,981	$ 17,301,981	$ 17,395,981	$ 94,000	PG 9 LN 26
CBC District 2					
CBC District II	$ 13,637,109	$ 13,945,725	$ 14,105,725	$ 160,000	PG 9 LN 32
CBC District 3					
CBC District III	$ 8,615,128	$ 8,915,376	$ 8,915,376	$ 0	PG 10 LN 3
CBC District 4					
CBC District IV	$ 6,465,898	$ 6,465,898	$ 6,563,898	$ 98,000	PG 10 LN 6
CBC District 5					
CBC District V	$ 24,328,291	$ 25,006,813	$ 25,194,813	$ 188,000	PG 10 LN 9
CBC District 6					
CBC District VI	$ 17,128,661	$ 17,406,811	$ 17,554,811	$ 148,000	PG 10 LN 16
CBC District 7					
CBC District VII	$ 10,671,655	$ 11,003,457	$ 11,003,457	$ 0	PG 10 LN 22
CBC District 8					
CBC District VIII	$ 10,001,148	$ 10,241,148	$ 10,259,926	$ 18,778	PG 10 LN 28
Total Corrections, Department of	$ 442,280,348	$ 449,911,857	$ 455,686,857	$ 5,775,000	

Justice System
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY 2026 (4)	Page and Line # (5)
Law Enforcement Academy					
Iowa Law Enforcement Academy					
Law Enforcement Academy	$ 2,904,407	$ 2,964,407	$ 2,919,407	$ -45,000	PG 12 LN 28
Total Law Enforcement Academy	$ 2,904,407	$ 2,964,407	$ 2,919,407	$ -45,000	
Department of Inspections, Appeals, and Licensing					
DIAL - State Public Defender					
Public Defender	$ 33,477,894	$ 35,527,894	$ 38,627,894	$ 3,100,000	PG 13 LN 31
Indigent Defense	43,606,374	42,726,374	41,576,374	-1,150,000	PG 14 LN 8
Total Department of Inspections, Appeals, and Licensing	$ 77,084,268	$ 78,254,268	$ 80,204,268	$ 1,950,000	
Parole, Board of					
Parole Board					
Parole Board	$ 1,545,114	$ 1,545,114	$ 1,545,114	$ 0	PG 14 LN 21
Total Parole, Board of	$ 1,545,114	$ 1,545,114	$ 1,545,114	$ 0	
Public Defense, Department of					
Public Defense, Dept. of					
Public Defense, Department of	$ 7,211,221	$ 7,267,855	$ 7,646,037	$ 378,182	PG 14 LN 31
Total Public Defense, Department of	$ 7,211,221	$ 7,267,855	$ 7,646,037	$ 378,182	
Homeland Security and Emergency Mgmt.					
Homeland Security & Emergency Mgmt.					
Homeland Security & Emer. Mgmt.	$ 2,442,595	$ 2,446,138	$ 2,396,138	$ -50,000	PG 15 LN 13
Total Homeland Security and Emergency Mgmt.	$ 2,442,595	$ 2,446,138	$ 2,396,138	$ -50,000	

Justice System
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY 2026 (4)	Page and Line # (5)
Public Safety, Department of					
Public Safety, Dept. of					
Public Safety Administration	$ 7,092,910	$ 7,095,906	$ 7,325,444	$ 229,538	PG 16 LN 2
Public Safety DCI	21,189,769	22,805,958	23,282,804	476,846	PG 16 LN 8
Criminalistics Laboratory Fund	650,000	650,000	650,000	0	PG 16 LN 18
Narcotics Enforcement	9,243,545	10,265,032	10,496,573	231,541	PG 16 LN 26
Public Safety Undercover Funds	209,042	209,042	209,042	0	PG 17 LN 12
Fire Marshal	3,418,466	3,554,935	3,635,378	80,443	PG 17 LN 15
Iowa State Patrol	90,056,257	92,232,969	94,251,941	2,018,972	PG 17 LN 26
DPS/SPOC Sick Leave Payout	279,517	279,517	279,517	0	PG 18 LN 5
Fire Fighter Training	1,075,520	1,075,520	1,075,520	0	PG 18 LN 10
Interoperable Communications Sys Board	115,661	115,661	115,661	0	PG 18 LN 18
Human Trafficking Office	200,742	200,742	200,742	0	PG 18 LN 21
Department-Wide Duties	5,149,789	3,058,667	3,430,000	371,333	PG 18 LN 25
Public Safety Equipment Fund	2,500,000	0	0	0	
Office of Drug Control Policy - DPS	249,219	249,219	270,546	21,327	PG 18 LN 30
DPS-Task Force Assistance	2,000,000	0	0	0	
Total Public Safety, Department of	$ 143,430,437	$ 141,793,168	$ 145,223,168	$ 3,430,000	
Total Justice System	$ 695,290,935	$ 703,099,422	$ 715,671,624	$ 12,572,202	

Justice System
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY 2026 (4)	Page and Line # (5)
Attorney General					
Consumer Advocate					
Consumer Advocate - CMRF	$ 3,763,937	$ 3,784,047	$ 3,784,047	$ 0	PG 5 LN 22
Justice, Dept. of					
Farm Mediation Services - CEF	$ 300,000	$ 300,000	$ 300,000	$ 0	PG 20 LN 28
AG Prosecutions and Appeals - CEF	2,000,000	2,000,000	2,000,000	0	PG 20 LN 31
Consumer Fraud - Public Ed & Enforce (Standing) - CEF	1,875,000	1,875,000	1,875,000	0	STANDING
Older Iowans Consumer Fraud (Standing) - CEF	125,000	125,000	125,000	0	STANDING
Justice, Dept. of	$ 4,300,000	$ 4,300,000	$ 4,300,000	$ 0	
Total Attorney General	$ 8,063,937	$ 8,084,047	$ 8,084,047	$ 0	
Public Safety, Department of					
Public Safety, Dept. of					
DPS Gaming Enforcement - GEF	$ 12,227,940	$ 12,301,981	$ 13,084,081	$ 782,100	PG 19 LN 13
Total Public Safety, Department of	$ 12,227,940	$ 12,301,981	$ 13,084,081	$ 782,100	
Homeland Security and Emergency Mgmt.					
Homeland Security & Emergency Mgmt.					
911 Emerg Comm Admin - 911 Surcharge	$ 300,000	$ 300,000	$ 300,000	$ 0	PG 20 LN 8
Total Homeland Security and Emergency Mgmt.	$ 300,000	$ 300,000	$ 300,000	$ 0	
Total Justice System	$ 20,591,877	$ 20,686,028	$ 21,468,128	$ 782,100	

Justice System
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY 2026 (4)	Page and Line # (5)
Attorney General					
Justice, Dept. of					
General Office AG	210.43	222.38	238.00	15.62	PG 2 LN 3
Victim Compensation Fund	28.48	29.00	31.00	2.00	PG 3 LN 19
Justice, Dept. of	238.91	251.38	269.00	17.62	
Consumer Advocate					
Consumer Advocate - CMRF	14.61	17.00	18.00	1.00	PG 5 LN 22
Total Attorney General	253.52	268.38	287.00	18.62	
Corrections, Department of					
Fort Madison					
Ft. Madison Institution	343.23	392.00	392.00	0.00	PG 6 LN 9
Anamosa					
Anamosa Institution	309.44	342.40	350.40	8.00	PG 6 LN 13
Oakdale					
Oakdale Institution	476.79	500.85	500.85	0.00	PG 6 LN 17
Newton					
Newton Institution	246.94	261.00	261.00	0.00	PG 6 LN 25
Mount Pleasant					
Mount Pleasant Institution	244.18	254.00	254.00	0.00	PG 6 LN 29
Rockwell City					
Rockwell City Institution	89.56	94.00	94.00	0.00	PG 6 LN 33
Clarinda					
Clarinda Institution	230.33	245.00	245.00	0.00	PG 7 LN 2
Mitchellville					
Mitchellville Institution	197.03	219.20	219.20	0.00	PG 7 LN 11
Fort Dodge					
Fort Dodge Institution	250.27	281.00	285.00	4.00	PG 7 LN 15
CBC District 1					
CBC District I	165.40	181.75	181.75	0.00	PG 9 LN 26
Central Office					
Corrections Administration	48.72	50.80	50.80	0.00	PG 7 LN 30
CBC District 2					
CBC District II	123.12	134.80	134.80	0.00	PG 9 LN 32
CBC District 3					
CBC District III	83.30	88.00	88.00	0.00	PG 10 LN 3
CBC District 4					

Justice System
FTE Positions

	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Final Action vs Est Net FY 2026	Page and Line #
	(1)	(2)	(3)	(4)	(5)
CBC District IV	60.34	62.00	63.00	1.00	PG 10 LN 6
CBC District 5					
CBC District V	232.00	255.69	255.69	0.00	PG 10 LN 9
CBC District 6					
CBC District VI	171.76	184.58	184.58	0.00	PG 10 LN 16
CBC District 7					
CBC District VII	114.41	120.60	120.60	0.00	PG 10 LN 22
CBC District 8					
CBC District VIII	87.14	94.80	94.80	0.00	PG 10 LN 28
Total Corrections, Department of	3,473.94	3,762.47	3,775.47	13.00	

Justice System
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY 2026 (4)	Page and Line # (5)
Department of Inspections, Appeals, and Licensing					
DIAL - State Public Defender					
Public Defender	232.93	266.00	276.00	10.00	PG 13 LN 31
Total Department of Inspections, Appeals, and Licensing	232.93	266.00	276.00	10.00	
Law Enforcement Academy					
Iowa Law Enforcement Academy					
Law Enforcement Academy	28.50	31.00	31.00	0.00	PG 12 LN 28
Total Law Enforcement Academy	28.50	31.00	31.00	0.00	
Parole, Board of					
Parole Board					
Parole Board	10.35	10.60	10.60	0.00	PG 14 LN 21
Total Parole, Board of	10.35	10.60	10.60	0.00	
Public Defense, Department of					
Public Defense, Dept. of					
Public Defense, Department of	228.36	238.00	242.00	4.00	PG 14 LN 31
Total Public Defense, Department of	228.36	238.00	242.00	4.00	
Homeland Security and Emergency Mgmt.					
Homeland Security & Emergency Mgmt.					
Homeland Security & Emer. Mgmt.	77.07	25.44	25.44	0.00	PG 15 LN 13
Total Homeland Security and Emergency Mgmt.	77.07	25.44	25.44	0.00	

Justice System
FTE Positions

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Final Action vs Est Net FY 2026 (4)	Page and Line # (5)
Public Safety, Department of					
Public Safety, Dept. of					
Public Safety Administration	40.33	33.00	33.00	0.00	PG 16 LN 2
Public Safety DCI	169.24	184.00	184.00	0.00	PG 16 LN 8
Narcotics Enforcement	59.66	71.00	71.00	0.00	PG 16 LN 26
Fire Marshal	19.65	21.00	21.00	0.00	PG 17 LN 15
Iowa State Patrol	560.74	613.00	613.00	0.00	PG 17 LN 26
Human Trafficking Office	0.41	0.00	0.00	0.00	PG 18 LN 21
Office of Drug Control Policy - DPS	3.79	4.00	4.00	0.00	PG 18 LN 30
DPS Gaming Enforcement - GEF	58.53	65.00	68.00	3.00	PG 19 LN 13
DPS-Task Force Assistance	4.03	0.00	0.00	0.00	
Total Public Safety, Department of	916.39	991.00	994.00	3.00	
Total Justice System	5,221.07	5,592.89	5,641.51	48.62	

FUNDING SUMMARY

Other Funds — FY 2027: This Act appropriates a net total of $172.6 million for FY 2027 from the following sources:

- Rebuild Iowa Infrastructure Fund (RIIF): $171.4 million in FY 2027. *(See note.)*
- Technology Reinvestment Fund (TRF): $27.5 million in FY 2027.

Note: To avoid double counting, the $26.3 million appropriation to the TRF from the RIIF is excluded from the total above.

Rebuild Iowa Infrastructure Fund — FY 2028 to FY 2031: This Act also appropriates $8.6 million in FY 2028, $5.0 million in FY 2029, $5.0 million in FY 2030, and $5.0 million in FY 2031 from the RIIF. *These out-year totals exclude the increase to the Capitol Building Maintenance Fund standing appropriation.*

General Fund — FY 2027: This Act suspends a $17.5 million standing appropriation from the General Fund to the TRF for FY 2027 and appropriates $26.3 million to the TRF from the RIIF. This action funds the TRF for FY 2027 and makes funding available for new TRF appropriations appropriated in this Act. This Act also suspends a $5.0 million appropriation from the General Fund to the Renewable Fuel Infrastructure Fund (RFIF) for FY 2027.

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Establishes a Railway Tracks Overpass and Underpass Fund under the control of the DOT. Appropriates moneys to the DOT to provide grants to cities and counties to assist with the construction of highway overpasses and underpasses across railway tracks. — Page 18, Line 23

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

State Capitol Maintenance Fund: Increases the standing appropriation from the RIIF to the State Capitol Maintenance Fund from $500,000 to $750,000. — Page 9, Line 21

FUNDING FOR PROJECTS AND PROGRAMS

Rebuild Iowa Infrastructure Fund (RIIF)

Department of Administrative Services (DAS) — Page 1, Line 22

Terrace Hill: Appropriates $1.0 million in FY 2027 from the RIIF to the DAS for maintenance projects at Terrace Hill.

Major Maintenance — IVH Sidewalks and Paving Repairs: Appropriates $180,000 from the RIIF to the DAS for sidewalk and paving repairs at the Iowa Veteran's Home. — Page 2, Line 1

Department of Agriculture and Land Stewardship (DALS) — Page 2, Line 8

Water Quality Initiative: Appropriates $8.2 million in FY 2027 from the RIIF to the DALS for the Iowa Water Quality Initiative.

Fertilizer Management: Appropriates $1.0 million in FY 2027 from the RIIF to the DALS for nitrogen modeling and fertilizer management. — Page 4, Line 10

Department for the Blind — Page 4, Line 24

Building Repairs: Appropriates $250,000 in FY 2027 from the RIIF to the Department for the Blind for increased costs associated with the replacement of the building's chiller.

Iowa Economic Development Authority (IEDA) — Page 4, Line 30

Community Attraction and Tourism (CAT) Program: Appropriates $10.0 million in FY 2027 from the RIIF to the IEDA for the CAT Fund.

Destination Iowa Fund: Appropriates $10.0 million in FY 2027 from the RIIF to the IEDA for the Destination Iowa Fund. — Page 4, Line 35

Strategic Infrastructure Program Fund: Appropriates $10.0 million for FY 2027 from the RIIF to the IEDA for deposit into the Strategic Infrastructure Program Fund. — Page 5, Line 1

Library and Museum Renovation Project: Appropriates $1.0 million in FY 2027 from the RIIF to the IEDA for a grant to a city with a population between 2,000 and 3,000, according to the 2020 census, for final construction costs of a presidential library. — Page 5, Line 6

Regional Sports Authorities: Appropriates $1.0 million in FY 2027 from the RIIF to the IEDA for distribution to entities and Regional Sports Authority districts. — Page 5, Line 12

National Junior Olympics: Appropriates $250,000 in FY 2027 from the RIIF to the IEDA for the National Junior Olympics. Page 5, Line 18

Facility Enhancement: Appropriates $7.0 million in FY 2027 from the RIIF to the IEDA for a grant to an organization with a sports entertainment venue in a city with a population between 15,550 and 15,800 according to the 2020 census to be used for facility enhancement. Page 5, Line 23

Department of Education (DE) Page 5, Line 29
Iowa School for the Deaf Giangreco Building Roof Repair: Appropriates $4.4 million in FY 2027 and $3.6 million in FY 2028 from the RIIF to the DE for roof repairs of the Giangreco building at the Iowa School for the Deaf.

Department of Health and Human Services (HHS) Page 5, Line 36
On With Life Infrastructure: Appropriates $4.0 million in FY 2027 from the RIIF to the HHS for costs associated with the construction of a specialized facility to expand capacity at a brain injury rehabilitation facility located in a city with a population between 5,525 and 5,575.

Iowa Law Enforcement Academy (ILEA) Page 6, Line 4
Firearms Range Training Facility: Appropriates $3.7 million in FY 2027 from the RIIF to the ILEA for the construction of a firearms range at Camp Dodge.

Iowa State Fair Authority Page 6, Line 8
Infrastructure Upgrades and Improvements: Appropriates $1.0 million in FY 2027 from the RIIF to the Iowa State Fair Authority for infrastructure upgrades and other improvements at the State Fairgrounds.

Department of Natural Resources (DNR) Page 6, Line 14
Lake Restoration: Appropriates $9.6 million in FY 2027 from the RIIF to the DNR for lake restoration, dredging, and water quality projects.

State Park Infrastructure: Appropriates $5.0 million in FY 2027 from the RIIF to the DNR for infrastructure improvements at State parks. Page 6, Line 21

Iowa Water Trails and Low Head Dams Safety Grants: Appropriates $1.5 million in FY 2027 from the RIIF to the DNR for the Iowa Water Trails and Low Head Dams Public Hazard Program. Page 6, Line 24

Derelict Building Program: Appropriates $1.0 million in FY 2027 from the RIIF to the DNR for the Derelict Building Grant Program. Page 6, Line 30

Department of Public Defense (DPD) Page 7, Line 1

National Guard Armory Maintenance: Appropriates $2.1 million in FY 2027 from the RIIF to the DPD for major maintenance projects at National Guard facilities located throughout the State.

National Guard Readiness Centers: Appropriates $2.1 million in FY 2027 from the RIIF to the DPD for improvements at National Guard readiness centers throughout the State. Page 7, Line 5

Camp Dodge Facility: Appropriates $550,000 in FY 2027 from the RIIF to the DPD for construction improvement projects at the Camp Dodge facility. Page 7, Line 10

Sioux City Runway: Appropriates $10.0 million in FY 2027 from the RIIF to the DPD for replacement of the runway at the Sioux City Airport used by the 185th Air Refueling Wing. Page 7, Line 14

Department of Public Safety (DPS) Page 7, Line 23

Statewide Interoperable Communications System: Appropriates $2.8 million in FY 2027 from the RIIF to the DPS to fund the maintenance costs of the Statewide Interoperable Communications System.

Board of Regents Page 7, Line 32

Tuition Replacement: Appropriates $25.0 million in FY 2027 from the RIIF to the Board of Regents for tuition replacement for payment of debt service on academic revenue bonds.

University of Northern Iowa (UNI) Public Policy Center at the Commons: Appropriates $6.0 million from the RIIF to the Board of Regents for the renovation and construction of the Public Policy Center at the Commons at UNI. Page 8, Line 3

Department of Transportation (DOT) Page 8, Line 8

Recreational Trails: Appropriates $2.5 million in FY 2027 from the RIIF to the DOT for the Recreational Trails Program.

Railroad Revolving Loan and Grant Fund: Appropriates $2.0 million in FY 2027 from the RIIF to the DOT for the Railroad Revolving Loan and Grant Fund. Page 8, Line 12

Commercial Service Airports Vertical Infrastructure Grants: Appropriates $2.5 million total in FY 2027 from the RIIF to the DOT for Commercial Service Airports Vertical Infrastructure Grants. Page 8, Line 17

General Aviation Airports Vertical Infrastructure Grants: Appropriates $1.5 million in FY 2027 from the RIIF to the DOT for General Aviation Airport Vertical Infrastructure Grants. Page 8, Line 21

Public Transit Grant Match: Appropriates $1.6 million in FY 2027 from the RIIF to the DOT for the local match requirements needed to receive federal grants awarded to Iowa's public transit systems. Page 8, Line 25

Railway Tracks Overpass and Underpass Fund: Appropriates a total of $25.0 million over five years from the RIIF to the DOT for deposit in the Railway Tracks Overpass and Underpass Fund. The appropriations include: Page 8, Line 32

- FY 2027: $5.0 million
- FY 2028: $5.0 million
- FY 2029: $5.0 million
- FY 2030: $5.0 million
- FY 2031: $5.0 million

Treasurer of State (TOS) Page 9, Line 5

County Fair Infrastructure: Appropriates $1.1 million in FY 2027 from the RIIF to the TOS for infrastructure improvements at county fairs.

Department of Management (DOM) Page 12, Line 21

Technology Reinvestment Fund: Appropriates $26.3 million in FY 2027 from the RIIF to the TRF.

Technology Reinvestment Fund (TRF)

Department of Corrections (DOC) Page 9, Line 36

Technology Projects: Appropriates a total of $697,000 in FY 2027 from the TRF to the DOC for various technology projects and upgrades.

Department of Education (DE) Page 10, Line 15

Educational Data Warehouse: Appropriates $600,000 in FY 2027 from the TRF to the DE to develop and maintain the statewide educational data warehouse.

Iowa Communications Network (ICN) Part III Maintenance and Leases: Appropriates $2.7 million in FY 2027 from the TRF to the DE for maintenance and lease expenses associated with Part III fiber connections for the ICN. Page 10, Line 25

Department of Health and Human Services (HHS) Page 10, Line 29

Public Assistance Eligibility Determination System: Appropriates $10.0 million in FY 2027 from the TRF to the HHS for the design, development, and implementation of a new eligibility determination system.

Public Assistance Oversight Data Sources: Appropriates $1.6 million in FY 2027 from the TRF to the HHS for costs associated with integrating data sources into a new eligibility determination system. Page 10, Line 32

One Big Beautiful Bill Act (OBBBA) IT Costs: Appropriates $3.5 million in FY 2027 from the TRF to the HHS to fund information technology system changes for Medicaid work requirements and eligibility redetermination requirements from the OBBBA. Page 10, Line 35

State Poison Control Center: Appropriates $42,000 in FY 2027 from the TRF to the HHS for the State Poison Control Center. Page 11, Line 2

Department of Homeland Security and Emergency Management (HSEMD) Page 11, Line 5

Emergency Medical Services Mass Messaging System: Appropriates $400,000 in FY 2027 from the TRF to the HSEMD for the statewide mass notification and emergency messaging system.

Department of Management (DOM) Page 11, Line 10

Searchable Online Database: Appropriates $45,000 in FY 2027 from the TRF to the DOM for the continued development of a searchable online database for budget and financial information.

Electronic Grant Management System: Appropriates $70,000 in FY 2027 from the TRF to the DOM for the continued development of an electronic grant management system. Page 11, Line 14

Local Government Budget and Property Tax System: Appropriates $120,000 in FY 2027 from the TRF to the DOM for the Local Government Budget and Property Tax System. Page 11, Line 17

Iowa Open Data Licensing: Appropriates $358,000 in FY 2027 from the TRF to the DOM for annual licensing of the online searchable database. Page 11, Line 20

Chief Information Officer Security Office: Appropriates $2.9 million in FY 2027 from the TRF to the DOM Security Office of the Chief Information Officer, for statewide endpoint detection and response, cybersecurity incident investigation response, and miscellaneous purposes. Page 11, Line 23

Iowa Integrated Justice (IIJ) System: Appropriates $1.4 million in FY 2026 from the TRF to the DOM for continued development and implementation of the IIJ. Page 11, Line 28

Justice Data Warehouse: Appropriates $283,000 in FY 2027 from the TRF to the DOM for the Justice Data Warehouse. Page 11, Line 32

DPS/DOT Mobile Architecture for Communications Handling (MACH) and Traffic and Criminal Software (TraCS) Modernization: Appropriates $2.0 million in FY 2027 from the TRF to the DOM for modernization of the MACH and TraCS programs. Page 11, Line 35

Department of Public Safety (DPS) Page 11, Line 39
Digital Evidence Management System: Appropriates $300,000 in FY 2027 from the TRF to the DPS for a new digital evidence management system.

Treasurer of State (TOS) Page 12, Line 5
Clearwater Software: Appropriates $192,000 in FY 2027 from the TRF to the TOS for software related to investment tracking.

Tyler Tech Software: Appropriates $228,000 in FY 2027 from the TRF to the TOS for software related to banking reconciliations. Page 12, Line 8

CHANGES TO PRIOR APPROPRIATIONS

Department of Transportation: Amends a previously enacted RIIF appropriation of $10.0 million for FY 2024 to the DOT for commercial service airport terminal improvements by allowing the funds to remain available for expenditure until December 31, 2026. Page 13, Line 7

Department of Administrative Services: Extends the time frame for the DAS to use FY 2025 appropriated moneys to improve and repair the steps on the west side of the exterior of the Capitol building and for projects on the east side of the exterior of the Capitol building from June 30, 2026, to October 31, 2026. Page 13, Line 26

Health and Human Services: Amends a previously enacted RIIF appropriation for FY 2025 to the HHS for the Woodward tunnel decentralization project by allowing the funds to remain available for expenditure until the end of FY 2028, or until the project is completed, whichever is earlier. Page 13, Line 36

STUDIES AND INTENT

Specifies that in FY 2027, regarding major information technology system replacement, redevelopment, or modernization, the HHS must not enter into, amend, or extend a contract, purchase order, interagency agreement, or other financial obligation that will cost more than $5.0 million or commit the State to multiyear financial obligations. This limitation does not apply to information technology changes needed to comply with the One Big Beautiful Bill Act if the changes do not materially advance broader system modernization or system replacement efforts. Page 16, Line 9

VETOED: *The Governor vetoed Division VI of the Act, which included this provision, stating that prohibiting the HHS from entering, amending, or extending contracts, purchase orders, agreements, or other financial obligations exceeding $5,000,000 for major IT systems would halt IT modernization efforts across HHS, resulting in operational disruptions and potential legal and financial penalties.*

Requires the HHS, in consultation with the Legislative Services Agency (LSA) and the DOM, to establish an information technology modernization study committee on or before August 1, 2026, to conduct a comprehensive review of the HHS's information technology systems, data architecture, and modernization strategy. The Study Committee is repealed on July 1, 2027. Page 16, Line 31

VETOED: *The Governor vetoed Division VI of the Act, which included this provision. Instead, the Governor stated that the HHS and DOM have been directed to immediately conduct a thorough review of HHS spending as it relates to IT modernization efforts and submit a report of their findings to the General Assembly as soon as possible and no later than December 1, 2026.*

Nonreversion

Permits unencumbered or unobligated funds appropriated in Division I (RIIF) of this Act to remain available for expenditure until the end of FY 2029. However, if the project is completed in an earlier fiscal year, the unencumbered or unobligated moneys will revert at the end of that same fiscal year. Page 9, Line 11

Permits unencumbered or unobligated funds appropriated in Division II (TRF) of this Act to remain available for expenditure until the end of FY 2029. However, if the project is completed in an earlier fiscal year, the unencumbered or unobligated moneys will revert at the end of that same fiscal year. Page 12, Line 11

Required Reports

Requires the DPD to report to the General Assembly by December 15, 2026, on the projects funded with appropriations in this Act. Page 7, Line 18

Requires the HHS to submit a report to the General Assembly and the Governor before January 1, 2027, detailing the HHS Information Technology Modernization Study Committee's findings, recommended statutory or budgetary changes, estimated costs and timelines, and options for phased implementation. Page 18, Line 15

VETOED: *The Governor vetoed Division VI of the Act, which included this provision. Instead, the Governor stated that the HHS and DOM have been directed to immediately conduct a thorough review of*

HHS spending as it relates to IT modernization efforts and submit a report of their findings to the General Assembly as soon as possible and no later than December 1, 2026.

SIGNIFICANT CODE CHANGES

Suspends the General Fund annual standing appropriation of $17.5 million to the TRF for FY 2027. Page 12, Line 30

NOTE: House File 1028 (Department of Management, Records, Funds, and Contracts Act), passed by the General Assembly on April 30, 2026, and signed by the Governor on June 2, 2026, eliminated the language specifying the General Fund annual standing appropriation of $17.5 million to the TRF under Iowa Code section 8.57C)(3)(a). As a result, the action under House File 1028 supersedes the amendments to Iowa Code section 8.57C(3) made in this Act.

Suspends the General Fund standing appropriation of $5.0 million to the RFIF for FY 2027. Page 14, Line 24

Makes various Iowa Code changes related to Regional Sports Authority Districts, including the following changes: Page 14, Line 30

- Adds the definition of "entity" to Iowa Code section 15E.321 (Regional Sports Authority Districts) to mean an Iowa nonprofit organization established to promote economic development and tourism in an area within the State.
- Removes the requirement that only a convention and visitors bureau can apply for certification of a Regional Sports Authority District and specifies that an entity may apply for certification and for financial assistance.
- Removes the limitation that the IEDA may only certify 10 Regional Sports Authority Districts.
- Adds the requirement that the IEDA should consider the number of unique and innovative activities to be supported by the district when evaluating applications.
- Removes the requirement that a Regional Sports Authority District must promote nonprofessional sporting events and instead specifies that the events must be physical sporting events.
- Eliminates the requirement that each Regional Sports Authority District be governed by a seven-member board.
- Adds a requirements that each Regional Sports Authority District must submit a report to the IEDA no later than 30 days after the final date of the activity detailing the return on investment, the number of new visitors, the total number of hotel rooms occupied, and any additional information as requested by the IEDA.

Strikes the limitation that entities awarded financial assistance from the Iowa Major Events and Tourism Fund are ineligible to receive financial assistance under the Sports Tourism Infrastructure Program. Page 18, Line 38

EFFECTIVE DATE

This Act takes effect July 1, 2026, unless specified below.

Specifies that Division III of this Act, related to changes to prior appropriations, is effective June 2, 2026. Page 14, Line 20

GOVERNOR'S VETOES

The Governor item vetoed Division XI of the Act related to the HHS's information technology system limitation and the information technology modernization study committee. The Governor stated that prohibiting the HHS from entering, amending, or extending contracts, purchase orders, agreements, or other financial obligations exceeding $5.0 million for major IT systems would halt IT modernization efforts across HHS, resulting in operational disruptions and potential legal and financial penalties. The Governor stated that the HHS and DOM have been directed to immediately conduct a thorough review of HHS spending as it relates to IT modernization efforts and submit a report of their findings to the General Assembly as soon as possible and no later than December 1, 2026. Page 16, Line 4

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and item vetoed and signed by the Governor on June 2, 2026.

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Senate File 2484 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
9	21	3	Amend	2.12B.2
12	30	7	Amend	8.57C.3
14	33	13	Amend	15E.321
18	23	15	New	307.19
18	38	16	Amend	15G.104.2

DIVISION I
REBUILD IOWA INFRASTRUCTURE FUND

Section 1. REBUILD IOWA INFRASTRUCTURE FUND — APPROPRIATIONS. There is appropriated from the rebuild Iowa infrastructure fund created in section 8.57 to the following state entities for the following fiscal years, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. DEPARTMENT OF ADMINISTRATIVE SERVICES

a. For maintenance projects at the Terrace Hill facility:
FY 2026-2027:
..... $ 1,000,000

Rebuild Iowa Infrastructure Fund (RIIF) appropriation to the Department of Administrative Services (DAS) for maintenance projects at Terrace Hill.

DETAIL: This appropriation would fund residence window repairs and storm window replacements; heating, ventilation, and air conditioning (HVAC) repairs; and exterior wood trim, masonry, and pavement repairs at Terrace Hill.

b. For major maintenance projects:
FY 2026-2027:
..... $ 180,000
The department of administrative services shall use the moneys appropriated in this paragraph to repair, improve, and replace, as applicable, sidewalks at the Iowa veterans home.

Rebuild Iowa Infrastructure Fund appropriation to the DAS for major maintenance projects, specifically to be used to repair, improve, and replace sidewalks at the Iowa Veterans Home.

2. DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

a. (1) For deposit in the water quality initiative fund created in section 466B.45 for purposes of supporting the water quality initiative administered by the division of soil conservation and water quality as provided in section 466B.42, including salaries, support, maintenance, and miscellaneous purposes, notwithstanding section 8.57, subsection 3, paragraph "c":
FY 2026-2027:
..... $ 8,200,000

Rebuild Iowa Infrastructure Fund appropriation to the Iowa Department of Agriculture and Land Stewardship (DALS) for the Iowa Water Quality Initiative. This appropriation is exempt from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).

DETAIL: The Water Quality Initiative provides funding for prioritized watersheds to implement conservation practices that will reduce nutrient transport to bodies of water in Iowa. Funded projects are typically managed by soil and water conservation districts. The Initiative was appropriated

$5,200,000 from the RIIF each year from FY 2016 through FY 2022. Since FY 2023, the Initiative has been appropriated $8,200,000 from the RIIF. The Initiative has also received funding from the General Fund and the Environment First Fund (EFF). Since FY 2013, the Water Quality Initiative has received a total of $131,095,201 from the General Fund, EFF, and RIIF.

2 17 (2) (a) The moneys appropriated in this lettered
2 18 paragraph shall be used to support demonstration projects in
2 19 subwatersheds as designated by the department that are part
2 20 of high-priority watersheds identified by the water resources
2 21 coordinating council.

Requires the appropriated funds to be used to support demonstration projects in subwatersheds that are included within high-priority watersheds as identified by the Water Resources Coordinating Council.

2 22 (b) The moneys appropriated in this lettered paragraph
2 23 shall be used to support demonstration projects in watersheds
2 24 generally, including regional watersheds, as designated by the
2 25 division, and high-priority watersheds identified by the water
2 26 resources coordinating council.

Requires funds to be used to support demonstration projects in watersheds generally, including regional watersheds identified by the Water Resources Coordinating Council.

2 27 (3) In supporting projects in watersheds and subwatersheds
2 28 as provided in subparagraph (2), all of the following apply:
2 29 (a) The demonstration projects must utilize water quality
2 30 practices as described in the latest revision of the document
2 31 entitled “Iowa Nutrient Reduction Strategy” initially presented
2 32 in November 2012 by the department of agriculture and land
2 33 stewardship, the department of natural resources, and Iowa
2 34 state university of science and technology.
2 35 (b) The division shall implement demonstration projects
2 36 as provided in subparagraph division (a) by providing
2 37 for participation by persons who hold a legal interest
2 38 in agricultural land used in farming. To every extent
2 39 practicable, the division shall provide for collaborative
3 1 participation by such persons who hold a legal interest in
3 2 agricultural land located within the same subwatershed.
3 3 (c) The division shall implement demonstration projects on
3 4 a cost-share basis as determined by the division. Except for
3 5 edge-of-field practices, the state’s share of the amount shall
3 6 not exceed 50 percent of the estimated cost of establishing the
3 7 practice as determined by the division or 50 percent of the
3 8 actual cost of establishing the practice, whichever is less.

Specifies the following criteria for projects in high-priority watersheds:

- Requires that projects utilize water quality practices described in the latest version of the Iowa Nutrient Reduction Strategy.
- Requires the DALS to collaborate with agricultural landowners in targeted watersheds.
- Prohibits the State's cost-share amount for water quality protection practices from exceeding 50.00% of the value of the practices, except in instances of edge-of-field practices.
- Requires that demonstration projects be used to educate the public about water quality practices.
- Requires the DALS to conduct water quality evaluations within targeted watersheds and create a database of water quality practices. All information received is a confidential record and exempt from public access.

(d) The demonstration projects shall be used to educate other persons about the feasibility and value of establishing similar water quality practices. The division shall promote field day events for purposes of allowing interested persons to establish water quality practices on such persons' agricultural land.

(e) The division shall conduct water quality evaluations within supported subwatersheds. Within a reasonable period after accumulating information from such evaluations, the division shall create an aggregated database of water quality practices. Any information identifying a person holding a legal interest in agricultural land or specific agricultural land shall be a confidential record.

(4) The moneys appropriated in this lettered paragraph shall be used to support education and outreach in a manner that encourages persons who hold a legal interest in agricultural land used for farming to implement water quality practices, including the establishment of such practices in watersheds generally, and not limited to subwatersheds or high-priority watersheds.

Requires the DALS to support education and outreach to encourage agricultural producers to establish water quality practices.

(5) The moneys appropriated in this lettered paragraph may be used to contract with persons to coordinate the implementation of efforts provided in this lettered paragraph.

Permits the DALS to use funds for contracts that will assist with the coordination and implementation of the Water Quality Initiative.

(6) The moneys appropriated in this lettered paragraph may be used by the department to support urban soil and water conservation efforts, which may include but are not limited to management practices related to bioretention, landscaping, the use of permeable or pervious pavement, and soil quality restoration. The moneys shall be allocated on a cost-share basis as provided in chapter 161A.

Permits the DALS to use funds to support urban soil and water conservation practices and to allocate funds on a cost-share basis.

(7) Notwithstanding any other provision of law to the contrary, the department may use moneys appropriated in this lettered paragraph to carry out the provisions of this lettered paragraph on a cost-share basis in combination with other moneys available to the department from a state or federal source.

Permits the DALS to use the appropriated funds to implement projects on a cost-share basis and in combination with other funds available to the DALS.

4 6 (8) Not more than 10 percent of the moneys appropriated in
4 7 this lettered paragraph may be used for costs of administration
4 8 and implementation of the water quality initiative administered
4 9 by the division.

Permits up to 10.00% of the appropriated funds for the Water Quality Initiative to be used for administration and implementation of the Initiative by the Soil Conservation Division.

DETAIL: Up to $820,000 of the funds for administration and implementation of the Water Quality Initiative will be provided from the RIIF.

4 10 b. (1) For updating the maximum return to nitrogen modeling
4 11 system for fertilizer management, notwithstanding section 8.57,
4 12 subsection 3, paragraph “c”:
4 13 FY 2026-2027:
4 14 ..... $ 1,000,000

Rebuild Iowa Infrastructure Fund appropriation to the DALS for nitrogen modeling and fertilizer management. This appropriation is exempt from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).

DETAIL: This appropriation funds research to update static maximum return to nitrogen (MRTN) recommendations to a new dynamic modeling system that considers variability in the environment, management, and weather. The research considers carbon dioxide equivalent (CO_2e) of nitrogen oxides (NO_x) with potential for carbon improvements to corn and soybean rotation systems. The goal of the research is to provide more accurate nitrogen recommendations that support higher crop yields and improve water quality by reducing the risk of nutrient runoff. There has been $1,000,000 appropriated annually for this purpose since FY 2023.

4 15 (2) Any information received, collected, or held for
4 16 purposes of this lettered paragraph is a confidential record
4 17 exempt from public release if the information identifies a
4 18 person who holds a legal interest in agricultural land or who
4 19 has previously held a legal interest in agricultural land,
4 20 a person who is involved or who was previously involved in
4 21 managing the agricultural land or producing crops or livestock
4 22 on the agricultural land, or the identifiable location of the
4 23 agricultural land.

Requires the DALS to keep personal information collected from fertilizer management program participants confidential.

4 24 3. DEPARTMENT FOR THE BLIND
4 25 For building repairs for the building located at 524 Fourth
4 26 Street, Des Moines, Iowa:
4 27 FY 2026-2027:

Rebuild Iowa Infrastructure Fund appropriation to the Department for the Blind for building repairs.

4 28 ..... $ 250,000

DETAIL: This appropriation will fund the increased costs for materials and installation associated with the replacement of the Department for the Blind's building's chiller. The Department also received the following amounts for building repairs from the RIIF:

- FY 2022: $139,100
- FY 2023: $196,900
- FY 2024: $232,000
- FY 2025: $225,600
- Estimated FY 2026: $559,000

4 29 4. ECONOMIC DEVELOPMENT AUTHORITY

4 30 a. For deposit in the community attraction and tourism
4 31 fund created in section 15F.204, notwithstanding section 8.57,
4 32 subsection 3, paragraph “c”:
4 33 FY 2026-2027:
4 34 ..... $ 10,000,000

Rebuild Iowa Infrastructure Fund appropriation to the Iowa Economic Development Authority (IEDA) for the Community Attraction and Tourism (CAT) Fund, which supports the CAT Program. This appropriation is exempt from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).

DETAIL: The amount of funding to the CAT Program from the RIIF has varied across fiscal years. Between FY 2015 and FY 2022, the CAT Program received $5,000,000 in annual appropriations from the RIIF. Since FY 2023, the CAT Program has received $10,000,000 in annual appropriations from the RIIF.

The CAT grants assist communities in the development and creation of multipurpose attraction and tourism facilities. Eligible CAT projects must be permanent recreational, cultural, educational, or entertainment attractions; be available to the general public; and promote tourism in local communities. Eligible applicants include cities, counties, public organizations, and school districts in cooperation with a city or county. Previously funded projects include the development of attractions such as wellness centers, recreational centers, parks, recreational trails, swimming pools and aquatic centers, riverfront plazas and marinas, streetscapes, museums, libraries, performing arts centers, sports complexes, public gardens, visitor centers, and campgrounds.

4 35 b. For deposit in the destination Iowa fund created in
4 36 section 15.281, notwithstanding section 8.57, subsection 3,
4 37 paragraph “c”:
4 38 FY 2026-2027:
4 39 ..... $ 10,000,000

Rebuild Iowa Infrastructure Fund appropriation to the IEDA for deposit in the Destination Iowa Fund. This appropriation is exempted from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).

DETAIL: The Destination Iowa Fund received a $6,500,000 appropriation in FY 2024 and a $10,000,000 appropriation in FY 2025 and estimated net FY 2026. The Destination Iowa Fund was established in the 2023 Infrastructure Appropriations Act to provide grants to eligible applicants for the following types of projects:

- Economically significant projects that increase tourism opportunities.
- Development and enhancement of outdoor recreational opportunities.
- Projects that contribute to quality of life in rural communities.

5 1 c. For deposit in the strategic infrastructure program fund
5 2 described in section 15.313, notwithstanding section 8.57,
5 3 subsection 3, paragraph “c”:
5 4 FY 2026-2027:
5 5 ..... $ 10,000,000

Rebuild Iowa Infrastructure Fund appropriation to the IEDA for deposit into the Strategic Infrastructure Program Fund created under Iowa Code section 15.313. This appropriation is exempted from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).

DETAIL: The Strategic Infrastructure Program offers financial assistance to projects that develop commonly utilized assets that provide an advantage to one or more private sector entities or that create necessary physical infrastructure in the State if such projects are not adequately provided by the public or private sectors.

5 6 d. For a grant to a nonprofit organization located in a
5 7 city with a population between 2,000 and 3,000 according to the
5 8 2020 federal decennial census, for infrastructure costs of a
5 9 presidential library:
5 10 FY 2026-2027:
5 11 ..... $ 1,000,000

Rebuild Iowa Infrastructure Fund appropriation to the IEDA for grants to a nonprofit organization located in a city with a population between 2,000 and 3,000, according to the 2020 census, for final construction costs at a presidential library.

DETAIL: This appropriation is intended to fund physical construction costs at the Herbert Hoover Presidential Library and Museum.

5 12 e. For distribution to entities and regional sports
5 13 authority districts certified by the authority pursuant to
5 14 section 15E.321, notwithstanding section 8.57, subsection 3,
5 15 paragraph "c":
5 16 FY 2026-2027:
5 17 ..... $ 1,000,000

Rebuild Iowa Infrastructure Fund appropriation to the IEDA for entities and Regional Sports Authority Districts. This appropriation is exempted from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).

DETAIL: Regional Sports Authority Districts received an appropriation of $750,000 from the RIIF in estimated net FY 2026. In FY 2024 and FY 2025, the appropriation was $700,000. Prior to FY 2024, the Regional Sports Authority Districts have received annual appropriations of $500,000 from the RIIF or the General Fund. The Regional Sports Authority District Program authorizes the IEDA to certify up to 10 districts for the promotion of youth sports, high school athletics, the Special Olympics, or other nonprofessional sporting events. Each district receives an equal share of the appropriation. Funding is awarded to the convention and visitors bureaus for each area. The funds are used for marketing and other promotional efforts to attract youth sports, high school athletics, or other sporting events to the communities. Other expenses include venue rental, facility conversion, timing systems, field preparation, and other expenses related to hosting various sporting events.

Some recent examples of events are the Iowa Special Olympics Winter Games, AAU Junior Olympics, NAIA Division II Women's Basketball National Championship, U.S. Hockey League Fall Classic, NCAA Division II Super Regional Wrestling Tournament, Iowa Summer Games Sports Festival, and NCAA Division I Wrestling Championships.

5 18 f. For providing financial assistance to a city or
5 19 nonprofit organization hosting the national junior olympics,
5 20 notwithstanding section 8.57, subsection 3, paragraph "c":
5 21 FY 2026-2027:
5 22 ..... $ 250,000

Rebuild Iowa Infrastructure Fund appropriation to the IEDA for a city or nonprofit organization hosting the National Junior Olympics. This appropriation is exempted from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).

DETAIL: This appropriation is intended to support the hosting of the National Junior Olympics in Des Moines. The General Assembly last appropriated $150,000 from the General Fund in FY 2023 to support the event.

g. For a grant to an organization with a sports entertainment venue in a city with a population between 15,550 and 15,800 according to the 2020 federal decennial census, to be used for facility enhancement:
FY 2026-2027:
..... $ 7,000,000

Rebuild Iowa Infrastructure Fund appropriation to the IEDA for a grant to an organization with a sports entertainment venue in a city with a population between 15,550 and 15,800 according to the 2020 census to be used for facility enhancement.

5. DEPARTMENT OF EDUCATION
For costs associated with repairing the roof of the Giangreco building:
FY 2026-2027:
..... $ 4,430,000
FY 2027-2028:
..... $ 3,605,000

Rebuild Iowa Infrastructure Fund appropriations for FY 2027 and FY 2028 to the Department of Education (DE) for roof repairs of the Giangreco building at the Iowa School for the Deaf.

DETAIL: This appropriation would fund the full replacement of the Giangreco Building's roof.

6. DEPARTMENT OF HEALTH AND HUMAN SERVICES
For costs associated with the construction of a specialized facility to expand capacity at a brain injury rehabilitation facility located in a city with a population between 5,525 and 5,575:
FY 2026-2027:
..... $ 4,000,000

Rebuild Iowa Infrastructure Fund to the Department of Health and Human Services (HHS) for costs associated with the construction of a specialized facility to expand capacity at a brain injury rehabilitation facility located in a city with a population between 5,525 and 5,575.

7. IOWA LAW ENFORCEMENT ACADEMY
For construction of a firearms range at Camp Dodge:
FY 2026-2027:
..... $ 3,700,000

Rebuild Iowa Infrastructure Fund appropriation to the Iowa Law Enforcement Academy (ILEA) for the construction of a firearms range at Camp Dodge.

DETAIL: This appropriation would fund the construction of a dedicated firearms range training facility at Camp Dodge. Initial estimates for the project include $4,000,000 for the range, $4,500,000 for a range support building, and $500,000 for a parking lot. In October 2025, the ILEA was awarded $3,300,000 in American Rescue Plan Act, State and Local Fiscal Recovery Funds for comprehensive master

PG LN	GA:91 SF2484	Explanation
		plan development and site preparation and initial civil construction.
6 8	8. IOWA STATE FAIR AUTHORITY	Rebuild Iowa Infrastructure Fund appropriation to the Iowa State Fair Authority for projects including infrastructure upgrades and other improvements at the State fairgrounds.
6 9	For projects including infrastructure upgrades and other	
6 10	improvements at the state fairgrounds:	
6 11	FY 2026-2027:	
6 12	..... $ 1,000,000	
6 13	9. DEPARTMENT OF NATURAL RESOURCES	
6 14	a. For implementation of lake projects that have	Rebuild Iowa Infrastructure Fund appropriation to the Department of Natural Resources (DNR) for lake restoration, dredging, and water quality projects. This appropriation is exempt from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).
6 15	established watershed improvement initiatives and community	
6 16	support in accordance with the department's annual lake	
6 17	restoration plan and report, notwithstanding section 8.57,	
6 18	subsection 3, paragraph "c":	
6 19	FY 2026-2027:	
6 20	..... $ 9,600,000	DETAIL: The funds are used for projects identified in the annual Lake Restoration Plan and Report, focusing on 35 projects on the priority list of 127 lake candidates. The DNR is required to implement the projects in accordance with the Lake Restoration Plan and Report and Iowa Code section 456A.33B. The Plan and Report is submitted annually by January 1 to the Transportation, Infrastructure, and Capitals Appropriations Subcommittee. Iowa Code section 456A.33B provides overall goals for the projects in the program. Specific criteria include water quality targets relating to clarity, biota, sustainability, and safety. In addition to this appropriation, the DNR has been appropriated a total of $165,659,000 since FY 2008 for lake restoration projects.
6 21	b. For state park infrastructure improvements:	Rebuild Iowa Infrastructure Fund appropriation to the DNR for State park infrastructure improvements.
6 22	FY 2026-2027:	
6 23	..... $ 5,000,000	DETAIL: State park infrastructure improvements include replacing sewer lines, upgrading public drinking water systems, replacing shower buildings, constructing restrooms, replacing trail bridges, extending trail areas, and providing open-air interpretive shelters and exhibits. Since FY 2008,

6 24 c. For water trails and low head dam safety grants,
6 25 including grants for projects relating to eligible water
6 26 bodies, as defined in section 456A.33C, notwithstanding section
6 27 8.57, subsection 3, paragraph “c”:
6 28 FY 2026-2027:
6 29 ..... $ 1,500,000

the DNR has received $60,500,000 for infrastructure improvements at State parks from the RIIF.

Rebuild Iowa Infrastructure Fund appropriation to the DNR for the Water Trails and Low Head Dam Public Hazard Program. This appropriation is exempt from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).

DETAIL: Projects related to eligible water bodies as defined in Iowa Code section 456A.33C (On-Stream Impoundment Restoration Fund) are eligible for grants from the Water Trails and Low Head Dam Safety grants appropriation in FY 2026.

These funds support grant awards to local entities for water trail enhancements and dam mitigation grants to dam owners, including State and local government entities and private owners, to improve low head dam safety. State-designated water trails are designed to provide the following four basic types, or levels, of recreational experiences: gateway, recreational, challenge, and wilderness. Each segment of a water trail is assigned one of these experience ratings to reflect a range of conditions available to the user in the designated waterways.

While there are different types of low head dams, they generally consist of a riverwide dam that is normally overtopped by the entire river's flow. Flood gates may or may not be present to reduce upstream flooding effects. The height of these dams is less than 30 feet. Low head dams were originally constructed throughout Iowa to power gristmills and sawmills. Some dams were later used for hydroelectric generation. Low head dams can be extremely dangerous due to the powerful recirculating hydraulics that are generated. Since FY 2009, appropriations for the Water Trails and Low Head Dam Public Hazard Program from the RIIF have totaled $16,800,000. Recent prior year appropriations for the Water Trails and Low Head Dam Public Hazard Program include the following:

- FY 2023 through estimated net FY 2026: $1,500,000 each year from the RIIF
- FY 2022: $1,000,000 from the RIIF
- FY 2021: $250,000 from the RIIF

- FY 2020: $500,000 from the RIIF

d. For providing funding assistance to eligible communities, as described in section 455E.11, subsection 2, paragraph “a”, subparagraph (1), subparagraph division (d), to address abandoned buildings by promoting waste abatement, diversion, selective dismantlement of building components, and recycling, notwithstanding section 8.57, subsection 3, paragraph “c”:
FY 2026-2027:
..... $ 1,000,000

Rebuild Iowa Infrastructure Fund appropriation to the DNR for the Derelict Building Program. This appropriation is exempt from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).

DETAIL: This is a new appropriation from RIIF. The Derelict Building Program is an existing program within the DNR that provides funding to Iowa towns of 5,000 or fewer residents to address neglected commercial or public structures that have sat vacant for at least six months. The Program’s main focus is landfill diversion through the recycling and reuse of building materials and the elimination of hazards, both inside and out, posed by these empty structures. This appropriation would be used to support the additional requests in funding received by the Program in recent years. The Program receives its funding from the DNR’s Solid Waste Alternatives Program.

10. DEPARTMENT OF PUBLIC DEFENSE

a. For major maintenance projects at national guard armories and facilities:
FY 2026-2027:
..... $ 2,100,000

Rebuild Iowa Infrastructure Fund appropriation to the Department of Public Defense (DPD) for major maintenance projects at National Guard facilities throughout the State.

DETAIL: Past projects have included parking lot repairs; upgrades to heating, ventilation, and air conditioning (HVAC), electrical, and plumbing systems; additional classroom and office space; and other major maintenance and improvement projects at all 42 armories and other buildings maintained by the Iowa National Guard. The Iowa National Guard armories are facing a backlog of deferred maintenance and equipment upgrade needs. Funding will be used for priority and emergency repairs first and then to address the backlog as funding is available. Generally, the State appropriation acts as a match to draw down federal funding on a one-to-one basis.

7 5 b. For improvement projects for Iowa national guard
7 6 installations and readiness centers to support operations and
7 7 training requirements:
7 8 FY 2026-2027:
7 9 ..... $ 2,100,000

Rebuild Iowa Infrastructure Fund appropriation to the DPD for modernization and improvement projects at National Guard readiness centers around the State.

DETAIL: State funds are used to match federal funding and used for capital improvements across the readiness centers.

7 10 c. For construction improvement projects at the Camp Dodge
7 11 facility:
7 12 FY 2026-2027:
7 13 ..... $ 550,000

Rebuild Iowa Infrastructure Fund appropriation to the DPD for Camp Dodge improvements.

DETAIL: These funds match federal grants, with the State providing 15.00% and federal funds providing 85.00% of funding. Past upgrades include modernization of the natural gas, electric, phone, water, sanitary, storm water, paving surfaces, and energy security and resiliency systems.

7 14 d. For repairing, improving, and replacing, as applicable,
7 15 the runway in Sioux City used by the 185th air refueling wing:
7 16 FY 2026-2027:
7 17 ..... $ 10,000,000

Rebuild Iowa Infrastructure Fund appropriation to the DPD for replacement of the runway at the Sioux City Airport used by the 185th Air Refueling Wing.

DETAIL: Estimated costs for projects related to the Sioux City runway total $220,000,000, which includes a runway replacement, ramp replacement, extensions, and a holding pad. In 2025, the Federal Aviation Administration pledged $10,000,000 in FY 2026 and $10,000,000 in FY 2027 for the projects. According to the DPD, it is anticipated that the end of the runway's useful life will be in 2027.

7 18 e. The department of public defense shall report to the
7 19 general assembly by December 15, 2026, regarding the projects
7 20 the department has funded or intends to fund from moneys
7 21 appropriated to the department pursuant to paragraphs "a", "b",
7 22 and "c".

Requires the DPD to report to the General Assembly by December 15, 2026, on projects funded with appropriations in this Act.

7 23 11. DEPARTMENT OF PUBLIC SAFETY
7 24 For payments and other costs due under a financing agreement
7 25 entered into by the treasurer of state for building the
7 26 statewide interoperable communications system pursuant to
7 27 section 29C.23, subsection 2, notwithstanding section 8.57,
7 28 subsection 3, paragraph "c":

Rebuild Iowa Infrastructure Fund appropriation to the Department of Public Safety (DPS) for the payments and other costs associated with the Statewide Interoperable Communications System. This appropriation is exempt from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).

7 29 FY 2026-2027:
7 30 ..... $ 2,846,011

DETAIL: A lease-purchase contract was signed with Motorola in 2015 at an estimated cost of $39,500,000 ($36,400,000 in principal and $3,100,000 in interest) over 10 years. The tenth and final payment was made by the State in FY 2026. This appropriation will be used to fund the ongoing tower maintenance agreement. The difference will be funded from the Primary Road Fund. In FY 2024, the State contractually assumed an annual maintenance agreement in the amount of $2,315,350. The Motorola maintenance agreement will continue through FY 2030.

7 31 12. BOARD OF REGENTS

7 32 a. For allocation by the state board of regents to the
7 33 state university of Iowa, Iowa state university of science
7 34 and technology, and the university of northern Iowa to
7 35 reimburse the institutions for deficiencies in the operating
7 36 funds resulting from the pledging of tuition, student fees
7 37 and charges, and institutional income to finance the cost of
7 38 providing academic and administrative buildings and facilities
7 39 and utility services at the institutions:
8 1 FY 2026-2027:
8 2 ..... $ 25,000,000

Rebuild Iowa Infrastructure Fund appropriation to the Board of Regents to replace tuition used to pay debt service on academic revenue bonds.

DETAIL: This appropriation replaces student tuition and fees that pay the debt service on academic revenue bonds authorized in prior fiscal years. Iowa Code chapter 262A, enacted in the 1969 Legislative Session, authorizes the sale of academic revenue bonds by the Board of Regents.

The first academic revenue bonds were issued in 1970 and provided the primary source of funds for construction of academic facilities at the universities for several decades. Academic revenue bonds are secured by student tuition and fees. The appropriation is not mandatory by statute, but the Board of Regents indicated that without a tuition replacement appropriation, an aggregate tuition increase of 3.40% across the universities will be required to pay the debt service.

Funding for tuition replacement has been provided for many decades. Until FY 2002, the appropriation was made solely from the General Fund. Beginning in FY 2002, portions were funded from the General Fund and from infrastructure-related funds such as the RIIF and the Restricted Capitals Fund. From FY 2006 to FY 2008, funding for this appropriation was divided between the General Fund and the RIIF. Since FY 2009, the entire appropriation has been

funded from the RIIF. The exception to this is FY 2018, in which appropriations were made from both the RIIF and the State Bond Repayment Fund.

The tuition replacement appropriation provides most of the annual debt service on the academic revenue bonds, but a portion of the debt service is paid from annual reductions in the Debt Service Reserve Fund.

8 3 b. For renovation and construction of the public policy
8 4 center at the commons at the university of northern Iowa:
8 5 FY 2026-2027:
8 6 ..... $ 6,000,000

Rebuild Iowa Infrastructure Fund appropriations for FY 2027, FY 2028, and FY 2029 to the Board of Regents for the renovation and construction of the public policy center at the Commons at the University of Northern Iowa (UNI).

DETAIL: This appropriation would fund the renovation of the Commons building on the UNI campus into a hub for outreach and civic education through a new Center for Civic Education to the Commons. The current Commons building at UNI has a variety of deferred maintenance issues, including HVAC systems, windows, and roof. This project received $1,000,000 from the RIIF in estimated net FY 2026. Total appropriation requests beyond FY 2027 include $14,340,000 in FY 2028 and $8,540,000 in FY 2029. Total project funding is proposed at $33,200,000, which includes $3,320,000 from institutional funds, gifts, and grants.

8 7 13. DEPARTMENT OF TRANSPORTATION

8 8 a. For acquiring, constructing, and improving recreational
8 9 trails within the state:
8 10 FY 2026-2027:
8 11 ..... $ 2,500,000

Rebuild Iowa Infrastructure Fund appropriation to the Department of Transportation (DOT) for the Recreational Trails Program.

DETAIL: The State Recreational Trails Program consists of developed multiuse recreational trails and off-road paths throughout the State. A local match of 25.00% is required in accordance with the DOT administrative rules. Trails that receive funding must be maintained for public use for a minimum of 20 years. Applications for funding from the Trails Program are considered twice per year and are approved by the Transportation Commission. Appropriations for the last seven years from the RIIF include the following:

- Estimated Net FY 2026: $2,500,000
- FY 2025: $3,500,000
- FY 2024: $2,500,000
- FY 2023: $2,500,000
- FY 2022: $1,500,000
- FY 2021: $1,000,000
- FY 2020: $1,500,000

8 12 b. For deposit in the railroad revolving loan and grant
8 13 fund created in section 327H.20A, notwithstanding section 8.57,
8 14 subsection 3, paragraph “c”:
8 15 FY 2026-2027:
8 16 ..... $ 2,000,000

Rebuild Iowa Infrastructure Fund appropriation to the DOT for the Railroad Revolving Loan and Grant Program. This appropriation is exempt from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).

DETAIL: Historically, this Program has received appropriations from the RIIF. Recent appropriations include the following:

- Estimated Net FY 2026: $2,000,000
- FY 2025: $2,000,000
- FY 2024: $500,000
- FY 2023: $2,000,000
- FY 2022: $1,000,000
- FY 2021: $500,000
- FY 2020: $1,000,000

The funds are used to provide grants and loans for construction and improvements to railroad facilities such as railroad main lines, branch lines, switching yards, sidings, rail connections, intermodal yards, and highway grade separations. The Railroad Revolving Loan and Grant Program is targeted toward job growth and economic development. The Program has the following three eligible funding categories: job creation, rail network improvement, and rail port planning and development. Industries, railroads, local governments, and economic development agencies are eligible to apply for grants and loans from the Program.

8 17 c. For vertical infrastructure improvements at commercial
8 18 service airports within the state:
8 19 FY 2026-2027:
8 20 ..... $ 2,500,000

Rebuild Iowa Infrastructure Fund appropriation to the DOT for infrastructure improvements at commercial service airports.

DETAIL: Since FY 2012, appropriations have been made from the RIIF for improvements at commercial service airports. Since

FY 2022, $1,900,000 has been appropriated annually from the RIIF. There are eight commercial service airports in the State, located in Burlington, Cedar Rapids, Des Moines, Dubuque, Fort Dodge, Mason City, Sioux City, and Waterloo.

The funds are distributed through a 50/40/10 formula. For this appropriation, $950,000 (50.00%) will be allocated equally among each of the commercial service airports, $760,000 (40.00%) will be allocated based on the percentage of enplaned passengers during the previous fiscal year, and $190,000 (10.00%) will be allocated based on the proportion of air cargo tonnage at each airport during the previous fiscal year. Airports submit applications to the DOT Office of Aviation for specific projects that are considered for approval by the Transportation Commission. No local match is required. Projects must meet the definition of vertical infrastructure.

In FY 2024, there was an additional $10,000,000 appropriated from the RIIF for commercial service airport terminal improvements. Commercial airports were required to provide a 90.00% match for grants and could not utilize federal funds to provide the match.

8 21 d. For vertical infrastructure improvements at general
8 22 aviation airports within the state:
8 23 FY 2026-2027:
8 24 ..... $ 1,500,000

Rebuild Iowa Infrastructure Fund appropriation to the DOT for infrastructure improvements at general aviation airports.

DETAIL: Funds have historically been appropriated from the RIIF with the exception of FY 2007 when the appropriation was made from the Restricted Capitals Fund and FY 2017 when the appropriation was made from the State Aviation Fund. Since FY 2022, $1,000,000 has been appropriated annually from the RIIF for infrastructure improvements at general aviation airports.

General aviation airport vertical infrastructure projects may receive up to 85.00% of the total project costs but require a minimum level of $5,000 in local match to be considered. Projects must meet the definition of vertical infrastructure. Eligible airports apply to the DOT Office of Aviation. Projects receive final approval from the Transportation Commission.

These grants are available only for public use general aviation airports.

e. For matching the funding requirements necessary to receive federal grants awarded to improve public transit by replacing vehicles and constructing or expanding vehicle facilities, notwithstanding section 8.57, subsection 3, paragraph "c":
FY 2026-2027:
..... $ 1,600,000

Rebuild Iowa Infrastructure Fund appropriation to the DOT for matching the funding requirement necessary to receive federal grants awarded to improve public transit by replacing vehicles and constructing or expanding vehicle facilities. This appropriation is exempt from the vertical infrastructure requirement in Iowa Code section 8.57(3)(c).

DETAIL: In FY 2025, the Iowa DOT was awarded $27,834,685 from the Federal Transit Authority (FTA) to buy new buses and vans for 14 of Iowa's transit systems and $19,892,534 for four rural transit systems to buy hybrid buses to replace older buses and to construct or expand three bus facilities. At the time of application, the local match budgeted for by the public transit systems was approximately $6,500,000. Due to the increases in manufacturing prices for buses, the local match requirement increased to $9,784,446.

f. For deposit in the railway tracks overpass and underpass fund created in section 307.19, as enacted in this Act:
FY 2026-2027:
..... $ 5,000,000
FY 2027-2028:
..... $ 5,000,000
FY 2028-2029:
..... $ 5,000,000
FY 2029-2030:
..... $ 5,000,000
FY 2030-2031:
..... $ 5,000,000

Rebuild Iowa Infrastructure Fund appropriations for FY 2027, FY 2028, FY 2029, FY 2030, and FY 2031 to the DOT for deposit in the Railway Tracks Overpass and Underpass Fund.

Moneys in the Fund are appropriated to the DOT to distribute in the form of grants to cities and counties to assist with the construction of highway overpasses and underpasses across railway tracks. Interest or earnings on moneys deposited in the Fund remain in the Fund at the close of the fiscal year.

14. TREASURER OF STATE
For distribution in accordance with chapter 174 to qualified fairs that belong to the association of Iowa fairs for county fair vertical infrastructure improvements:
FY 2026-2027:
..... $ 1,060,000

Rebuild Iowa Infrastructure Fund appropriation to the Treasurer of State for distribution to county fair societies that belong to the Association of Iowa Fairs.

DETAIL: County fair societies have received an annual appropriation of at least $1,060,000 since FY 1998. Funds are used for vertical infrastructure improvements at the 105

fairs in the Association. County fairs receive approximately $10,095 each. Examples of facilities recently renovated or constructed include sheep barns, grandstand roofs, offices, Americans with Disabilities Act-compliant restrooms and showers, hoop buildings, cattle barns, community centers and exhibit buildings, main auditoriums, and horse barns.

Sec. 2. REVERSION. For purposes of section 8.33, unless specifically provided otherwise, unencumbered or unobligated moneys from an appropriation made in this division of this Act shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that ends two years after the end of the fiscal year for which the appropriation is made. However, if the project or projects for which such appropriation was made are completed in an earlier fiscal year, unencumbered or unobligated moneys shall revert at the close of that same fiscal year.

Permits unencumbered or unobligated funds appropriated in Division I (RIIF) of this Act to remain available for expenditure until the end of FY 2029. However, if the project is completed in an earlier fiscal year, the unexpended moneys will revert at the end of that same fiscal year.

Sec. 3. Section 2.12B, subsection 2, Code 2026, is amended to read as follows:

2. There is appropriated from the rebuild Iowa infrastructure fund for deposit in the state capitol maintenance fund, for the fiscal year beginning July 1, ~~2018~~ 2026, and for each fiscal year thereafter, the sum of ~~five~~ seven hundred fifty thousand dollars.

CODE: Increases the standing appropriation from the RIIF to the State Capitol Maintenance Fund from $500,000 to $750,000.

DETAIL: In 2018, Iowa Acts chapter 1162 (FY 2029 Infrastructure Appropriations Act) established the State Capitol Maintenance Fund in Iowa Code section 2.12B. Moneys in the Fund are intended to be expended to maintain the Iowa State Capitol Building and the Ola Babcock Miller Building. The funding is under control of the Legislative Council.

DIVISION II
TECHNOLOGY REINVESTMENT FUND

Sec. 4. TECHNOLOGY REINVESTMENT FUND — APPROPRIATIONS. There is appropriated from the technology reinvestment fund created in section 8.57C to the following state entities for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

9 36 1. DEPARTMENT OF CORRECTIONS
9 37 a. For technology projects and upgrades:
9 38 ..... $ 697,425
9 39 b. Of the moneys appropriated to the department of
10 1 corrections under paragraph “a”, the department shall allocate
10 2 not more than the following amounts for the following purposes:
10 3 (1) For body cameras at corrections institutions:
10 4 ..... $ 74,925
10 5 (2) For personal data assistant devices at the Iowa
10 6 correctional institution for women:
10 7 ..... $ 34,363
10 8 (3) For camera system upgrades at the Iowa state
10 9 penitentiary in Fort Madison:
10 10 ..... $ 500,000
10 11 (4) For building automation at the Newton correctional
10 12 facility:
10 13 ..... $ 88,137

Technology Reinvestment Fund (TRF) appropriation to the DOC for various technology projects and upgrades. Of the amount appropriated, the DOC must not spend more than the following amounts for the following purposes:

- Body cameras at corrections institutions = $74,925
- Personal Data Assistant (PDA) replacements at the ICIW = $34,393
- Camera system upgrades at the Iowa State Penitentiary (ISP) = $500,000
- Completion of building automation system replacements at the Newton Correctional Facility (NCF) = $88,137

10 14 2. DEPARTMENT OF EDUCATION

10 15 a. (1) For the continued development and implementation
10 16 of an educational data warehouse that will be utilized by
10 17 teachers, parents, school district administrators, area
10 18 education agency staff, department of education staff, and
10 19 policymakers:
10 20 ..... $ 600,000

Technology Reinvestment Fund appropriation to the Department of Education (DE) for continued development and implementation of the statewide education data warehouse.

DETAIL: The DE has received an annual appropriation of $600,000 for the warehouse since FY 2008. The statewide education data warehouse is used in conjunction with systemwide improvements for education resources and accessibility of the resources. The data warehouse, known as EdInsight, is intended to create a combined education information system for teachers, parents, administrators, Area Education Agency (AEA) staff, policymakers, and others.

10 21 (2) Of the moneys appropriated in this lettered paragraph,
10 22 the department may use a portion for an e-transcript data
10 23 system capable of tracking students throughout the students’
10 24 education via interconnectivity with multiple schools.

Allows the DE to use a portion of the funds appropriated for an e-transcript data system that can track students between multiple schools.

10 25 b. For maintenance and lease costs associated with
10 26 connections for part III of the Iowa communications network:
10 27 ..... $ 2,727,000

Technology Reinvestment Fund appropriation to the DE to pay the costs of maintenance and leases associated with Part III fiber connections for the Iowa Communications Network (ICN).

DETAIL: The DE has received an annual appropriation of $2,727,000 for this purpose since FY 2007. The funding covers maintenance expenses and leases. The fiberoptic cable for Part III sites is leased from the private sector vendors that installed the cable.

The ICN administers leased digital data circuits to over 400 K-12 facilities, school districts, and AEAs. These leases and maintenance costs are a continuation of the Part III build-out project authorized during the 1995 Legislative Session. The funding is used for lease and maintenance expenses.

10 28 3. DEPARTMENT OF HEALTH AND HUMAN SERVICES

10 29 a. For costs associated with the design, development, and
10 30 implementation of a new eligibility determination system:
10 31 ..... $ 10,000,000

Technology Reinvestment Fund appropriation to the Department of Health and Human Services (HHS) for the costs associated with the design, development, and implementation of a new eligibility determination system.

DETAIL: This appropriation would fund the design, development, and implementation for the new eligibility determination system for the Supplemental Nutrition Assistance Program (SNAP), the Family Investment Program (FIP), and Refugee Cash Assistance (RCA) as required by 2023 Iowa Acts, Senate File 494 (Medicaid, Supplemental Nutrition Assistance Program (SNAP), Eligibility Verification Act).

10 32 b. For costs associated with integrating data sources into a
10 33 new eligibility determination system:
10 34 ..... $ 1,633,361

Technology Reinvestment Fund appropriation to the HHS for costs associated with integrating data sources into a new eligibility determination system.

DETAIL: This appropriation would fund the integration of data sources into the modernized eligibility determination system, including identity verification, identity fraud/theft,

	asset verification, residency interface, comprehensive arrest data, wage reporting and similar information maintained by surrounding States, and income verification.
10 35 c. For costs associated with implementing Medicaid work requirements, new eligibility redetermination requirements, and required information technology changes pursuant to federal Pub.L.No.119-21, commonly referred to as the One Big Beautiful Bill Act: 11 1 ..... $ 3,473,690	Technology Reinvestment Fund appropriation to the HHS for costs associated with implementing Medicaid work requirements, new eligibility redetermination requirements, and required information technology changes pursuant to the One Big Beautiful Bill Act (OBBBA). DETAIL: This appropriation would fund the SNAP and Medicaid system changes for Medicaid work requirements and eligibility redetermination requirements from the OBBBA.
11 2 d. For technology costs associated with the state poison control center: 11 4 ..... $ 42,080	Technology Reinvestment Fund appropriation to the HHS for the Iowa Poison Control Center (IPCC). DETAIL: The General Assembly has appropriated $34,000 for this purpose annually since FY 2021. The increase in funding will be used for one-time technology projects, including upgrading network cables, updating and replacing hardware, and website enhancement. The IPCC offers free, confidential medical advice 24 hours per day, seven days per week, regardless of health insurance, immigration status, or language preference. Calls are answered by physicians, nurses, and pharmacists with highly specialized training in handling poison, with the goal of reducing emergency department visits and fatalities through in-home treatment. Funds are utilized as an administration match for the Children's Health Insurance Program (CHIP).
11 5 4. DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY MANAGEMENT 11 6 For the continuing implementation of a statewide mass notification and emergency messaging system: 11 8 ..... $ 400,000	Technology Reinvestment Fund appropriation to the Department of Homeland Security and Emergency Management (HSEMD) for continued maintenance of a statewide mass notification and emergency messaging system.

DETAIL: The HSEMD has received an annual appropriation of $400,000 each year from FY 2015 through estimated net FY 2026 from the TRF or RIIF. The funds are used to operate the Alert Iowa Statewide Messaging System. The System can be used by State and local authorities to quickly disseminate emergency information to residents in counties that utilize it. The System is available free of charge to all counties.

Approximately 93 of Iowa's 99 counties have now signed up to use the Alert Iowa Statewide Messaging System.

11 9 5. DEPARTMENT OF MANAGEMENT

11 10 a. For the continued development and implementation of
11 11 a searchable database that can be placed on the internet for
11 12 budget and financial information:
11 13 ..... $ 45,000

Technology Reinvestment Fund appropriation to the Department of Management (DOM) for an online searchable budget and financial information database.

DETAIL: 2011 Iowa Acts, chapter 122 (FY 2011 Appropriations Adjustments Act), included a requirement that the DOM develop and make available to the public an online searchable database for budget and tax rate information with specified information included. Since FY 2018, the DOM has received an annual appropriation of $45,000 for this project. The DOM has also used funding from the DOM operating budget to implement the project.

11 14 b. For the continued development and implementation of the
11 15 comprehensive electronic grant management system:
11 16 ..... $ 70,000

Technology Reinvestment Fund appropriation to the DOM for Iowa's Electronic Grant Management System.

DETAIL: IowaGrants.gov provides a single portal for potential applicants to search for open solicitations for ongoing grant programs offered by State agencies. The portal tracks all grants applied for and received by State agencies. Since FY 2018, the DOM has received an annual appropriation of $50,000 or $70,000 from the TRF for this purpose.

11 17 c. For the upgrade of the local government budget and
11 18 property tax system:
11 19 ..... $ 120,000

Technology Reinvestment Fund appropriation to the DOM for the Local Government Budget and Property Tax System.

DETAIL: This appropriation will fund the ongoing maintenance and upgrades of the budget and property tax system used by local governments to submit information to the DOM. The DOM is required by statute to collect local government budgets. The DOM currently uses a number of applications to collect this information.

11 20 d. For the annual licensing of a searchable database that is
11 21 placed on the internet for budget and financial information:
11 22 ..... $ 358,429

Technology Reinvestment Fund appropriation to the DOM to pay for licensure fees for online databases.

DETAIL: This appropriation funds the license for data.iowa.gov. This is a subscription to a platform that provides the public access to online data sets published by the Executive Branch.

11 23 e. For the security office of the chief information
11 24 officer, including for statewide endpoint detection and
11 25 response, cybersecurity incident investigation response, and
11 26 miscellaneous purposes:
11 27 ..... $ 2,947,658

Technology Reinvestment Fund appropriation to the DOM Security Office of the Chief Information Officer, including for statewide endpoint detection and response, cybersecurity incident investigation response, and miscellaneous purposes.

DETAIL: This appropriation will scale and modernize cybersecurity incident investigation and response technologies, providing additional automation of initial triage tasks, reduction of caseloads, and faster incident responses. The appropriation will also support continued endpoint detection and response with CrowdStrike. CrowdStrike is a software company with centralized endpoint protection for monitoring, protecting against, and investigating vulnerabilities. CrowdStrike provides year-round coverage for all State agencies, counties, and cities.

11 28 f. For the cost of equipment and computer software for the
11 29 continued development and implementation of the Iowa integrated
11 30 justice system:
11 31 ..... $ 1,400,000

Technology Reinvestment Fund appropriation to the DOM for continued development and implementation of Iowa's integrated justice system.

DETAIL: Formerly called the Criminal Justice Information System (CJIS), the Iowa Integrated Justice (IIJ) system has received an annual appropriation of $1,400,000 from the TRF since FY 2021. Until FY 2024, this funding was appropriated to the Department of Human Rights. In

FY 2024 and FY 2025, this funding was appropriated to the HHS. The IIJ enables and facilitates the automated exchange of criminal justice information among local, State, and federal criminal justice agencies. The IIJ provides a real-time electronic information sharing system for members of the criminal justice community in Iowa. Current collaboration with other criminal justice systems includes the County Attorney ProLaw Case Management and Judicial Dialog Case Management systems, the Traffic and Criminal Software (TraCS) system, the Iowa Corrections Offender Network (ICON), Iowa Online Warrants and Articles, Judicial Branch information technology, and others. Funds are used for operation of the IIJ, further development, information technology and network hosting, and software needed for the IIJ.

11 32 g. For costs associated with the justice enterprise data
11 33 warehouse:
11 34 ..... $ 282,664

Technology Reinvestment Fund appropriation to the DOM for the Justice Data Warehouse (JDW).

DETAIL: Since FY 2018, $1,573,208 has been appropriated from the TRF for the JDW. This appropriation supports the maintenance and hosting costs of the JDW. The database is used to provide statistical information to State government entities regarding justice system activities. Examples of how the information is used include prison population forecasts, foster care notifications, recidivism analysis, and a number of other reports and analyses. Until FY 2024, this funding was appropriated to the Department of Human Rights. In FY 2024 and FY 2025, this funding was appropriated to the HHS.

11 35 h. For costs associated with the modernization of the
11 36 mobile architecture and communications handling program and the
11 37 traffic and criminal software program:
11 38 ..... $ 2,000,000

Technology Reinvestment Fund appropriation to the DOM for the costs associated with the modernization of the Mobile Architecture and Communications Handing (MACH) program and the TraCS program.

11 39 6. DEPARTMENT OF PUBLIC SAFETY
12 1 For costs associated with a new digital evidence management
12 2 system:
12 3 ..... $ 300,000

Technology Reinvestment Fund appropriation to the DPS for costs associated with a new digital evidence management system.

DETAIL: This appropriation would modernize the DPS's digital evidence storage systems in a cloud-based platform.

12 4 7. TREASURER OF STATE

12 5 a. For the ongoing costs associated with software used for
12 6 investment tracking:
12 7 ..... $ 192,000

Technology Reinvestment Fund appropriation to the Treasurer of State (TOS) for the costs associated with software relating to investment tracking.

DETAIL: This software would assist the TOS in tracking investments and monthly interest allocations.

12 8 b. For the ongoing costs associated with software used for
12 9 banking reconciliations:
12 10 ..... $ 228,000

Technology Reinvestment Fund appropriation to the TOS for the costs associated with software relating to banking reconciliations.

DETAIL: This software would assist the TOS's Office in daily bank and fund reconciliations with the State accounting system.

12 11 Sec. 5. REVERSION. For purposes of section 8.33, unless
12 12 specifically provided otherwise, unencumbered or unobligated
12 13 moneys from an appropriation made in this division of this Act
12 14 shall not revert but shall remain available for expenditure for
12 15 the purposes designated until the close of the fiscal year that
12 16 ends two years after the end of the fiscal year for which the
12 17 appropriation is made. However, if the project or projects for
12 18 which such appropriation was made are completed in an earlier
12 19 fiscal year, unencumbered or unobligated moneys shall revert at
12 20 the close of that same fiscal year.

Permits unencumbered or unobligated funds appropriated in Division II (TRF) of this Act to remain available for expenditure until the end of FY 2029. However, if the project is completed in an earlier fiscal year, the unexpended moneys will revert at the end of that same fiscal year.

12 21 Sec. 6. CONTINGENT APPROPRIATION FROM REBUILD IOWA
12 22 INFRASTRUCTURE FUND TO TECHNOLOGY REINVESTMENT FUND. There is
12 23 appropriated from the rebuild Iowa infrastructure fund created
12 24 in section 8.57 to the department of management for the fiscal
12 25 year beginning July 1, 2026, and ending June 30, 2027, the
12 26 following amount for deposit in the technology reinvestment
12 27 fund created in section 8.57C, if 2026 Iowa Acts, House File
12 28 1028, is enacted:
12 29 ..... $ 26,314,315

Makes a contingent appropriation from the Rebuild Iowa Infrastructure Fund to the Technology Reinvestment Fund if 2026 Iowa Acts, House File 1028 (Department of Management, Records, Funds, and Contracts Act), is enacted.

DETAIL: House File 1028 strikes the standing appropriation to TRF from RIIF under Iowa Code section 8.57C(3)(a). Section 7 of this Act amends Iowa Code section 8.57C(3)(a) to suspend the standing appropriation to the TRF for

FY 2027 and instead appropriates the money from the RIIF. House File 1028 eliminated the Code language being amended in Section 7 of the Act. This contingent appropriation was intended to ensure the same amount of funding from the RIIF to the TRF for FY 2027 is appropriated regardless of action on House File 1028.

NOTE: House File 1028 (Department of Management, Records, Funds, and Contracts Act) was passed by the General Assembly on April 30, 2026, and signed by the Governor on June 2, 2026.

12 30 Sec. 7. Section 8.57C, subsection 3, Code 2026, is amended
12 31 to read as follows:
12 32 3. a. There is appropriated from the general fund of
12 33 the state to the technology reinvestment fund for the fiscal
12 34 year beginning July 1, ~~2026~~ 2027, and for each fiscal year
12 35 thereafter, the sum of seventeen million five hundred thousand
12 36 dollars.

CODE: Suspends the General Fund standing appropriation of $17,500,000 to the TRF for FY 2027.

NOTE: House File 1028 (Department of Management, Records, Funds, and Contracts Act), passed by the General Assembly on April 30, 2026, and signed by the Governor on June 2, 2026, eliminated the language specifying the General Fund annual standing appropriation of $17.5 million to the TRF under Iowa Code section 8.57C)(3)(a). As a result, the action under House File 1028 supersedes the amendments to Iowa Code section 8.57C(3) made in this Act.

12 37 b. There is appropriated from the rebuild Iowa
12 38 infrastructure fund for the fiscal year beginning July 1,
12 39 ~~2025~~ 2026, and ending June 30, ~~2026~~ 2027, the sum of ~~eighteen~~
13 1 ~~million two hundred sixty-nine thousand two hundred seventeen~~
13 2 twenty-six million three hundred fourteen thousand three
13 3 hundred fifteen dollars to the technology reinvestment fund,
13 4 notwithstanding section 8.57, subsection 3, paragraph “c”.

CODE: Appropriates $26,314,315 from the RIIF to the TRF for FY 2027.

NOTE: House File 1028 (Department of Management, Records, Funds, and Contracts Act), passed by the General Assembly on April 30, 2026, and signed by the Governor on June 2, 2026, eliminated this language being amended in Iowa Code section 8.57C(3)(b). As a result, the action under House File 1028 supersedes the amendments to Iowa Code section 8.57C(3) made in this Act. Instead, this same appropriation is made in section 6 of this Act.

13 5 DIVISION III
13 6 CHANGES TO PRIOR APPROPRIATIONS

Sec. 8. 2023 Iowa Acts, chapter 118, section 2, is amended to read as follows:

SEC. 2. REVERSION.

1. For purposes of section 8.33, unless specifically provided in subsection 2 or otherwise, unencumbered or unobligated moneys from an appropriation made in this division of this Act shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that ends two years after the end of the fiscal year for which the appropriation is made. However, if the project or projects for which such appropriation was made are completed in an earlier fiscal year, unencumbered or unobligated moneys shall revert at the close of that same fiscal year.

2. For purposes of section 8.33, unencumbered or unobligated moneys from an appropriation made in section 1, subsection 12, paragraph "f", of this 2023 Iowa Act shall not revert but shall remain available for expenditure for the purposes designated until December 31, 2026.

CODE: Permits the FY 2024 appropriation of $10,000,000 from the RIIF to the DOT for commercial service airport terminal improvements to remain available for expenditure until December 31, 2026. This appropriation was initially enacted in 2023 Iowa Acts, Senate File 577 (FY 2024 Infrastructure Appropriations Act).

Sec. 9. 2024 Iowa Acts, chapter 1155, section 1, subsection 1, paragraph b, subparagraph (1), as amended by 2025 Iowa Acts, chapter 167, section 14, is amended to read as follows:

(1) Of the amount appropriated in this paragraph, the department of administrative services shall allocate and use the moneys necessary to improve and repair the steps on the west side of the exterior of the capitol building and for projects on the east side of the exterior of the capitol building, as directed by the legislative branch, by ~~the close of the fiscal year that begins July 1, 2025~~ October 31, 2026.

CODE: Extends the time frame for the DAS to use FY 2025 appropriated moneys to improve and repair the steps on the west side of the exterior of the Capitol building and for projects on the east side of the exterior of the Capitol building from June 30, 2026, to October 31, 2026.

Sec. 10. 2024 Iowa Acts, chapter 1155, section 2, is amended to read as follows:

SEC. 2. REVERSION.

1. For purposes of section 8.33, unless specifically provided in subsection 2 or otherwise, unencumbered or unobligated moneys from an appropriation made in this division of this Act shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that ends two years after the end of the fiscal year for which the appropriation is made. However,

CODE: Permits FY 2025 unencumbered or unobligated funds appropriated from the RIIF to the HHS for the Woodward tunnel decentralization project to remain available for expenditure until the end of FY 2028, or until the project is completed, whichever is earlier. This appropriation was initially enacted in 2024 Iowa Acts, House File 2691 (FY 2025 Infrastructure Appropriations Act).

if the project or projects for which such appropriation was made are completed in an earlier fiscal year, unencumbered or unobligated moneys shall revert at the close of that same fiscal year.

2. For purposes of section 8.33, unencumbered or unobligated moneys from an appropriation made for the fiscal year beginning July 1, 2024, in section 1, subsection 5, paragraph "e", of this 2024 Iowa Act shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that ends three years after the end of the fiscal year for which the appropriation was made, or until the project for which the appropriation was made is completed, whichever is earlier.

Sec. 11. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Specifies that Division III of this Act, which applies to changes to prior appropriations, is effective June 2, 2026.

DIVISION IV

RENEWABLE FUEL INFRASTRUCTURE FUND

Sec. 12. STANDING APPROPRIATION — FY 2026-2027. In lieu of the appropriation provided in section 159A.17, the appropriation for the fiscal year beginning July 1, 2026, and ending June 30, 2027, from the general fund of the state to the renewable fuel infrastructure fund created in section 159A.16 for the fiscal year is zero.

CODE: Makes inapplicable a $5,000,000 standing appropriation from the General Fund to the RFIF for FY 2027.

DIVISION V

REGIONAL SPORTS AUTHORITY DISTRICTS — FINANCIAL ASSISTANCE ELIGIBILITY

Sec. 13. Section 15E.321, Code 2026, is amended to read as follows:

15E.321 REGIONAL SPORTS AUTHORITY DISTRICTS.

1. As used in this section~~, "district"~~:

a. "District" means a regional sports authority district certified under this section.

b. "Entity" means an Iowa nonprofit organization established to promote economic development and tourism in an area within the state.

CODE: Adds the definition of "entity" to Iowa Code section 15E.321 (Regional Sports Authority Districts) to mean an Iowa nonprofit organization established to promote economic development and tourism in an area within the State.

2. a. ~~A convention and visitors bureau~~ An entity may apply to the authority for certification of a regional sports authority district ~~which may include more than one city and more than one convention and visitors bureau within the district~~ and for financial assistance. ~~The authority shall not certify more than ten such districts.~~

b. ~~If more than ten applications are received in any certification year, the~~ The authority shall certify ~~the~~ districts on a competitive basis. In evaluating ~~the applications~~ an application for certification and financial assistance, the authority shall consider the economic impact ~~to~~ the activities proposed in the application provide to the state ~~of the activities proposed in the application~~, the geographic diversity of the districts applying, the number of unique and innovative activities proposed to be supported by the district, and any other factors the authority deems relevant.

CODE: Makes the following changes related to applications and awards to Regional Sports Authority Districts:

- Removes the requirement that only a convention and visitors bureau can apply for certification of a Regional Sports Authority District and specifies that an entity may apply for certification and for financial assistance.
- Removes the limitation that the IEDA may only certify 10 Regional Sports Authority Districts.
- Adds the requirement that the IEDA should consider the number of unique and innovative activities to be supported by the district when evaluating applications.

3. Each district shall actively promote youth sports, high school athletic activities, the special olympics, and other ~~nonprofessional~~ physical sporting events in the ~~local~~ area.

4. Each district may apply for and receive financial assistance under the sports tourism program established by the authority pursuant to section 15F.401.

CODE: Removes the requirement that a Regional Sports Authority District must promote nonprofessional sporting events and instead specifies that the events must be physical sporting events.

5. ~~Each district shall be governed by a seven-member board consisting of seven members appointed by the convention and visitors bureau filing the application pursuant to subsection 2. At least three members of the board shall consist of city council members of any cities located in the district. Each board shall be responsible for administering programs designed to promote the activities enumerated in subsection 3.~~ A district that received financial assistance from the authority for an activity described in an application submitted pursuant to subsection 2 shall submit a comprehensive report to the authority on or before July 31 regarding activities that took place between January 1 and June 30, and on or before January 31 for activities that took place between July 1 and December 31 of the previous year. The comprehensive report must detail the return on investment, number of first-time visitors to the state, and total number of hotel rooms occupied as a result of the activity. The authority may request additional information

CODE: Eliminates the requirement that each Regional Sports Authority District be governed by a seven-member board. Adds a requirements that each Regional Sports Authority District must submit a report to the IEDA no later than 30 days after the final date of the activity detailing the return on investment, the number of new visitors, the total number of hotel rooms occupied, and any additional information as requested by the IEDA.

16 3 if the authority deems it necessary to evaluate an activity.

16 4 DIVISION VI
16 5 HEALTH AND HUMAN SERVICES — INFORMATION TECHNOLOGY

VETOED

VETOED: The Governor vetoed this Division stating that prohibiting the HHS from entering, amending, or extending contracts, purchase orders, agreements, or other financial obligations exceeding $5,000,000 for major IT systems would halt IT modernization efforts across HHS, resulting in operational disruptions and potential legal and financial penalties. The Governor stated that the HHS and DOM have been directed to immediately conduct a thorough review of HHS spending as it relates to IT modernization efforts and submit a report of their findings to the General Assembly as soon as possible and no later than December 1, 2026.

16 6 Sec. 14. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
16 7 LIMITATION ON OBLIGATION OF MONEYS — INFORMATION TECHNOLOGY
16 8 MODERNIZATION STUDY COMMITTEE.

16 9 1. Limitation on obligation of moneys.
16 10 a. Except as provided in paragraph “b”, and notwithstanding
16 11 any other provision of law to the contrary, for the fiscal year
16 12 beginning July 1, 2026, the department of health and human
16 13 services shall not enter into, amend, or extend a contract,
16 14 purchase order, interagency agreement, or other financial
16 15 obligation that will cost more than five million dollars,
16 16 individually or collectively, or commit the state to multiyear
16 17 financial obligations. This limitation applies to major
16 18 information technology system replacement, redevelopment,
16 19 or modernization, including but not limited to eligibility,
16 20 benefits administration, child welfare, child support, child
16 21 care, and Medicaid administration systems.
16 22 b. Paragraph “a” does not apply to information technology
16 23 changes that are necessary solely to comply with federal Pub.
16 24 L. No.119-21, commonly referred to as the One Big Beautiful
16 25 Bill Act, or state or federal law enacted to implement a
16 26 provision of Pub.L. No.119-21, if such law expressly requires
16 27 near-term implementation and the changes do not materially
16 28 advance broader system modernization or system replacement
16 29 efforts beyond what is minimally required to comply with the
16 30 applicable law.

Specifies that in FY 2027, regarding major information technology system replacement, redevelopment, or modernization, the HHS must not enter into, amend, or extend a contract, purchase order, interagency agreement, or other financial obligation that will cost more than $5,000,000 or commit the State to multiyear financial obligations. This limitation does not apply to information technology changes needed to comply with the OBBBA if the changes do not materially advance broader system modernization or system replacement efforts.

16 31 2. Study committee.
16 32 a. The department of health and human services, in
16 33 consultation with the legislative services agency and the
16 34 department of management, shall establish an information
16 35 technology modernization study committee on or before August
16 36 1, 2026, and the study committee shall conduct a comprehensive
16 37 review of the department of health and human services'
16 38 information technology systems, data architecture, and
16 39 modernization strategy.

Requires the HHS, in consultation with the Legislative Services Agency (LSA) and the DOM, to establish an Information Technology Modernization Study Committee on or before August 1, 2026, to conduct a comprehensive review of the HHS's information technology systems, data architecture, and modernization strategy.

17 1 b. The study committee must include but is not limited to
17 2 all of the following members:
17 3 (1) One or more persons familiar with the information
17 4 technology division and program division of the department of
17 5 health and human services, appointed by the director of health
17 6 and human services.
17 7 (2) One or more persons from the legislative services
17 8 agency, appointed by the director of the legislative services
17 9 agency.
17 10 (3) One or more persons from the division of information
17 11 technology of the department of management, appointed by the
17 12 director of the department of management.

Requires the following members to be included in the Study Committee:

- One or more persons familiar with the Technology Division and Program Division of the HHS, appointed by the HHS Director.
- One or more persons from the LSA, appointed by the LSA Director.
- One or more persons from the DOM Division of Information Technology (DoIT), appointed by the DOM Director.

17 13 c. The study committee must include all of the following ex
17 14 officio members:
17 15 (1) Two members of the senate, one appointed by the majority
17 16 leader of the senate and one appointed by the minority leader
17 17 of the senate.
17 18 (2) Two members of the house of representatives, one
17 19 appointed by the speaker of the house of representatives
17 20 and one appointed by the minority leader of the house of
17 21 representatives.

Requires the following ex officio members to be included in the Study Committee:

- Two members of the Senate, one appointed by the Major Leader and one appointed by the Minority Leader.
- Two members of the House, one appointed by the Speaker of the House and one appointed by the Minority Leader.

17 22 d. The committee may invite other persons to participate
17 23 in committee meetings, including but not limited to persons
17 24 from private sector firms, academic experts, and subject matter
17 25 experts with demonstrated experience in large-scale system
17 26 integration, data governance, fraud detection, and artificial
17 27 intelligence-enabled platforms.

Authorizes the Study Committee to invite other persons to participate in meetings, included but not limited to private sector firms, academic experts, and subject matter experts with demonstrated experience in large-scale system integration, data governance, fraud detection, and AI-enabled platforms.

e. The study committee shall examine all major information technology systems currently used by the department of health and human services, including legacy systems and recently implemented platforms, and shall do all of the following:

(1) Identify redundancies, fragmentations, and interoperability gaps among systems.

(2) Assess the department's current ability to integrate data across programs and databases to detect errors, waste, fraud, and abuse.

(3) Evaluate options for developing or procuring a unified integrated architecture system capable of securely linking program databases and supporting advanced analytics and automation.

(4) Consider existing vendors supporting the department's current systems and alternative solutions offered by firms and experts specializing in modern, artificial intelligence-first, or cloud-native system design.

(5) Identify governance, procurement, and oversight structures necessary to ensure cost control, transparency, and long-term sustainability.

Requires the Study Committee to examine all major information technology systems currently used by the HHS and do the following:

- Identify redundancies, fragmentations, and interoperability gaps among systems.
- Access the HHS's ability to integrate data across programs and databases to detect errors, waste, fraud, and abuse.
- Evaluate options for developing or procuring a unified integrated architecture system capable of securely linking program databases and supporting advanced analytics and automation.
- Consider existing vendors supporting the HHS's current systems and alternative solutions offered by firms and experts specializing in modern, AI-first or cloud-native system design.
- Identify governance, procurement, and oversight structures necessary to ensure cost control, transparency, and long-term sustainability.

f. The study committee shall prioritize identifying a long-term solution that integrates department of health and human services databases across programs and enables timely detection of eligibility errors, improper payments, and fraudulent activity while reducing duplicative administrative processes.

Requires the Study Committee to prioritize identifying a long-term solution that integrates the HHS databases across programs and enables timely detection of eligibility errors, improper payments, and fraudulent activity while reducing duplicative administrative processes.

g. The department of health and human services shall submit a report to the general assembly and the governor on or before January 1, 2027. The report must include the study committee's findings, recommended statutory or budgetary changes, estimated costs and timelines, and options for phased implementation.

Requires the HHS to submit a report to the General Assembly and the Governor before January 1, 2027, detailing the Study Committee's findings, recommended statutory or budgetary changes, estimated costs and timelines, and options for phased implementation.

3. REPEAL. This section is repealed July 1, 2027.

Repeals the Information Technology Modernization Study Committee on July 1, 2027.

DIVISION VII
RAILWAY TRACKS OVERPASS AND UNDERPASS FUND

Sec. 15. NEW SECTION 307.19 RAILWAY TRACKS OVERPASS AND UNDERPASS FUND.

1. A railway tracks overpass and underpass fund is created in the state treasury under the control of the department. The fund shall consist of all moneys appropriated to the fund.

2. Moneys in the fund are appropriated to the department to distribute in the form of grants to cities and counties to assist with the construction of highway overpasses and underpasses across railway tracks.

3. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys deposited in the fund shall be credited to the fund. Notwithstanding section 8.33, moneys in the fund shall not revert at the close of a fiscal year.

CODE: Establishes a Railway Tracks Overpass and Underpass Fund under the control of the Department of Transportation (DOT). Appropriates moneys to the DOT to provide grants to cities and counties to assist with the construction of highway overpasses and underpasses across railway tracks. Exempts moneys in the Railway Tracks Overpass and Underpass Fund from reversion requirements, allowing the Fund balance to carry forward to the next fiscal year. Allows the Fund to retain any interest or earnings on moneys deposited into the Fund.

DIVISION VIII

ECONOMIC DEVELOPMENT — FINANCIAL ASSISTANCE

Sec. 16. Section 15G.104, subsection 2, Code 2026, is amended to read as follows:

2. ~~a.~~ Moneys in the fund are appropriated to the authority for purposes of providing financial assistance under the program. The authority shall not use more than five percent of the moneys in the fund at the beginning of each fiscal year for purposes of administrative costs, technical assistance, and other program support.

~~b. An entity that is awarded financial assistance pursuant to this chapter is not eligible to receive financial assistance under the sports tourism infrastructure program pursuant to chapter 15F, subchapter IV.~~

CODE: Strikes the limitation that entities awarded financial assistance from the Iowa Major Events and Tourism Fund are ineligible to receive financial assistance under the Sports Tourism Infrastructure Program.

Infrastructure Appropriations by Fund – Senate File 2484

This spreadsheet shows new appropriations and changes to previously enacted appropriations for FY 2027, FY 2028, FY 2029, FY 2030, and FY 2031.
Previously enacted appropriations and standing appropriations are not reflected in this spreadsheet.

Rebuild Iowa Infrastructure Fund (RIIF)		FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Administrative Services	Terrace Hill	$ 1,000,000	-	-	-	-
	Major Maintenance IVH Paving Repairs	180,000	-	-	-	-
Agriculture and Land Stewardship	Water Quality Initiative	8,200,000	-	-	-	-
	Fertilizer Management	1,000,000	-	-	-	-
Blind	Building Repairs	250,000	-	-	-	-
Economic Development	Community Attraction and Tourism Fund	10,000,000	-	-	-	-
	Destination Iowa Fund	10,000,000	-	-	-	-
	Strategic Infrastructure Program Fund	10,000,000	-	-	-	-
	Hoover Presidential Library Renovation Projects	1,000,000	-	-	-	-
	Regional Sports Authorities	1,000,000	-	-	-	-
	Junior Olympics	250,000	-	-	-	-
	Facility Enhancements	7,000,000	-	-	-	-
Education	ISD - Giangreco Building Roof Repair	4,430,000	3,605,000	-	-	-
Health and Human Services	On With Life Infrastructure	4,000,000	-	-	-	-
Iowa Law Enforcement Academy	Firearms Range Training Facility	3,700,000	-	-	-	-
Iowa State Fair	Infrastructure Upgrades and Improvements	1,000,000	-	-	-	-
Legislative Branch	Capitol Building Maintenance *(standing appropriation)*	250,000	250,000	250,000	250,000	250,000
Management	Technology Reinvestment Fund	26,314,315	-	-	-	-
Natural Resources	Lake Restoration	9,600,000	-	-	-	-
	State Park Infrastructure	5,000,000	-	-	-	-
	Water Trails and Low Head Dams	1,500,000	-	-	-	-
	Derelict Building Program	1,000,000	-	-	-	-
Public Defense	Facility/Armory Maintenance	2,100,000	-	-	-	-
	Readiness Centers	2,100,000	-	-	-	-
	Camp Dodge Infrastructure Upgrades	550,000	-	-	-	-
	Sioux City Airport Runway	10,000,000	-	-	-	-
Public Safety	State Communication System	2,846,011	-	-	-	-
Regents	Tuition Replacement	25,000,000	-	-	-	-
	UNI - Public Policy Center at Commons	6,000,000	-	-	-	-
Transportation	Recreational Trails	2,500,000	-	-	-	-
	Railroad Revolving Loan and Grant Fund	2,000,000	-	-	-	-
	Commercial Air Service Vertical Infrastructure Grants	2,500,000	-	-	-	-
	General Aviation Vertical Infrastructure	1,500,000	-	-	-	-
	Public Transit Federal Grant Match	1,600,000	-	-	-	-
	Railroad Overpass and Underpass Grant Fund	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Treasurer	County Fair Infrastructure	1,060,000	-	-	-	-
Total Rebuild Iowa Infrastructure Fund		**$ 171,430,326**	**$ 8,855,000**	**$ 5,250,000**	**$ 5,250,000**	**$ 5,250,000**

Infrastructure Appropriations by Fund – Senate File 2484

This spreadsheet shows new appropriations and changes to previously enacted appropriations for FY 2027, FY 2028, FY 2029, FY 2030, and FY 2031.
Previously enacted appropriations and standing appropriations are not reflected in this spreadsheet.

Technology Reinvestment Fund (TRF)		**FY 2027**	**FY 2028**	**FY 2028**	**FY 2030**	**FY 2031**
Department of Corrections	Technology Projects	$ 697,425	-	-	-	-
Education	Statewide Education Data Warehouse	600,000	-	-	-	-
	ICN Part III Maintenance/Leases	2,727,000	-	-	-	-
Health and Human Services	Public Assistance Oversight - SNAP FIP IT	10,000,000	-	-	-	-
	Public Assistance Oversight - Data Sources	1,633,361	-	-	-	-
	OBBBA IT Costs	3,473,690	-	-	-	-
	Poison Control Center	42,080	-	-	-	-
Homeland Sec. and Emer. Manag.	Alert Iowa Messaging System	400,000	-	-	-	-
Management	Searchable Online Database	45,000	-	-	-	-
	Electronic Grant Management System	70,000	-	-	-	-
	Local Gov't Budget & Property Tax System	120,000	-	-	-	-
	Data Portal License	358,429	-	-	-	-
	DOM DoIT Cybersecurity	2,947,658	-	-	-	-
	Iowa Integrated Justice System	1,400,000	-	-	-	-
	Justice Enterprise Data Warehouse	282,664	-	-	-	-
	DPS/DOT MACH & TraCS Modernization	2,000,000				
Public Safety	Digital Evidence Management System	300,000	-	-	-	-
Treasurer of State	Clearwater Software	192,000	-	-	-	-
	Tyler Tech. Software	228,000	-	-	-	-
Total Technology Reinvestment Fund		**$ 27,517,307**	$ -	$ -	$ -	$ -
Technology Reinvestment Fund Adjustment		*$ -26,314,315*	*$ -*	*$ -*	*$ -*	*$ -*
Total Appropriations All Sources		**$ 172,633,318**	**$ 8,855,000**	**$ 5,250,000**	**$ 5,250,000**	**$ 5,250,000**

Note: The Technology Reinvestment Fund adjustment removes $26.3 million appropriated from the RIIF to the TRF. This adjustment prevents TRF funding from being counted twice.

Rebuild Iowa Infrastructure Fund — Senate File 2484

LSA Staff Contact: Maria Wagenhofer (515.281.5270) maria.wagenhofer@legis.iowa.gov

Note: Previously enacted appropriations and standing appropriations are in bold.

	Enacted						
	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Final Action FY 2028	Final Action FY 2029	Final Action FY 2030	Final Action FY 2031
Revenues and Resources							
Balance Forward	$ 110,576,986	$ 102,642,276	$ 67,132,314	$ 19,386,723			
Adjustment to Balance Forward	5,615	49,882					
State Wagering Tax and Fee Revenues							
Wagering Tax and Fees	171,601,314	164,550,000	169,550,000	169,550,000	169,550,000	169,550,000	169,550,000
License Fees	4,006,000	4,007,000	4,007,000	4,007,000	4,007,000	7,000	7,000
Revenue Bond Debt Service Fund Transfer	12,914,761	10,650,000	10,650,000	10,650,000	10,650,000	10,650,000	10,650,000
Federal Subsidy Holdback Fund Transfer	3,908,905	3,931,777	3,750,000	3,750,000	3,750,000	3,750,000	3,750,000
Total State Wagering Taxes and Fees	192,430,980	183,138,777	187,957,000	187,957,000	187,957,000	183,957,000	183,957,000
Interest	49,189,488	30,200,000	22,800,000	22,800,000	22,800,000	22,800,000	22,800,000
MSA Tobacco Settlement Payments	11,113,084	9,809,093	9,003,633	9,003,633	9,003,633	9,003,633	9,003,633
Vision Iowa Fund Transfer	-	3,973,962	-	-	-	-	-
Vacant State Building Demolition Fund Transfer	-	24,800	-	-	-	-	-
Vacant State Building Rehabilitation Fund Transfer	-	1,146,765	-	-	-	-	-
Total Resources	$ 363,316,153	$ 330,985,555	$ 286,892,947	$ 239,147,357	$ 219,760,633	$ 215,760,633	$ 215,760,633
Appropriations							
Administrative Services							
Major Maintenance	22,000,000	22,000,000	**22,000,000**	**22,000,000**	**$ 22,000,000**	$ -	$ -
Major Maintenance West Capitol Steps	2,000,000	-	-	-	-	-	-
Routine Maintenance *(standing appropriation)*	2,000,000	2,000,000	**2,000,000**	**2,000,000**	**2,000,000**	**2,000,000**	**2,000,000**
Elevator Upgrades/Replacements	5,364,500	-	-	-	-	-	-
Historical Building Sustainable Storage	-	5,000,000	-	-	-	-	-
Underground Railroad Markers	-	40,000	-	-	-	-	-
Terrace Hill	-	-	1,000,000	-	-	-	-
Major Maintenance IVH Paving Repairs	-	-	180,000	-	-	-	-
Agriculture & Land Stewardship							
Water Quality Initiative	8,200,000	8,200,000	8,200,000	-	-	-	-
Renewable Fuel Infrastructure Fund	10,000,000	10,000,000	-	-	-	-	-
Renewable Fuel Infrastructure Fund - Supplement	2,000,000	-	-	-	-	-	-
Renewable Fuel Infrastructure Fund - Corrective Awards	2,000,000	-	-	-	-	-	-
Fertilizer Management	1,000,000	1,000,000	1,000,000	-	-	-	-
Department for the Blind							
Building Repairs	225,600	559,000	250,000	-	-	-	-
Corrections							
CBC District 4 Central Office	-	4,163,847	**2,775,898**	-	-	-	-
Economic Development							
Community Attraction & Tourism Grants	10,000,000	10,000,000	10,000,000	-	-	-	-
Destination Iowa Fund	10,000,000	10,000,000	10,000,000	-	-	-	-
USS Iowa Battleship Deck Renovation	750,000	-	-	-	-	-	-
Strengthening Communities Grants - Rural YMCAs	250,000	-	-	-	-	-	-
Strategic Infrastructure Program Fund	-	-	10,000,000	-	-	-	-
Hoover Presidential Library Renovation Projects	-	-	1,000,000	-	-	-	-
Regional Sports Authorities	700,000	750,000	1,000,000	-	-	-	-
Junior Olympics	-	-	250,000	-	-	-	-
Facility Enhancements	-	-	7,000,000	-	-	-	-
Education							
ISD - Giangreco Building Roof Repair	-	-	4,430,000	3,605,000	-	-	-
Health and Human Services							
Major Projects - Woodward Tunnel Decentralization	14,500,000	14,275,000	**-**	-	-	-	-
Lucas Building Renovation	5,000,000	-	-	-	-	-	-
CCUSO Patient Doors Conversion	50,000	-	-	-	-	-	-
CCUSO Renovation	7,000,000	-	-	-	-	-	-
Iowa Medical Examiner Office Expansion	5,000,000	28,000,000	**3,300,000**	**-**	-	-	-
On With Life Infrastructure	-	-	4,000,000	-	-	-	-
Homeland Security and Emergency Management							
Levee Improvement Fund	10,000,000	-	-	-	-	-	-
Iowa Finance Authority							
State Housing Trust Fund *(standing appropriation)*	3,000,000	3,000,000	**3,000,000**	**3,000,000**	**3,000,000**	**3,000,000**	**3,000,000**
Water Quality Financial Assistance Fund*	-	-	8,000,000	-	-	-	-
Rural Iowa Infrastructure Bank Program Fund*	-	-	10,000,000	-	-	-	-

Rebuild Iowa Infrastructure Fund — Senate File 2484

LSA Staff Contact: Maria Wagenhofer (515.281.5270) maria.wagenhofer@legis.iowa.gov

Note: Previously enacted appropriations and standing appropriations are in bold.

	Enacted						
	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Final Action FY 2028	Final Action FY 2029	Final Action FY 2030	Final Action FY 2031
Iowa Law Enforcement Academy							
Driving Training Facility	-	15,000,000	-	-	-	-	-
Firearms Range Training Facility	-	-	3,700,000	-	-	-	-
Iowa State Fair							
Agriculture Facility	-	2,500,000	**2,500,000**	-	-	-	-
Infrastructure Upgrades and Improvements	-	-	1,000,000	-	-	-	-
Judicial Branch							
Judicial Building Improvements	475,000	-	-	-	-	-	-
Dallas County Courthouse Renovation and Furniture	481,200	-	-	-	-	-	-
Johnson County Courthouse Renovation and Furniture	111,000	-	-	-	-	-	-
Legislative Branch							
Capitol Building Maintenance *(standing appropriation)*	500,000	500,000	**750,000**	**750,000**	**750,000**	**750,000**	**750,000**
Management							
Environment First Fund *(standing appropriation)*	42,000,000	42,000,000	**42,000,000**	**42,000,000**	**42,000,000**	**42,000,000**	**42,000,000**
Technology Reinvestment Fund	21,131,873	18,269,217	26,314,315	-	-	-	-
Natural Resources							
Lake Restoration & Water Quality	9,600,000	9,600,000	9,600,000	-	-	-	-
State Park Infrastructure	5,000,000	5,000,000	5,000,000	-	-	-	-
One-Time State Park Infrastructure - ADA Compliance	1,000,000	-	-	-	-	-	-
Water Trails and Low Head Dam Grants	1,500,000	1,500,000	1,500,000	-	-	-	-
Community Forestry Grant Program	250,000	-	-	-	-	-	-
Derelict Building Program	-	-	1,000,000	-	-	-	-
Public Defense							
Facility/Armory Maintenance	2,100,000	2,100,000	2,100,000	-	-	-	-
Statewide Modernization - Readiness Centers	2,100,000	2,100,000	2,100,000	-	-	-	-
Camp Dodge Infrastructure Upgrades	550,000	550,000	550,000	-	-	-	-
Sioux City Airport Runway	-	-	10,000,000	-	-	-	-
Public Safety							
Statewide Communications System	6,424,379	6,486,177	2,846,011	-	-	-	-
DPS Equipment Fund	2,500,000	-	-	-	-	-	-
Regents							
Tuition Replacement	26,500,000	25,600,000	25,000,000	-	-	-	-
UNI - Industrial Technology Center	3,850,000	-	-	-	-	-	-
Iowa Lakeside Lab Infrastructure	3,000,000	3,000,000	-	-	-	-	-
UNI - Public Policy Center at Commons	-	1,000,000	6,000,000	-	-	-	-
Transportation							
Recreational Trails	2,500,000	2,500,000	2,500,000	-	-	-	-
Recreational Trails Supplement	1,000,000	-	-	-	-	-	-
Public Transit Vertical Infrastructure Grants	1,500,000	1,200,000	-	-	-	-	-
Railroad Revolving Loan and Grant	2,000,000	2,000,000	2,000,000	-	-	-	-
Comm. Air Service Vertical Infrastructure Grants	1,900,000	1,900,000	2,500,000	-	-	-	-
General Aviation Vertical Infrastructure Grants	1,000,000	1,000,000	1,500,000	-	-	-	-
Public Transit Federal Grant Match	-	-	1,600,000	-	-	-	-
Railroad Overpass and Underpass Grant Fund	-	-	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Treasurer							
County Fair Infrastructure	1,060,000	1,060,000	1,060,000	-	-	-	-
Veterans Affairs							
Cemetery Equipment Replacement	168,388	-	-	-	-	-	-
Net Appropriations	$ 261,241,940	$ 263,853,241	$ 267,506,224	$ 78,355,000	$ 74,750,000	$ 52,750,000	$ 52,750,000
Reversions	(568,063)	-	-	-	-	-	-
Ending Balance	**$ 102,642,276**	**$ 67,132,314**	**$ 19,386,723**	**$ 160,792,357**	**$ 145,010,633**	**$ 163,010,633**	**$ 163,010,633**

Note: Estimated revenues for FY 2028 - FY 2031 are based on the FY 2027 estimates and are used for illustrative purposes only. The balance forward for FY 2029 - FY 2031 is excluded to prevent double counting.

*Appropriations were made in House File 2771 (FY 2027 Agriculture and Natural Resources Appropriations Act).

Technology Reinvestment Fund — Senate File 2484

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	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027
Resources			
Beginning Balance	$ 121,924	$ 1,236,992	$ 1,202,992
RIIF Appropriation	21,131,873	18,269,217	26,314,315
General Fund Appropriation	-	-	-
Total Resources	$ 21,253,797	$ 19,506,209	$ 27,517,307
Appropriations			
Attorney General's Office			
Cybersecurity & Technology	$ 278,503	$ -	$ -
Corrections			
Technology Projects	-	3,013,466	697,425
Camera System Upgrades at DOC Institutions	2,464,779	-	-
IMCC Pharmacy Pill Counting Machines	200,000	-	-
IMCC Network Switch Replacement	100,000	-	-
ICIW Network Switch Replacement	500,000	-	-
ICIW and IMCC Server Replacement	200,000	-	-
CBC Technology Updates	139,500	-	-
Economic Development Authority			
Enterprise Management System	-	5,375,000	-
Education			
Statewide Education Data Warehouse	600,000	600,000	600,000
ICN Part III Maintenance & Leases	2,727,000	2,727,000	2,727,000
Iowa PBS Digital Asset Management System	196,000	-	-
Health and Human Services			
Medicaid Technology	1,335,178	-	-
Criminal Justice Info System (CJIS) Integration	1,400,000	-	-
Justice Data Warehouse	282,664	-	-
MEME Maintenance and Operations	330,000	-	-
Public Assistance Oversight - SNAP FIP IT	-	-	10,000,000
Public Assistance Oversight - Data Sources	-	-	1,633,361
OBBBA IT Costs	-	-	3,473,690
Poison Control Center	34,000	34,000	42,080
Homeland Security and Emergency Management			
Mass Notification and Emer. Messaging System	400,000	400,000	400,000
Management			
Searchable Online Database	45,000	45,000	45,000
Electronic Grant Management System	70,000	70,000	70,000
Local Government Budget & Property Tax System	120,000	120,000	120,000
Data Portal License	382,131	358,429	358,429
DOM DoIT Cybersecurity	2,947,658	2,947,658	2,947,658
Iowa Integrated Justice (IIJ)	-	1,400,000	1,400,000
Justice Data Warehouse	-	282,664	282,664
Justice Data Warehouse Transition	-	290,000	-
DPS/DOT MACH & TraCS Modernization	-	-	2,000,000
Natural Resources			
Law Enforcement Radios	1,565,000	-	-
Public Defense			
Technology Projects	-	220,000	

Technology Reinvestment Fund — Senate File 2484

LSA Staff Contact: Maria Wagenhofer (515.281.5270) maria.wagenhofer@legis.iowa.gov

	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027
Public Safety			
Digital Evidence Management System	-	-	300,000
Revenue			
Tax System Modernization	4,070,460	-	-
Secretary of State			
Cyber Technology	324,000	-	-
Treasurer of State			
Clearwater Software	192,000	192,000	192,000
Tyler Tech. Software	228,000	228,000	228,000
Total Appropriations	$ 21,131,873	$ 18,303,217	$ 27,517,307
Estimated Reversions	-1,115,068	-	-
Ending Balance	$ 1,236,992	$ 1,202,992	$ 0

NOTE: House File 1028 (Department of Management, Records, Funds, and Contracts Act) requires, beginning in FY 2028, that moneys in the Technology Reinvestment Fund (TRF) be appropriated by the General Assembly to the Department of Management (DOM) to be used to implement State information technology projects. The DOM is required to provide a prioritized list of proposed projects for funding from the TRF to the Governor to develop budgetary recommendations for the General Assembly.

FUNDING SUMMARY

Other Funds FY 2027: Appropriates a total of $495.3 million and 2,657.0 full-time equivalent (FTE) positions in FY 2027 to the Department of Transportation (DOT). This includes $76.6 million and 294.0 FTE positions from the Road Use Tax Fund (RUTF) and $418.7 million and 2,363.0 FTE positions from the Primary Road Fund (PRF). These appropriations include a standing appropriation of $225,000 from the RUTF for personal delivery of services. These appropriations represent a net decrease of $18.2 million compared to estimated net FY 2026.

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Appropriates a total of $366.3 million for Transportation Operations, including salaries, support, maintenance, and miscellaneous purposes. This includes $17.7 million from the RUTF and $348.6 million from the PRF. This is a decrease of $6.9 million compared to estimated net FY 2026.	Page 2, Line 5
Appropriates a total of $13.0 million for utility services payments to the Department of Administrative Services (DAS) and the Department of Management (DOM). This includes $1.8 million from the RUTF and $11.2 million from the PRF. This is an increase of $9.4 million compared to estimated net FY 2026.	Page 2, Line 10
Appropriates a total of $5.0 million for payments to the DAS for workers' compensation. This includes $200,000 from the RUTF and $4.8 million from the PRF. This is an increase of $1.2 million compared to estimated net FY 2026.	Page 2, Line 15
Appropriates a total of $195,000 from the PRF for transportation maps. This is an increase of $195,000 compared to estimated net FY 2026. Funding for transportation maps is appropriated every other year. Funding of $195,000 was last appropriated in FY 2025.	Page 4, Line 1
Appropriates a total of $23.6 million from the PRF for inventory and equipment replacement. This is a decrease of $17.2 million from the PRF compared to estimated net FY 2026 due to savings in fleet replacement costs and a shift in funding from inventory and equipment replacement to transportation operations.	Page 4, Line 3
Appropriates a total of $7.3 million from the PRF to Facility Major Maintenance and Enhancements. This is an increase of $1.0 million compared to estimated net FY 2026 to fund projects to lower ongoing utility costs.	Page 4, Line 8

Appropriates a total of $13.0 million from the PRF to replace the Alton DOT garage facility. This is a new appropriation for FY 2027. Page 4, Line 12

CHANGES TO PRIOR APPROPRIATIONS

Permits any unencumbered or unobligated funds remaining from the FY 2024 appropriation for the Davenport Highway Operations Complex to remain available through FY 2028. Page 4, Line 24

STUDIES AND INTENT

Nonreversion

Permits any unencumbered or unobligated funds remaining at the close of FY 2027 for the Motor Vehicle Division (MVD) field facility maintenance projects and the Archon Registration and Titling System (ARTS) modernization to remain available for expenditure through FY 2030. Appropriations for projects that are completed before the end of a fiscal year shall revert at the end of the same fiscal year. Page 3, Line 3

Permits any unencumbered or unobligated funds remaining at the close of FY 2027 for the facility major maintenance projects, the facility routine maintenance projects, and renovation of the Alton DOT garage facility to be available for expenditure through FY 2030. Appropriations for projects that are completed before the end of the fiscal year shall revert at the end of the same fiscal year. Page 4, Line 14

EFFECTIVE DATE

This Act takes effect July 1, 2026. Page 1, Line 6

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 2, 2026.

STAFF CONTACT: Garry Martin (515.281.4611) garry.martin@legis.iowa.gov

Section 1. ROAD USE TAX FUND — FY 2026-2027. There is appropriated from the road use tax fund created in section 312.1 to the department of transportation for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

1. For salaries, support, maintenance, and miscellaneous purposes, and for not more than the following full-time equivalent positions:

a. Transportation operations:
..... $ 17,723,539

Road Use Tax Fund (RUTF) appropriation for Transportation Operations including salaries, support, maintenance, and miscellaneous purposes.

DETAIL: Transportation Operations also receives an appropriation from the Primary Road Fund (PRF) of $348,619,071 in this Act for a total of $366,342,610. This is a total decrease in combined funding of $6,874,978 compared to estimated net FY 2026.

NOTE: This is a net decrease of $343,749 from the RUTF and a net decrease of $6,531,229 from the PRF due to the following changes:

- An increase of $1,458,471 from the PRF and $76,762 from the RUTF to shift funding from the Inventory and Equipment line item to Transportation Operations due to a new equipment capitalization threshold. This change will result in additional equipment being purchased directly from the Transportation Operations appropriations and less equipment being purchased from the Materials and Equipment Revolving Fund, which is funded by the Inventory and Equipment Replacement appropriation.
- An increase of $984,200 from the PRF and $51,800 from the RUTF to align equipment depreciation costs from the Inventory and Equipment Replacement line item.
- A decrease of $8,973,900 from the PRF and $472,311 from the RUTF to shift funding from the Transportation Operations line item to the Department of Administrative Services (DAS) and Department of Management (DOM)

Division of Information Technology (DoIT) Utility Services line item to better align costs for information technology (IT) staff.

2 7 b. Motor vehicles:
2 8 ..... $ 34,234,969
2 9 ..... FTEs 294.00

Road Use Tax Fund appropriation to the Department of Transportation (DOT) for the Motor Vehicle Division (MVD).

DETAIL: Maintains the current level of funding and full-time equivalent (FTE) positions compared to estimated net FY 2026.

NOTE: The MVD is responsible for administering and enforcing federal and State motor vehicle laws and regulations, including testing, licensing, and sanctioning of all drivers. The MVD maintains and oversees driver- and vehicle-related functions, including all driver history files, central issuance of driver's licenses, crash reports, vehicle titles, vehicle registrations, driver offenses, permits, county-based registrations, issuance of special plates, and driver safety and education.

2 10 2. For payments to the department of administrative
2 11 services and the department of management for utility services:
2 12 ..... $ 1,823,348

Road Use Tax Fund appropriation to the DOT for payment to the DAS and DOM for personnel and utility services.

DETAIL: This is an increase of $1,322,470 compared to estimated net FY 2026 to better align costs for IT staff that are currently funded through the Transportation Operations appropriation. The DOT also receives an appropriation from the PRF of $11,200,563 for DAS and DOM DoIT utility services in this Act for a total appropriation of $13,023,911. This combined funding is an increase of $9,446,211 compared to estimated net FY 2026.

NOTE: State agencies are required to purchase certain utility services through the DAS. Utility services include human resources, general services such as the DOT office space, and use of the State's accounting system. State agencies also receive IT services, such as infrastructure, software development, and security services, from the DOM DoIT. Fees charged to State agencies for services provided by the DAS and DOM DoIT are reviewed and adjusted annually.

2 13 3. For unemployment compensation:
2 14 ..... $ 7,000

Road Use Tax Fund appropriation to the DOT for the payment of unemployment compensation costs.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The DOT also receives an appropriation of $138,000 for unemployment compensation from the PRF in this Act for a total appropriation of $145,000. This combined funding represents no change compared to estimated net FY 2026.

2 15 4. For payments to the department of administrative
2 16 services for paying workers' compensation claims under chapter
2 17 85 on behalf of employees of the department of transportation:
2 18 ..... $ 199,907

Road Use Tax Fund appropriation to the DOT for the payment of workers' compensation costs.

DETAIL: This is an increase of $46,228 compared to estimated net FY 2026 due to an increase in workers' compensation costs. The DOT also receives an appropriation of $4,835,877 for workers' compensation costs from the PRF in this Act for a total appropriation of $5,035,784. This combined funding is an increase of $1,155,700 compared to estimated net FY 2026.

2 19 5. For payment to the general fund of the state for indirect
2 20 cost recoveries:
2 21 ..... $ 90,000

Road Use Tax Fund appropriation to the DOT for payment of indirect cost recoveries to the General Fund.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The DOT also receives an appropriation of $660,000 for indirect cost recoveries from the PRF in this Act for a total appropriation of $750,000. This combined funding represents no change compared to estimated net FY 2026.

NOTE: Iowa Code section 8A.505 requires all agencies funded by resources other than the State General Fund to make payments to the General Fund for recovery of indirect costs associated with centralized services provided by other State agencies that receive funding from the General Fund, such as services from the Treasurer of State (TOS) for cash receipt collection and warrant redemption.

2 22 6. For reimbursement to the auditor of state for audit
2 23 expenses as provided in section 11.5B:
2 24 ..... $ 107,884

Road Use Tax Fund appropriation to the DOT for State Auditor reimbursement.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The DOT also receives an appropriation of $662,716 for State Auditor expenses from the PRF in this Act for a total appropriation of $770,600. This combined funding represents no change compared to estimated net FY 2026.

2 25 7. For automation, telecommunications, and related costs
2 26 associated with the county issuance of driver's licenses and
2 27 vehicle registrations and titles:
2 28 ..... $ 1,406,000

Road Use Tax Fund appropriation to the DOT to support the issuance of driver's licenses, vehicle registrations, and titles at county treasurer offices throughout the State.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The appropriation is used for electronic processing of debit and credit cards for payment of driver's license fees, nonoperator identification card fees, and civil penalties at county treasurer sites.

NOTE: In addition to this appropriation, and in accordance with Iowa Code section 312.2, the DOT receives an annual RUTF standing appropriation of $650,000 for the purchase of automation and telecommunications equipment and to fund support for issuing vehicle registrations, titles, and driver's licenses at county treasurer offices.

2 29 8. For costs associated with participation in the
2 30 Mississippi river parkway commission:
2 31 ..... $ 40,000

Road Use Tax Fund appropriation to the DOT for the Mississippi River Parkway Commission (MRPC).

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This appropriation will fund annual organization dues and operational costs of the MRPC.

NOTE: The MRPC is a multistate organization that is comprised of the states bordering the Mississippi River. Each state has its own individual commission. The governors of the member states appoint one member each to serve a four-year term on the MRPC. In addition to those members appointed by state

governors, there are seven advisory ex officio members of the MRPC. The MRPC meets quarterly.

2 32 9. For costs associated with the traffic and criminal
2 33 software program and the mobile architecture and communications
2 34 handling program:
2 35 ..... $ 300,000

Road Use Tax Fund appropriation to the DOT for the maintenance of the Traffic and Criminal Software (TraCS) and Mobile Architecture and Communications Handling (MACH) systems.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. This appropriation will support program administration and future project enhancements.

NOTE: The TraCS system collects vehicle collision data from law enforcement agencies and provides an electronic platform for citations. The MACH system enables the sharing of information among public safety agencies. The systems provide enhanced dispatch features and other communications features.

2 36 10. For motor vehicle division field facility maintenance
2 37 projects at various locations:
2 38 ..... $ 400,000

Road Use Tax Fund appropriation to the DOT for MVD field facility maintenance projects at various locations throughout the State.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. Funds are used to maintain driver's license stations.

2 39 11. For costs associated with motor vehicle division
3 1 systems modernization:
3 2 ..... $ 20,000,000

Road Use Tax Fund appropriation to the DOT for the Archon Registration and Titling System (ARTS) modernization.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The funds are used to facilitate the modernization of the current driver and vehicle record system, ARTS. The ARTS is a system used by the DOT for recordkeeping and issuing dealer plates and license renewals. This is the second year of a three-year capitals project with estimated out-year costs of $20,000,000 in FY 2028.

3 3 For purposes of section 8.33, unless specifically provided
3 4 otherwise, moneys appropriated in subsections 10 and 11 that
3 5 remain unencumbered or unobligated shall not revert but shall
3 6 remain available for expenditure for the purposes designated
3 7 until the close of the fiscal year that ends three years
3 8 after the end of the fiscal year for which the appropriation
3 9 was made. However, if the project or projects for which the
3 10 appropriation was made are completed in an earlier fiscal year,
3 11 unencumbered or unobligated moneys shall revert at the close of
3 12 that same fiscal year.

CODE: Permits any unencumbered or unobligated funds remaining at the close of FY 2027 for the MVD field facility maintenance projects and the ARTS modernization to remain available for expenditure through FY 2030. Appropriations for projects that are completed before the end of a fiscal year shall revert at the end of the same fiscal year.

3 13 Sec. 2. PRIMARY ROAD FUND — FY 2026-2027. There is
3 14 appropriated from the primary road fund created in section
3 15 313.3 to the department of transportation for the fiscal year
3 16 beginning July 1, 2026, and ending June 30, 2027, the following
3 17 amounts, or so much thereof as is necessary, to be used for the
3 18 purposes designated:

3 19 1. For transportation operations salaries, support,
3 20 maintenance, and miscellaneous purposes, and for not more than
3 21 the following full-time equivalent positions:
3 22 ..... $ 348,619,071
3 23 ..... FTEs 2,363.00

Primary Road Fund appropriation for Transportation Operations, including salaries, support, maintenance, and miscellaneous purposes.

DETAIL: Transportation Operations also receives an appropriation from the RUTF of $17,723,539 in this Act for a total of $366,342,610. This is a total decrease in combined funding of $6,874,978 compared to estimated net FY 2026. Maintains the current level of FTE positions compared to estimated net FY 2026.

NOTE: This is a net decrease of $6,531,229 from the PRF and $343,749 from the RUTF due to the following changes:

- An increase of $1,458,471 from the PRF and $76,762 from the RUTF to shift funding from the Inventory and Equipment line item to Transportation Operations due to a new equipment capitalization threshold. This change will result in additional equipment being purchased directly from the Transportation Operations appropriations and less equipment being purchased from the Materials and Equipment Revolving Fund, which is funded by the Inventory and Equipment Replacement appropriation.

- An increase of $984,200 from the PRF and $51,800 from the RUTF to align equipment depreciation costs from the Inventory and Equipment Replacement line item.
- A decrease of $8,973,900 from the PRF and $472,311 from the RUTF to shift funding from the Transportation Operations line item to the DAS and DOM DoIT Utility Services line item to better align costs for IT staff.

3 24 2. For payments to the department of administrative
3 25 services and the department of management for utility services:
3 26 ..... $ 11,200,563

Primary Road Fund appropriation to the DOT for payment to the DAS and DOM for personnel and utility services.

DETAIL: This is an increase of $8,123,741 compared to estimated net FY 2026 to better align costs for IT staff that are currently funded through the Transportation Operation appropriation. The DOT also receives an appropriation from the RUTF of $1,823,348 for DAS and DOM DoIT Utility Services in this Act for a total appropriation of $13,023,911. This combined funding is an increase of $9,446,211 compared to estimated net FY 2026.

NOTE: State agencies are required to purchase certain utility services through the DAS. Utility services include human resources, general services such as the DOT office space in the Lucas State Office Building, and use of the State's accounting system. State agencies also receive IT services, such as infrastructure, software development, and security services, from the DOM. Fees charged to State agencies for services provided by the DAS and DOM DoIT are reviewed and adjusted annually.

3 27 3. For unemployment compensation:
3 28 ..... $ 138,000

Primary Road Fund appropriation to the DOT for the payment of unemployment compensation costs.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The DOT also receives an appropriation of $7,000 for unemployment compensation from the RUTF in this Act for a total appropriation of $145,000. This combined funding represents no change compared to estimated net FY 2026.

3 29 4. For payments to the department of administrative
3 30 services for paying workers' compensation claims under
3 31 chapter 85 on behalf of the employees of the department of
3 32 transportation:
3 33 ..... $ 4,835,877

Primary Road Fund appropriation to the DOT for the payment of workers' compensation costs.

DETAIL: This is an increase of $1,109,472 compared to estimated net FY 2026 due to an increase in workers' compensation costs. The DOT also receives an appropriation of $199,907 for workers' compensation costs from the RUTF in this Act for a total appropriation of $5,035,784. This combined funding is an increase of $1,155,700 compared to estimated net FY 2026.

3 34 5. For payment to the general fund of the state for indirect
3 35 cost recoveries:
3 36 ..... $ 660,000

Primary Road Fund appropriation to the DOT for payment of indirect cost recoveries to the General Fund.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The DOT also receives an appropriation of $90,000 from the RUTF for indirect cost recoveries in this Act for a total appropriation of $750,000. This combined funding represents no change compared to estimated net FY 2026.

NOTE: Iowa Code section 8A.505 requires the DOT to make payments to the General Fund for recovery of indirect costs associated with centralized services provided by other State agencies that receive funding from the General Fund, such as services from the TOS for cash receipt collection and warrant redemption.

3 37 6. For reimbursement to the auditor of state for audit
3 38 expenses as provided in section 11.5B:
3 39 ..... $ 662,716

Primary Road Fund appropriation to the DOT for State Auditor reimbursement.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026. The DOT also receives an appropriation of $107,884 from the RUTF for State Auditor expenses in this Act for a total appropriation of $770,600. This combined funding represents no change compared to estimated net FY 2026.

4 1 7. For costs associated with producing transportation maps:
4 2 ..... $ 195,000

Primary Road Fund appropriation to the DOT for transportation maps.

DETAIL: This is an increase of $195,000 for transportation maps compared to estimated net FY 2026.

NOTE: Funding for transportation maps is appropriated every other year. Funding of $195,000 was last appropriated in FY 2025.

4 3 8. For inventory and equipment replacement:
4 4 ..... $ 23,623,165

Primary Road Fund appropriation to the DOT for inventory and equipment replacement.

DETAIL: This is a decrease of $17,195,075 compared to estimated net FY 2026 due to the following changes:

- A decrease of $14,623,842 due to savings in fleet replacement costs related to operational efficiencies and a reduction in one-time funding from FY 2026 for supply chain issues.
- A decrease of $1,535,233 to shift funding to Transportation Operations due to a new equipment capitalization threshold. This change will result in additional equipment being purchased from the Materials and Equipment Revolving Fund, which is funded by the Inventory and Equipment Replacement appropriation.
- A decrease of $1,036,000 due to equipment depreciation costs aligned to the Transportation Operations line item.

4 5 9. For costs associated with the statewide interoperability
4 6 network:
4 7 ..... $ 442,162

Primary Road Fund appropriation for the Statewide Interoperable Communications System.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

NOTE: Interoperability of communications addresses the need for prompt communications between law enforcement and first responders during natural disasters or for responses to criminal activity.

4 8 10. For facility major maintenance and enhancement:
4 9 ..... $ 7,300,000

Primary Road Fund appropriation to the DOT for improvements to DOT facilities.

DETAIL: This is an increase of $1,000,000 compared to estimated net FY 2026 to fund projects to lower ongoing utility costs.

NOTE: This appropriation is used to add features, such as brine buildings and mechanics' bays, to DOT facilities.

4 10 11. For facility routine maintenance and preservation:
4 11 ..... $ 8,050,000

Primary Road Fund appropriation to the DOT for routine facility maintenance.

DETAIL: Maintains the current level of funding compared to estimated net FY 2026.

NOTE: This appropriation is used for routine maintenance of DOT facilities. This includes utility improvements; roofing projects; heating, ventilation, and air conditioning (HVAC) improvements; deferred maintenance; and other forms of routine maintenance.

4 12 12. For replacement of the Alton maintenance garage:
4 13 ..... $ 13,000,000

Primary Road Fund appropriation to the DOT for the replacement of the Alton DOT garage facility.

NOTE: This is a new appropriation for FY 2027 and is intended to fund the replacement of the Alton DOT garage facility. The Alton garage facility is currently deteriorating due to age and is not properly sized to accommodate current DOT equipment.

4 14 For purposes of section 8.33, unless specifically provided
4 15 otherwise, moneys appropriated in subsections 10 through 12
4 16 that remain unencumbered or unobligated shall not revert
4 17 but shall remain available for expenditure for the purposes
4 18 designated until the close of the fiscal year that ends
4 19 three years after the end of the fiscal year for which the
4 20 appropriation was made. However, if the project or projects
4 21 for which such appropriation was made are completed in an
4 22 earlier fiscal year, unencumbered or unobligated moneys shall
4 23 revert at the close of that same fiscal year.

CODE: Permits any unencumbered or unobligated funds remaining at the close of FY 2027 for the facility major maintenance projects, the facility routine maintenance projects, and renovation of the Alton garage facility to be available for expenditure through FY 2030. Appropriations for projects that are completed before the end of the fiscal year shall revert at the end of the same fiscal year.

4 24 Sec. 3. 2023 Iowa Acts, chapter 117, section 2, unnumbered
4 25 paragraph 2, is amended to read as follows:
4 26 For purposes of section 8.33, unless specifically provided
4 27 otherwise, moneys appropriated in subsections 10 through
4 28 ~~13~~ 12 that remain unencumbered or unobligated shall not
4 29 revert but shall remain available for expenditure for the
4 30 purposes designated until the close of the fiscal year that
4 31 ends three years after the end of the fiscal year for which
4 32 the appropriation was made. For purposes of section 8.33,
4 33 unless specifically provided otherwise, moneys appropriated in
4 34 subsection 13 that remain unencumbered or unobligated shall
4 35 not revert but shall remain available for expenditure for the
4 36 purposes designated until the close of the fiscal year that
4 37 ends four years after the end of the fiscal year for which the
4 38 appropriation was made. However, if the project or projects
4 39 for which such appropriation was made are completed in an
5 1 earlier fiscal year, unencumbered or unobligated moneys shall
5 2 revert at the close of that same fiscal year.

CODE: Permits any unencumbered or unobligated funds remaining from the FY 2024 appropriation for the Davenport Highway Operations Complex to remain available through FY 2028.

SF 2478 — FY 2027 Transportation Appropriations Act

LSA Staff Contact: Garry Martin (515.281.4611) garry.martin@legis.iowa.gov

	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Final Action FY 2027 vs. Est. Net FY 2026
Motor Vehicle Division				
Road Use Tax Fund	$ 32,710,876	$ 34,234,969	$ 34,234,969	$ 0
Transportation Operations				
Road Use Tax Fund	$ 17,700,921	$ 18,067,288	$ 17,723,539	$ -343,749
Primary Road Fund	348,250,373	355,150,300	348,619,071	-6,531,229
Total Transportation Operations	$ 365,951,294	$ 373,217,588	$ 366,342,610	$ -6,874,978
DAS/DOM Utility Services				
Road Use Tax Fund	$ 455,647	$ 500,878	$ 1,823,348	$ 1,322,470
Primary Road Fund	2,798,974	3,076,822	11,200,563	8,123,741
Total Administrative Services	$ 3,254,621	$ 3,577,700	$ 13,023,911	$ 9,446,211
Auditor Reimbursement				
Road Use Tax Fund	$ 107,884	$ 107,884	$ 107,884	$ 0
Primary Road Fund	662,716	662,716	662,716	0
Total Auditor Reimbursement	$ 770,600	$ 770,600	$ 770,600	$ 0
Indirect Cost Recoveries				
Road Use Tax Fund	$ 90,000	$ 90,000	$ 90,000	$ 0
Primary Road Fund	660,000	660,000	660,000	0
Total Indirect Cost Recoveries	$ 750,000	$ 750,000	$ 750,000	$ 0
Statewide Comm. System				
Primary Road Fund	$ 442,162	$ 442,162	$ 442,162	0
Unemployment Compensation				
Road Use Tax Fund	$ 7,000	$ 7,000	$ 7,000	$ 0
Primary Road Fund	138,000	138,000	138,000	0
Total Unemployment Comp.	$ 145,000	$ 145,000	$ 145,000	$ 0
Workers' Compensation				
Road Use Tax Fund	$ 141,577	$ 153,679	$ 199,907	$ 46,228
Primary Road Fund	3,432,963	3,726,405	4,835,877	1,109,472
Total Workers' Comp.	$ 3,574,540	$ 3,880,084	$ 5,035,784	$ 1,155,700
Electronic Records Management Sys.				
Road Use Tax Fund	$ 1,974,000	$ 0	$ 0	$ 0
Primary Road Fund	126,000	0	0	0
Total Electronic Records Management Sys.	$ 2,100,000	$ 0	$ 0	$ 0
County Treasurers Support				
Road Use Tax Fund	$ 1,406,000	$ 1,406,000	$ 1,406,000	$ 0
Driver's Licenses				
Road Use Tax Fund	$ 1,600,000	$ 0	$ 0	$ 0

SF 2478 — FY 2027 Transportation Appropriations Act

LSA Staff Contact: Garry Martin (515.281.4611) garry.martin@legis.iowa.gov

	Actual FY 2025	Estimated Net FY 2026	Final Action FY 2027	Final Action FY 2027 vs. Est. Net FY 2026
Mississippi River Parkway Commission				
Road Use Tax Fund	$ 40,000	$ 40,000	$ 40,000	$ 0
TraCS/MACH				
Road Use Tax Fund	$ 300,000	$ 300,000	$ 300,000	$ 0
Garage Fuel and Waste Management				
Primary Road Fund	$ 1,000,000	$ 0	$ 0	$ 0
Transportation Maps				
Primary Road Fund	$ 195,000	$ 0	$ 195,000	$ 195,000
Inventory and Equipment Replacement				
Primary Road Fund	$ 29,626,000	$ 40,818,240	$ 23,623,165	$ -17,195,075
Personal Delivery of Services — Standing				
Road Use Tax Fund	$ 162,362	$ 225,000	$ 225,000	$ 0
Scale/MVD Facilities Maint.				
Road Use Tax Fund	$ 400,000	$ 400,000	$ 400,000	$ 0
Facility Major Maintenance				
Primary Road Fund	$ 6,300,000	$ 6,300,000	$ 7,300,000	$ 1,000,000
Facility Routine Maintenance				
Primary Road Fund	$ 5,200,000	$ 8,050,000	$ 8,050,000	$ 0
Albia Garage Renovation				
Primary Road Fund	$ 7,291,067	$ 0	$ 0	$ 0
Jefferson Garage Renovation				
Primary Road Fund	$ 6,999,292	$ 0	$ 0	$ 0
Waterloo Garage Renovation				
Primary Road Fund	$ 0	$ 18,897,387	$ 0	$ -18,897,387
ARTS Modernization				
Road Use Tax Fund	$ 0	$ 20,000,000	$ 20,000,000	$ 0
Alton Garage Replacement				
Primary Road Fund	$ 0	$ 0	$ 13,000,000	$ 13,000,000
Totals by Funding Source				
Road Use Tax Fund	$ 57,096,267	$ 75,532,698	$ 76,557,647	$ 1,024,949
Primary Road Fund	413,122,547	437,922,032	418,726,554	-19,195,478
Total	**$ 470,218,814**	**$ 513,454,730**	**$ 495,284,201**	**$ -18,170,529**
Full-Time Equivalent (FTE) Positions				
Transportation Operations	2,285.9	2,363.0	2,363.0	0.0
Motor Vehicles	275.1	294.0	294.0	0.0
Total FTE Positions	2,561.0	2,657.0	2,657.0	0.0

Miscellaneous Appropriations Acts

ACT SUMMARY

Division I — Department of Agriculture and Land Stewardship — Promotion — Renewable Fuel Infrastructure

Removes the cap on the allocation of moneys to the Renewable Fuel Infrastructure Program (RFIP) for the installation, replacement, or conversion of biodiesel infrastructure at retail motor fuel sites and increases the allocation of moneys from the Renewable Fuel Infrastructure Fund to the Department of Agriculture and Land Stewardship (DALS) for administration of the RFIP from $100,000 to $150,000. — Page 1, Line 13

Division II Part A — Department of Agriculture and Land Stewardship — Promotion — General

Adds an exemption for the DALS for the promotion of Iowa commodities and products in regard to State agencies and political subdivisions competing with private enterprises. — Page 2, Line 13

Division II Part B — Department of Agriculture and Land Stewardship — Promotion — Choose Iowa Promotion Programs

Requires the DALS to enroll a person as a Choose Iowa member if the person is: — Page 2, Line 28

- Actively participating in the Choose Iowa Promotional Program by producing, processing, or marketing Iowa agricultural products originating as commodities produced on an Iowa farm.
- Otherwise supporting the Program as required by the DALS.

Allows the DALS to adopt administrative rules for Choose Iowa membership criteria. — Page 2, Line 37

Creates a Choose Iowa School Purchasing Program within the DALS and directs the DALS to establish administrative rules to determine the limitations of funding available to each school. The DALS may use up to 5.0% of the moneys appropriated to support the Program for administration of the Program. The DALS is directed to prepare and submit an annual report to the General Assembly by July 31 of each year. — Page 3, Line 20

Makes changes to the Choose Iowa Food Purchasing Program by changing eligibility requirements for the Program, as well as renaming it the Choose Iowa Food Bank Purchasing Program. — Page 4, Line 20

Removes the $200,000 limit on how much money is required to be used to reimburse Iowa food banks or emergency feeding organizations from moneys appropriated to the Choose Iowa Food Bank Purchasing Program. — Page 5, Line 3

Removes the repeal date of the Choose Iowa Food Bank Purchasing Program. — Page 5, Line 23

Removes the definitions of "fund" and "school district" from Iowa Code section 190A.2. Page 5, Line 24

Repeals the Farm-to-School Program established in Iowa Code section 190A.6. Page 6, Line 12

Division II Part C — Department of Agriculture and Land Stewardship — Promotion — Innovation and Revitalization Programs

Allows the DALS to give priority to an applicant for the Dairy Innovation and Revitalization Program if the applicant is a beginning farmer. Page 6, Line 23

Transfers the Butchery Innovation and Revitalization Program from the Iowa Economic Development Authority to the DALS and expands the Program to businesses employing up to 200 full-time nonseasonal individuals. Page 6, Line 27

Repeals the Butchery Innovation and Revitalization Program and Fund established in Iowa Code section 15E.370. Page 8, Line 8

Division III — Department of Agriculture and Land Stewardship Regulation — Animal Health

Allows the DALS to lease facilities to carry out and administer duties related to an infectious or foreign animal disease preparedness and response effort. Page 8, Line 12

Specifies that all information and records relating to an infectious or contagious disease received or collected by the DALS pursuant to Iowa Code chapter 163, including administrative rules adopted pursuant to the chapter, are confidential if they identify any of the following: Page 8, Line 18

- The name, address, and contact information of any person owning or caring for an animal affected or suspected of being affected with any infectious or contagious disease.
- Any location where an animal affected or suspected of being affected by any infectious or contagious disease is kept.
- Information that when considered together leads to the identity of a person or location with an animal affected or suspected of being affected by any infectious or contagious disease.

Allows the DALS to disclose a record or part of a record if it is deemed necessary by the State Veterinarian to protect the public health or well-being of animals within the State. Page 8, Line 34

Division IV — Department of Agriculture and Land Stewardship — Regulation — Weights and Measures

Specifies that weights and measures regulated under Iowa Code chapter 210 are required to conform with Iowa's State primary standard of weights and measures. Page 9, Line 3

Allows the Secretary of Agriculture to designate the Bureau Chief of the DALS' Weights and Measures Bureau to act as the State Metrologist of weights and measures, and designates the Bureau Chief as the appropriate State official responsible for cooperating with the National Institute of Standards and Technology and in the administration of weights and measures. — Page 9, Line 15

Removes the requirement that the DALS inspect all commercial weighing and measuring devices but maintains the requirement the DALS conduct an inspection of the device if a complaint is received. — Page 11, Line 4

Allows the DALS to order the owner of a device or a service agency that installed, serviced, or repaired the device to deliver to the DALS one or more of the service agency's most recent test reports that documents the device's accuracy; allows the report to be used in lieu of an inspection; and provides requirements for when the DALS is required to provide an inspection. — Page 11, Line 18

Repeals the ability for a citizen, firm, city or county, or educational institution to make a written request to the DALS for a test or calibration of any weights, measures, weighing or measuring device, or instruments or apparatus used as standards. Repeals the provision stating that any expenses incurred in furnishing cities with standards, or in comparing those that may be in the city's possession, must be borne by the city. — Page 12, Line 32

Division V Part A — Department of Agriculture and Land Stewardship Regulation — Grain Marketing — Grain Dealers

Provides conditions for financial statements submitted to the DALS when applying for a Class 1 grain dealer license. — Page 13, Line 10

Provides conditions for financial statements submitted to the DALS when applying for a Class 2 grain dealer license. — Page 13, Line 39

Specifies that if a title to grain was previously transferred pursuant to an ordinary cash-sale contract, titles to grain sold by credit-sale contract are deemed to have transferred to the grain dealer when the credit-sale contract is signed by both the grain dealer and the seller, and the grain dealer has possession of the grain or another person has possession of the grain in accordance with the terms of the credit-sale contract. — Page 14, Line 28

Specifies that upon the cessation of a grain dealer license pursuant to Iowa Code section 203.10 or upon the filing a petition of bankruptcy by a grain dealer, any claim for the purchase price of grain against the grain dealer must be made with the issuer of a deficiency bond or of an irrevocable letter of credit and with the DALS within 120 days after the date of cessation or filing of a petition in bankruptcy, whichever occurs first. — Page 15, Line 5

Provides criteria for a grain dealer who purchases grain through a credit sale contract. — Page 15, Line 30

Division V Part B — Department of Agriculture and Land Stewardship Regulation — Grain Marketing — Grain Operators

Provides conditions for financial statements submitted to the DALS when applying for a Class 1 warehouse operator license.	Page 17, Line 9
Provides conditions for financial statements submitted to the DALS when applying for a Class 2 warehouse operator license.	Page 17, Line 37

Division V Part C — Department of Agriculture and Land Stewardship Regulation — Grain Marketing — Grain Depositors and Sellers Indemnification

Requires that the per-bushel fee occur at the time of payment if the fee is passed on to a seller.	Page 18, Line 28
Requires the Grain Indemnity Fund Board to indemnify a claimant as a depositor and a seller upon determination by the Grain Indemnity Fund Board that a claim satisfies requirements in Iowa Code section 203D.6. If the Grain Indemnity Fund Board determines that an eligible repayment claim was filed by the seller under Iowa Code section 203D.6A the Grain Indemnity Fund Board is required to indemnify the claimant subject to the requirements of Iowa Code section 203D.6.	Page 18, Line 35

Division VI — Department of Transportation — Implements of Husbandry

Specifies that an implement of husbandry cannot have an overall length in excess of 57 feet when used in a truck tractor-semitrailer combination and operated on the highways of the State.	Page 19, Line 26

Division VII — Agricultural Tourism

Adds tree farms to the definition of "farm" for the purposes of the Iowa Agricultural Tourism Promotion Act established in Iowa Code chapter 673A.	Page 20, Line 7
Updates the definition of "farm crop" to include fungus used for food, animal feed, oil, energy, or decoration and adds honey, nuts, maple syrup, mushrooms, and Christmas trees to what can qualify as a farm crop.	Page 20, Line 15

Division VIII — Land Use

Specifies that any conditional use permit, special use permit, special exception, or variance described in Iowa Code section 335.28 is void and unenforceable.	Page 21, Line 28

Division IX — Honeybees — Sales and Use Tax Exemption

Exempts the sale of honeybees from the State sales and use tax. Page 21, Line 34

FISCAL IMPACT: Beginning in FY 2027, Division IX of the Act is estimated to decrease annual revenue to the General Fund by $8,800, the Secure an Advanced Vision for Education (SAVE) Fund by $1,800, and the local option sales tax (LOST) by $1,700.

Division X Part A — Veterinary Practice — Rural Veterinarian Loan Repayment Program

Authorizes a Rural Veterinarian Loan Repayment (RVLR) Program recipient to complete years of practice required under an agreement by securing new employment or establishing or maintaining a new practice in the same veterinary shortage area or rural service commitment area. Page 22, Line 2

Division X Part B — Veterinary Practice — Income Tax Exemption

Authorizes a licensed veterinarian participating in the RVLR Program to deduct net income from loan repayments, up to $15,000 per tax year and $60,000 for all tax years combined. The deduction cannot exceed the amount of the outstanding eligible loan. Page 22, Line 24

FISCAL IMPACT: The deduction for licensed veterinarians participating in the RVLR Program is estimated to decrease General Fund revenue by approximately $27,000 annually beginning in FY 2028 and decrease the statewide local option income surtax for schools by less than $1,000 annually.

STUDIES AND INTENT

Required Reports

Requires the DALS to submit a report on its findings and recommendations on the Choose Iowa School Purchasing Program to the Governor and the General Assembly by July 31 of each year. Page 4, Line 17

Changes the date that the DALS must submit a report on its findings and recommendations for the Choose Iowa Food Bank Purchasing Program to the Governor and General Assembly from no later than January 15 to no later than July 31 of each year. Page 5, Line 19

EFFECTIVE DATE

This Act takes effect July 1, 2026 unless specified below.

Specifies that Division V of the Act related to grain marketing takes effect on June 1, 2026.	Page 19, Line 22
Specifies that Division VIII of the Act related to land use takes effect on June 1, 2026.	Page 21, Line 26
Specifies that Division X, Part B of the Act, related to the deduction for licensed veterinarians participating in the RVLR Program takes effect January 1, 2027, and is applicable for tax years beginning on or after January 1, 2027.	Page 23, Line 1

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 1, 2026.

STAFF CONTACT: Austin Brinks (515.725.2200) austin.brinks@legis.iowa.gov

Senate File 2465 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	13	1	Amend	159A.16.3.a,b,c
2	13	2	Add	23A.2.8.p
2	19	3	Amend	187.201.3
2	28	4	Add	187.301.1A
2	37	5	Add	187.301.2.c
3	2	6	Amend	187.303.1,2
3	20	7	New	187.307
4	20	8	Amend	187.331
5	24	9	Strike	190A.2.5,9
5	26	10	Amend	190A.2.7
5	30	11	Amend	190A.3.1
5	39	12	Amend	190A.5.3
6	12	13	Repeal	190A.6
6	23	15	Add	187.311.5A
6	27	16	New	187.315
8	8	17	Repeal	15E.370
8	12	18	Add	163.1.7A
8	18	19	New	163.2B
9	3	20	Amend	210.1
9	15	21	Amend	213.1
9	28	22	Amend	213.2
10	11	23	Amend	214.3.1
10	20	24	Amend	215.1.1
10	37	25	Add	215.1.3A
11	4	26	Amend	215.1A
11	32	27	Amend	215.14.3
11	39	28	Amend	215.19
12	19	29	Amend	215.23.2
12	28	30	Add	452A.40.5A
12	32	31	Repeal	213.3; 213.7
13	10	33	Strike and Replace	203.3.4.b
13	39	34	Strike and Replace	203.3.5.b
14	28	35	Amend	203.8.2.a
15	5	36	Amend	203.12.1
15	19	37	Amend	203.12A.5
15	30	38	Strike and Replace	203.15.4
17	9	39	Strike and Replace	203C.6.4.b
17	37	40	Strike and Replace	203C.6.5.b
18	28	41	Add	203D.3A.2.e
18	35	42	Amend	203D.6.8.a

Senate File 2465 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
19	8	43	Amend	203D.6A.2
19	26	45	Amend	321.457.2.f
20	7	46	Amend	673A.3.6.b
20	15	47	Amend	673A.3.9
20	32	48	Add	335.2.4
20	39	49	Amend	335.28
21	34	52	Add	423.3.111
22	2	53	Amend	256.226.4.c
22	24	54	Add	422.7.46

DIVISION I
DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP — PROMOTION — RENEWABLE FUEL INFRASTRUCTURE

Section 1. Section 159A.16, subsection 3, paragraphs a, b, and c, Code 2026, are amended to read as follows:

~~a. For each fiscal year, not more than one million seven hundred fifty thousand dollars shall be allocated to support the renewable fuel infrastructure program for retail motor fuel sites as provided in section 159A.14 to finance the installation, replacement, or conversion of biodiesel infrastructure as provided in that section.~~

~~b.~~ a. For each fiscal year, not more than one hundred fifty thousand dollars shall be allocated to the department to support the administration of the programs.

~~c.~~ b. For each fiscal year, the department may use up to three-quarters of one percent of the program funds to market the programs. Otherwise the moneys shall not be transferred, used, obligated, appropriated, or otherwise encumbered except to allocate as financial incentives under the programs.

CODE: Removes the cap on the allocation of moneys to the Renewable Fuel Infrastructure Program (RFIP) for the installation, replacement, or conversion of biodiesel infrastructure at retail motor fuel sites and increases the allocation of moneys from the Renewable Fuel Infrastructure Fund to the Department of Agriculture and Land Stewardship (DALS) for administration of the RFIP from $100,000 to $150,000.

DIVISION II
DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP — PROMOTION

PART A
GENERAL

Sec. 2. Section 23A.2, subsection 8, Code 2026, is amended by adding the following new paragraph:

NEW PARAGRAPH p. An activity carried out by the department of agriculture and land stewardship to promote the marketing of Iowa commodities and products, including as provided in chapters 159 and 187.

CODE: Adds an exemption for the DALS for the promotion of Iowa commodities and products in regard to State agencies and political subdivisions competing with private enterprises.

Sec. 3. Section 187.201, subsection 3, Code 2026, is amended to read as follows:

3. Moneys in the fund are appropriated to the department and shall be used exclusively to administer the programs created in this ~~subchapter~~ chapter as determined and directed by the department, and shall not require further special authorization by the general assembly.

CODE: Allows moneys in the Choose Iowa Fund to be used to administer the programs created in Iowa Code chapter 187.

PART B
CHOOSE IOWA PROMOTION PROGRAMS

Sec. 4. Section 187.301, Code 2026, is amended by adding the following new subsection:
NEW SUBSECTION 1A. The department shall enroll a person as a choose Iowa member who is any of the following:
a. Actively participating in the program by producing, processing, or marketing Iowa agricultural products originating as commodities produced on Iowa farms.
b. Otherwise supporting the program as required by the department.

CODE: Requires the DALS to enroll a person as a Choose Iowa member if the person is:

- Actively participating in the Choose Iowa Promotional Program by producing, processing, or marketing Iowa agricultural products originating as commodities produced on an Iowa farm.
- Otherwise supporting the Program as required by the DALS.

Sec. 5. Section 187.301, subsection 2, Code 2026, is amended by adding the following new paragraph:
NEW PARAGRAPH c. The department may adopt rules providing for choose Iowa membership criteria.

CODE: Allows the DALS to adopt administrative rules for Choose Iowa membership criteria.

Sec. 6. Section 187.303, subsections 1 and 2, Code 2026, are amended to read as follows:
1. A person may apply to the department to ~~participate~~ enroll as a member in the choose Iowa promotional program according to procedures established by rules adopted by the department. The department shall evaluate and approve or disapprove ~~applications~~ an application based on criteria established by rules adopted by the department. The department may disapprove an application if the department determines the applicant's use of the choose Iowa logo would be associated with the consumption of an adulterated or illegal food item.

CODE: Allows a person to enroll as a member of the Choose Iowa Promotional Program according to the procedures established by administrative rules adopted by the DALS.

2. The department may enter into a licensing agreement with a person ~~participating~~ enrolled as a member in the program. ~~The participating person~~ A member may use the choose Iowa logo to advertise a ~~food item~~ product originating as an agricultural commodity produced on an Iowa farm, subject to terms and conditions required by rules adopted by the department. A licensing agreement shall not be for more than one year.

CODE: Allows the DALS to enter into a licensing agreement with a person enrolled as a member of the Choose Iowa Promotional Program, allows members to use the Choose Iowa logo to advertise products originating as an agricultural commodity produced on an Iowa farm subject to the administrative rules adopted by the DALS.

Sec. 7. NEW SECTION 187.307 CHOOSE IOWA SCHOOL PURCHASING PROGRAM.

3 22 1. There is created within the department a choose Iowa
3 23 school purchasing program.

CODE: Creates a Choose Iowa School Purchasing Program under the DALS.

3 24 2. The department shall administer the program according to
3 25 all of the following:
3 26 a. A farm or business shall be eligible to participate in
3 27 the program if the farm or business is enrolled as a member of
3 28 the choose Iowa promotional program as provided in this part 1
3 29 of subchapter III.
3 30 b. A school or school district is eligible to participate in
3 31 the program, if recognized by the department.
3 32 c. A qualified food product is limited to meat and poultry,
3 33 dairy products other than milk, grains, flour, eggs, honey, and
3 34 produce.

CODE: Requires the DALS to administer the Choose Iowa School Purchasing Program according to the following:

- A farm or business is eligible to participate in the Program if the farm or business is enrolled as a member of the Choose Iowa Promotional Program.
- A school or school district is eligible to participate in the Program if recognized by the DALS.
- A qualified food product is limited to meat and poultry, dairy products other than milk, grains, flour, eggs, honey, and produce.

3 35 3. a. An eligible school or school district purchasing
3 36 a qualified food product from an eligible farm or business
3 37 shall be reimbursed on a matching basis with the department
3 38 contributing one dollar for every one dollar expended by the
3 39 eligible school or school district.
4 1 b. The department may establish by rule the method and
4 2 limitations for determining the amount of funding available to
4 3 each school or school district under this section.
4 4 c. Notwithstanding paragraph “b”, if the department
4 5 determines that there are not sufficient moneys to satisfy
4 6 all claims that may be submitted by schools and school
4 7 districts, the department shall provide for the distribution
4 8 of the available moneys in a manner determined equitable by
4 9 the department, which may include a prorated distribution to
4 10 participating schools and school districts.

CODE: Specifies that a school or school district purchasing qualified food products from an eligible farm or business is reimbursed by the DALS on a dollar-for-dollar basis. Allows the DALS to establish administrative rules to determine the method and limitations for the amount of funding available to each school or school district. If there is not sufficient moneys available to satisfy all claims, the DALS must distribute the remaining moneys in a manner the DALS deems equitable and may include a prorated distribution to participating schools and school districts.

4 11 4. The department may administer the program in cooperation
4 12 with the department of education and the participating school
4 13 or school district in which a participating school is located.

CODE: Allows the DALS to administer the Choose Iowa School Purchasing Program in cooperation with the Department of Education (DE) and the participating school or school district where the participating school is located.

4 14 5. The department may use not more than five percent of the
4 15 moneys appropriated to support the program in a fiscal year to
4 16 pay for the costs of administering the program.

CODE: Prohibits the DALS from using more than 5.00% of the moneys appropriated for the Program for administration costs.

6. The department shall prepare and submit a report regarding its findings and recommendations to the governor and general assembly not later than July 31 of each year.

CODE: Requires the DALS to submit a report on its findings and recommendations on the Choose Iowa School Purchasing Program to the Governor and the General Assembly by July 31 of each year.

Sec. 8. Section 187.331, Code 2026, is amended to read as follows:

187.331 CHOOSE IOWA FOOD BANK PURCHASING PROGRAM.

1. There is created within the department a choose Iowa food bank purchasing program.

CODE: Renames the Choose Iowa Food Purchasing Program to the Choose Iowa Food Bank Purchasing Program.

2. The department shall administer the program according to all of the following requirements:

a. A farm or business ~~that owns or operates the farm source~~ shall be ~~given a preference to participate in the program if the farm or business is currently participating~~ eligible to participate in the program if the farm or business is enrolled as a member in the choose Iowa promotional program as provided in this part 1 of subchapter III. ~~Otherwise, a farm or business may participate in the program if the farm or business has applied to participate in the choose Iowa promotional program and the department determines that the application will be approved.~~

b. An eligible participant is limited to any Iowa food bank or an Iowa emergency feeding organization, recognized by the department.

c. A qualified food product is limited to meat and poultry, dairy products, grains, flour, eggs, honey, and produce.

CODE: Specifies that a farm or business is eligible to participate in the Program if the farm or business is enrolled as a member in the Choose Iowa Promotional Program and limits an eligible participant to any Iowa food bank or Iowa emergency feeding organization recognized by the DALS. Specifies that a qualified food product is limited to meat and poultry, dairy products, grains, flour, eggs, honey, and produce.

~~3. a. Of the moneys appropriated to support the program in a fiscal year, not more than two hundred thousand dollars shall be used to reimburse Iowa food banks and Iowa emergency feeding organizations.~~

CODE: Removes the $200,000 limit on how much money is required to be used to reimburse Iowa food banks or emergency feeding organizations from moneys appropriated to the Choose Iowa Food Bank Purchasing Program.

~~b.~~ 3. a. An eligible ~~participant~~ Iowa food bank or an emergency feeding organization purchasing a qualified food product from an eligible farm or business shall be reimbursed on a matching basis with the department contributing one dollar for every one dollar expended by the eligible ~~participant~~ Iowa food bank or emergency feeding organization.

CODE: Specifies that an eligible Iowa food bank or emergency feeding organization purchasing qualified food products from an eligible farm or business is reimbursed by the DALS on a dollar-for-dollar basis.

5 13 ~~c.~~ b. An Iowa food bank or Iowa emergency feeding
5 14 organization shall not receive more than fifty thousand dollars
5 15 per fiscal year for participating in the program.
5 16 ~~4.~~ c. The department may use not more than five percent of
5 17 the moneys appropriated to support the program in a fiscal year
5 18 to pay for the costs of administering the program.

5 19 ~~5.~~ 4. The department shall prepare and submit a report
5 20 regarding its findings and recommendations to the governor and
5 21 general assembly not later than ~~January 15~~ July 31 of each
5 22 year.

CODE: Changes the date that the DALS must submit a report on its findings and recommendations for the Choose Iowa Food Bank Purchasing Program to the Governor and General Assembly from no later than January 15 to no later than July 31 of each year.

5 23 ~~6. This section is repealed July 1, 2030.~~

CODE: Removes the repeal date of the Choose Iowa Food Bank Purchasing Program.

5 24 Sec. 9. Section 190A.2, subsections 5 and 9, Code 2026, are
5 25 amended by striking the subsections.

CODE: Removes the definitions of "fund" and "school district" from Iowa Code section 190A.2.

5 26 Sec. 10. Section 190A.2, subsection 7, Code 2026, is amended
5 27 to read as follows:
5 28 7. "Program" means the farm-to-school program created in
5 29 section ~~190A.6~~ 190A.3.

CODE: Specifies that "Program" means the Farm-to-School Program created in Iowa Code chapter 190A.

5 30 Sec. 11. Section 190A.3, subsection 1, Code 2026, is amended
5 31 to read as follows:
5 32 1. ~~The~~ A farm-to-school program is created within the
5 33 department. The program shall seek to link ~~elementary and~~
5 34 ~~secondary public and nonpublic~~ schools in this state with Iowa
5 35 farms to provide schools with fresh and minimally processed
5 36 food products for inclusion in school meals and snacks,
5 37 encourage children to develop healthy eating habits, and
5 38 provide Iowa farmers access to consumer markets.

CODE: Specifies that a Farm-to-School Program is created within the DALS.

5 39 Sec. 12. Section 190A.5, subsection 3, Code 2026, is amended
6 1 to read as follows:
6 2 3. Moneys in the fund are appropriated to support
6 3 the farm-to-school program in a manner determined by the
6 4 department, including for reasonable administrative costs
6 5 incurred by the department. However, the department shall
6 6 not expend more than four percent of moneys existing at any

CODE: Specifies that moneys in the Farm-to-School Fund are to be used for the Farm-to-School Program.

one time in the fund during each fiscal year for purpose of paying costs associated with the administration of the program and fund incurred by the department during that fiscal year. Moneys expended from the fund shall not require further special authorization by the general assembly.

Sec. 13. REPEAL. Section 190A.6, Code 2026, is repealed.

CODE: Repeals the Farm-to-School Program established in Iowa Code section 190A.6.

Sec. 14. CODE EDITOR DIRECTIVE.

1. The Code editor is directed to make the following transfers:
   a. Section 187.331 to section 187.308.
   b. Section 159.25 to section 187.309.
2. The Code editor shall correct internal references in the Code and in any enacted legislation as necessary due to the enactment of this section.

Provides direction to the Iowa Code Editor.

PART C
INNOVATION AND REVITALIZATION PROGRAMS

Sec. 15. Section 187.311, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 5A. The department may give priority to an applicant who is a beginning farmer.

CODE: Allows the DALS to give priority to an applicant for the Dairy Innovation and Revitalization Program if the applicant is a beginning farmer.

Sec. 16. NEW SECTION 187.315 BUTCHERY INNOVATION AND REVITALIZATION PROGRAM.

1. A butchery innovation and revitalization program is created within the department. The purpose of the program is to promote the development, modernization, and expansion of this state's butchery industry.

CODE: Creates a Butchery Innovation and Revitalization Program within the DALS to promote the development, modernization, and expansion of the State's butchery industry.

2. In administering the program, the department shall award financial assistance to eligible businesses to support projects that do one or more of the following:
   a. To expand or refurbish an existing, or to establish a new, state-inspected small-scale meat processing business.
   b. To expand or refurbish an existing, or to establish a new, federally inspected small-scale meat processing business.
   c. To expand or refurbish an existing, or to establish a new, licensed custom locker.

CODE: Specifies that the DALS must award financial assistance to eligible businesses to support projects that do one or more of the following:

- Expand or refurbish an existing, or establish a new, State or federally inspected small-scale meat processing business.
- Expand or refurbish an existing, or establish a new, licensed custom locker.

d. To expand or refurbish an existing, or to establish a new, mobile slaughter unit that operates in compliance with the most current mobile slaughter unit compliance guide issued by the United States department of agriculture food safety and inspection service.

e. To rent buildings, refrigeration facilities, freezer facilities, or equipment necessary to expand processing capacity, including mobile slaughter or refrigeration units used exclusively for meat or poultry processing.

- Expand or refurbish an existing, or establish a new, mobile slaughter unit that operates in compliance with the most current mobile slaughter unit compliance guide issued by the United States Department of Agriculture (USDA) Food Safety and Inspection Service.
- Rent buildings, refrigeration facilities, freezer facilities, or equipment necessary to expand processing capacity, including mobile slaughter or refrigeration units used exclusively for meat or poultry processing.

3. The department shall establish eligibility criteria for the program. The eligibility criteria must include all of the following:

a. The business must be located in this state.

b. The business must not have been subject to any regulatory enforcement action related to federal, state, or local environmental, worker safety, food processing, or food safety laws, rules, or regulations within the last five years.

c. The business must only employ individuals legally authorized to work in this state.

d. The business must not currently be in bankruptcy.

e. The business must employ less than two hundred full-time nonseasonal individuals.

CODE: Requires the DALS to establish the following criteria for the Program:

- The business must be located in the State.
- The business must not have been subject to any regulatory enforcement action related to federal, State, or local environmental, worker safety, food processing, or food safety rules or regulations within the last five years.
- The business must only employ individuals legally authorized to work in the United States.
- The business must not currently be in bankruptcy.
- The business must employ up to 200 full-time nonseasonal individuals.

4. An eligible business seeking financial assistance under this section shall make application to the department in the manner and on forms prescribed by the department.

CODE: Requires eligible businesses seeking financial assistance from the Program to make an application to the DALS in a manner and on forms prescribed by the DALS.

5. Applications for financial assistance under this section shall be accepted during one or more annual application periods established by the department. Upon reviewing and scoring all applications that are received during an application period, and subject to the availability of moneys, the department may award financial assistance to eligible businesses. A financial assistance award shall not exceed the amount of eligible project costs included in the eligible business's application. Priority shall be given to eligible businesses whose proposed project or projects under subsection 2 are most likely to do one or more of the following:

a. Create new jobs.

CODE: Requires applications to the Butchery Innovation and Revitalization Program to be accepted during one or more annual application periods established by the DALS. Financial assistance must not exceed the amount of eligible project costs included in the business's application, and priority must be given to eligible businesses whose proposed project are most likely to do one or more of the following:

- Create new jobs.
- Create or expand opportunities for local small-scale farmers to market processed meat under private labels.

b. Create or expand opportunities for local small-scale farmers to market processed meat under private labels.
c. Provide greater flexibility or convenience for local small-scale farmers to have animals processed.

- Provide greater flexibility or convenience for local small-scale farmers to have animals processed.

6. An eligible business that is awarded financial assistance under this section may apply for financial assistance under other programs administered by the department.

CODE: Allows an eligible business that is awarded financial assistance through the Butchery Innovation and Revitalization Program to also apply for financial assistance under other programs administered by the DALS.

Sec. 17. REPEAL. Section 15E.370, Code 2026, is repealed.

CODE: Repeals the Butchery Innovation and Revitalization Program and Fund established in Iowa Code section 15E.370.

DIVISION III

DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP REGULATION — ANIMAL HEALTH

Sec. 18. Section 163.1, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 7A. Lease facilities in order to carry out and administer the provisions of this chapter related to an infectious or contagious disease or a foreign animal disease preparedness and response effort.

CODE: Allows the DALS to lease facilities to carry out and administer duties related to an infectious or foreign animal disease preparedness and response effort.

Sec. 19. NEW SECTION 163.2B CONFIDENTIALITY.

1. Notwithstanding section 22.7, all information and records relating to an infectious or contagious disease received or collected by the department pursuant to this chapter, including rules adopted under this chapter by the department, is confidential to the extent it identifies any of the following:

a. The name, address, and contact information of any person owning or caring for an animal suspected of or being affected with any infectious or contagious disease.

b. Any location where an animal suspected of or being affected with any infectious or contagious disease has been kept.

c. Information that when considered together leads to the identity of a person described in paragraph “a” or a location or premises described in paragraph “b”.

CODE: Specifies that all information and records relating to an infectious or contagious disease received or collected by the DALS pursuant to Iowa Code chapter 163, including administrative rules adopted pursuant to the chapter, are confidential if they identify any of the following:

- The name, address, and contact information of any person owning or caring for an animal affected or suspected of being affected with any infectious or contagious disease.
- Any location where an animal affected or suspected of being affected by any infectious or contagious disease is kept.
- Information that when considered together leads to the identity of a person or location with an animal affected or

suspected of being affected by any infectious or contagious disease.

8 34 2. Notwithstanding subsection 1, the department, in
8 35 acting as the lawful custodian of the confidential record, may
8 36 disclose the record or any part of the record if it is deemed
8 37 necessary by the state veterinarian to protect the public
8 38 health or the health or well-being of animals within the state.

CODE: Allows the DALS to disclose a record or part of a record if it is deemed necessary by the State Veterinarian to protect the public health or well-being of animals within the State.

8 39 DIVISION IV
9 1 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP — REGULATION
9 2 — WEIGHTS AND MEASURES

9 3 Sec. 20. Section 210.1, Code 2026, is amended to read as
9 4 follows:
9 5 210.1 ~~STANDARD ESTABLISHED~~ WEIGHTS AND MEASURES STANDARDS —
9 6 COMPLIANCE WITH FEDERAL LAW .
9 7 The weights and measures ~~which have been presented by the~~
9 8 ~~department to the United States national institute of standards~~
9 9 ~~and technology and approved, standardized, and certified by~~
9 10 ~~the institute in accordance with the laws of the Congress of~~
9 11 ~~the United States shall be the standard weights and measures~~
9 12 ~~throughout the state~~ regulated under this chapter shall conform
9 13 with Iowa's state primary standard of weights and measures as
9 14 described in section 215.1B.

CODE: Specifies that weights and measures regulated under Iowa Code chapter 210 are required to conform with Iowa's State primary standard of weights and measures.

9 15 Sec. 21. Section 213.1, Code 2026, is amended to read as
9 16 follows:
9 17 213.1 STATE METROLOGIST.
9 18 The ~~department~~ secretary of agriculture may designate
9 19 ~~one of its assistants~~ the bureau chief of the department's
9 20 weights and measures bureau to act as state metrologist
9 21 of weights and measures. ~~All weights and measures sealed~~
9 22 ~~by the state metrologist shall be impressed with the word~~
9 23 ~~"Iowa."~~ The bureau chief is the appropriate state official
9 24 responsible for cooperating with the national institute of
9 25 standards and technology as defined in section 215.1 and in the
9 26 administration of weights and measures as regulated in this
9 27 subtitle.

CODE: Allows the Secretary of Agriculture to designate the Bureau Chief of the DALS' Weights and Measures Bureau to act as the State Metrologist of weights and measures, and designates the Bureau Chief as the appropriate State official responsible for cooperating with the National Institute of Standards and Technology and in the administration of weights and measures.

9 28 Sec. 22. Section 213.2, Code 2026, is amended to read as
9 29 follows:

CODE: Requires that weights and measures that are metrologically traceable to standards recognized by the

213.2 ~~PHYSICAL~~ UNITED STATES STANDARDS — CONFORMITY .
Weights and measures~~, which conform to the standards of the United States national institute of standards and technology existing as of January 1, 1979,~~ that are metrologically traceable to ~~the United States standards supplied by the federal government or approved as being in compliance with its~~ standards recognized by the national ~~bureau~~ institute of standards and technology shall be ~~the~~ Iowa's state primary standard of weights and measures as verified by the department. ~~Such~~ The traceable standards of weights and measures shall be verified upon their initial receipt ~~of same~~ by the department and as often as deemed necessary by the ~~secretary of agriculture~~ department. The ~~secretary~~ department may ~~provide for the alteration in~~ revise the state primary standard of weights and measures in order to maintain metrological traceability with the ~~standard~~ standards of the ~~United States~~ national institute of standards and technology. ~~All such alterations~~ The verification or revision shall be made pursuant to rules ~~promulgated~~ adopted by the ~~secretary~~ department in accordance with chapter 17A.

National Institute of Standards and Technology to be Iowa's primary standard of weights and measures as verified by the DALS. Requires the traceable standards of weights and measures to be verified upon their initial receipt and as often as necessary by the DALS, and allows the DALS to revise the State's primary standard of weights and measures in order to maintain metrological traceability with the standards of the National Institute of Standards and Technology. The verification or revision must be made pursuant to administrative rules adopted by the DALS.

Sec. 23. Section 214.3, subsection 1, Code 2026, is amended to read as follows:

1. A license fee is imposed on a person who uses or displays for use a commercial weighing and measuring device. The license fee is due the day the department issues the license. The amount of the license fee shall be calculated in accordance with the class or section for devices as established by handbook 44 of the ~~United States~~ national institute of standards and technology.

CODE: Removes "United States" when referencing the National Institute of Standards and Technology.

Sec. 24. Section 215.1, subsection 1, Code 2026, is amended to read as follows:

1. a. "Commercial weighing and measuring device" or "device" means a weight or measure or weighing or measuring device used to establish size, quantity, area or other quantitative measurement of a commodity sold by weight or measurement, or ~~where~~ when the price to be paid for producing the commodity is based upon the weight or measurement of the commodity. ~~The term~~

b. "Commercial weighing and measuring device" includes ~~an~~ any of the following:

CODE: Specifies that "device" means the same as a "commercial weighing and measuring device" in Iowa Code section 215.1.

(1) An accessory attached to or used in connection with a commercial weighing or measuring device when the accessory is so designed or installed that its operation may affect the accuracy of the device. ~~"Commercial weighing and measuring device" includes a~~

(2) A public scale or a commercial scanner.

Sec. 25. Section 215.1, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 3A. "National institute of standards and technology" means the national institute of standards and technology established within the United States department of commerce pursuant to 15 U.S.C. §272.

CODE: Provides a definition for "National Institute of Standards and Technology".

Sec. 26. Section 215.1A, Code 2026, is amended to read as follows:

215.1A INSPECTIONS.

1. ~~The~~ Except as otherwise expressly provided by statute, the department ~~shall regularly~~ of agriculture and land stewardship may inspect ~~all~~ any commercial weighing and measuring ~~devices, and when~~ device. If the department receives a complaint ~~is made to the department that any false or incorrect~~ alleging weights or measures are being ~~made~~ inaccurately recorded by a device, the department shall inspect the ~~commercial weighing and measuring devices which caused the complaint~~ device.

2. The department may inspect a prepackaged ~~goods~~ good to determine the accuracy of ~~their~~ its recorded ~~weights~~ weight.

CODE: Removes the requirement that the DALS inspect all commercial weighing and measuring devices but maintains the requirement the DALS conduct an inspection of the device if a complaint is received.

3. a. The department may order the owner of the device or a service agency that installed, serviced, or repaired the device, to deliver to the department one or more of the service agency's most recent test reports documenting the device's accuracy.

b. (1) Except as provided in subparagraph (2), the delivery of a report may be in lieu of an inspection.

(2) The department shall provide for an inspection of any of the following:

(a) A motor fuel pump as required in section 214.11.

(b) A moisture-measuring device as required in section 215A.2.

(c) A charging station dispensing electric fuel as required

CODE: Allows the DALS to order the owner of a device or a service agency that installed, serviced, or repaired the device to deliver to the DALS one or more of the service agency's most recent test reports that documents the device's accuracy; allows the report to be used in lieu of an inspection; and provides requirements for when the DALS is required to provide an inspection.

in section 452A.41.

Sec. 27. Section 215.14, subsection 3, Code 2026, is amended to read as follows:

3. Before approval by the department, the specifications for a commercial weighing and measuring device shall be furnished to the purchaser of the device by the manufacturer. The approval shall be based upon the recommendation of the ~~United States~~ national institute of standards and technology.

CODE: Removes "United States" when referencing the National Institute of Standards and Technology.

Sec. 28. Section 215.19, Code 2026, is amended to read as follows:

215.19 AUTOMATIC RECORDERS ON SCALES.

Except for ~~scales~~ a scale used by ~~packers~~ a packer slaughtering fewer than one hundred twenty head of livestock per day, ~~all scales~~ a scale with a capacity over five hundred pounds, ~~which are~~ used for commercial purposes,~~in this state, and installed after January 1, 1981,~~ shall be equipped with a type-registering weigh beam, a dial with a mechanical ticket printer, an automatic weight recorder, or some similar commercial weighing and measuring device, which shall be used for printing or stamping the weight values on scale tickets. A scale or similar device equipped with a malfunctioning automatic weight recorder ~~may~~ shall not be used for ~~not~~ more than seven days if the scale or similar device is unable to print or stamp the ticket ~~so long as~~ and only if a repair to the automatic recorder is immediately initiated and the user dates, signs, and accurately handwrites the required information on the ticket until the scale or similar device is operational.

CODE: Specifies that, except for a scale used by a packer slaughtering fewer than 120 head of livestock per day, scales used for a commercial purpose with a capacity over 500 pounds must be equipped with a type-registering weigh beam, a dial with a mechanical ticket printer, an automatic weight recorder, or some similar commercial weighing and measuring device, must be used for printing and stamping the weight value on scale tickets. Prohibits a scale or similar device equipped with a malfunctioning automatic weight recorder from being used for more than seven days if the scale or similar device is unable to print or stamp a ticket, and the scale or similar device may only be used for those seven days if a repair to the automatic recorder is immediately initiated and the user dates, signs, and accurately handwrites the required information on the ticket until the scale or similar device is operational.

Sec. 29. Section 215.23, subsection 2, Code 2026, is amended to read as follows:

2. In determining a servicer's qualifications, the department may consider the specifications of the ~~United States~~ national institute of standards and technology, handbook 44, "Specifications, Tolerances, and Technical Requirements for Weighing and Measuring Devices", or the current successor or equivalent specifications adopted by the ~~United States~~ national institute of standards and technology.

CODE: Removes "United States" when referencing the National Institute of Standards and Technology.

Sec. 30. Section 452A.40, Code 2026, is amended by adding the following new subsection:
NEW SUBSECTION 5A. "National institute of standards and technology" means the same as defined in section 215.1.

CODE: Specifies that the definition for "National Institute of Standards and Technology" in Iowa Code section 452A.40 is the same as the one provided in Iowa Code section 215.1.

Sec. 31. REPEAL. Sections 213.3 and 213.7, Code 2026, are repealed.

CODE: Repeals the ability for a citizen, firm, city or county, or educational institution to make a written request to the DALS for a test or calibration of any weights, measures, weighing or measuring device, or instruments or apparatus used as standards. Repeals the provision stating that any expenses incurred in furnishing cities with standards, or in comparing those that may be in the city's possession, must be borne by the city.

Sec. 32. CODE EDITOR DIRECTIVE.
1. The Code editor is directed to make the following transfers:
a. Section 213.1 to section 215.1B.
b. Section 213.2 to section 215.1C.
c. Section 215.18 to section 215.1D.
d. Section 215.1A to section 215.1E.
2. The Code editor shall correct internal references in the Code and in any enacted legislation as necessary due to the enactment of this section.

Provides direction to the Iowa Code Editor.

DIVISION V
DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP REGULATION — GRAIN MARKETING

PART A
GRAIN DEALERS

Sec. 33. Section 203.3, subsection 4, paragraph b, Code 2026, is amended by striking the paragraph and inserting in lieu thereof the following:
b. The grain dealer shall submit, as required by the department, a financial statement that is accompanied by an unqualified opinion based upon an audit performed by a certified public accountant licensed in this state. However, the department may accept a qualification in an opinion that is unavoidable by any audit procedure that is permitted under

CODE: Provides conditions for financial statements submitted to the DALS when applying for a Class 1 grain dealer license.

generally accepted accounting principles. An opinion that is qualified because of a limited audit procedure or because the scope of an audit is limited shall not be accepted by the department. The department shall not require that a grain dealer submit more than one such unqualified opinion per year. The grain dealer, except as provided in section 203.15, may elect to submit a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by the certified public accountant in lieu of the audited financial statement specified in this paragraph. However, at any time the department may require a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by a certified public accountant if the department has good cause. A grain dealer shall submit financial statements to the department in addition to those required in this paragraph if the department determines that it is necessary to verify the grain dealer's financial status or compliance with this subsection.

Sec. 34. Section 203.3, subsection 5, paragraph b, Code 2026, is amended by striking the paragraph and inserting in lieu thereof the following:

b. The grain dealer shall submit, as required by the department, a financial statement that is accompanied by an unqualified opinion based upon an audit performed by a certified public accountant licensed in this state. However, the department may accept a qualification in an opinion that is unavoidable by any audit procedure that is permitted under generally accepted accounting principles. An opinion that is qualified because of a limited audit procedure or because the scope of an audit is limited shall not be accepted by the department. The department shall not require that a grain dealer submit more than one such unqualified opinion per year. The grain dealer may elect, however, to submit a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by the certified public accountant in lieu of the audited financial statement specified in this paragraph. However, at any time the department may require a financial statement that is accompanied by the report of a

CODE: Provides conditions for financial statements submitted to the DALS when applying for a Class 2 grain dealer license.

certified public accountant licensed in this state that is based upon a review performed by a certified public accountant if the department has good cause. A grain dealer shall submit financial statements to the department in addition to those required in this paragraph if the department determines that it is necessary to verify the grain dealer's financial status or compliance with this section.

Sec. 35. Section 203.8, subsection 2, paragraph a, Code 2026, is amended to read as follows:

a. (1) ~~"Delivery"~~ Subject to subparagraph (2), "delivery" means the transfer of title to and possession of grain by a seller to a grain dealer or to another person in accordance with the terms of an agreement ~~of~~ by the seller and the grain dealer.

(2) Unless title to grain was previously transferred pursuant to an ordinary cash-sale contract, title to grain sold by credit-sale contract is deemed to have transferred to the grain dealer when all of the following occurs:

(a) The credit-sale contract is signed by both the grain dealer and the seller.

(b) The grain dealer has possession of the grain or another person has possession of the grain in accordance with the terms of the credit-sale contract.

CODE: Specifies that if a title to grain was previously transferred pursuant to an ordinary cash-sale contract, titles to grain sold by credit-sale contract are deemed to have transferred to the grain dealer when the credit-sale contract is signed by both the grain dealer and the seller, and the grain dealer has possession of the grain or another person has possession of the grain in accordance with the terms of the credit-sale contract.

Sec. 36. Section 203.12, subsection 1, Code 2026, is amended to read as follows:

1. Upon the cessation of a grain dealer license ~~by revocation, cancellation, or expiration~~ pursuant to section 203.10 or upon the filing of a petition in bankruptcy by a grain dealer, any claim for the purchase price of grain against the grain dealer shall be made in writing and filed with the grain dealer and with the issuer of a deficiency bond or of an irrevocable letter of credit and with the department within one hundred twenty days after the date of the cessation or the filing of a petition in bankruptcy, whichever occurs earlier. A failure to make this timely claim relieves the issuer and the grain depositors and sellers indemnity fund provided in chapter 203D of all obligations to the claimant.

CODE: Specifies that upon the cessation of a grain dealer license pursuant to Iowa Code section 203.10 or upon the filing a petition of bankruptcy by a grain dealer, any claim for the purchase price of grain against the grain dealer must be made with the issuer of a deficiency bond or of an irrevocable letter of credit and with the DALS within 120 days after the date of cessation or filing of a petition in bankruptcy, whichever occurs first.

Sec. 37. Section 203.12A, subsection 5, Code 2026, is amended to read as follows:

CODE: Specifies that the Iowa Grain Indemnity Fund Board, upon written demand of the grain dealer, must file a

5. The Iowa grain indemnity fund board, upon written demand of the grain dealer, shall file a termination statement with the secretary of state, if after one hundred eighty days from the date that the lien is perfected the grain dealer's license has not ceased ~~by revocation, cancellation, or expiration~~ pursuant to section 203C.10. Upon filing the termination statement, the lien becomes unperfected. The board shall also deliver a copy of the termination statement to the grain dealer.

termination statement to the Secretary of State if after 180 days from he date that the lien is perfected the grain dealer's licensed has not ceased pursuant to Iowa Code section 203C.10.

Sec. 38. Section 203.15, subsection 4, Code 2026, is amended by striking the subsection and inserting in lieu thereof the following:

4. a. A grain dealer shall not purchase grain on credit-sale contract during any time period in which the grain dealer fails to maintain fifty cents of net worth for each outstanding bushel of grain purchased under credit. The grain dealer may maintain a deficiency bond or an irrevocable letter of credit in the amount of two thousand dollars for each one thousand dollars or fraction thereof of deficiency in net worth.

b. A grain dealer who is also a warehouse operator licensed by the department under chapter 203C or the United States department of agriculture under the United States Warehouse Act, and who does not have a sufficient quantity or quality of grain to satisfy the warehouse operator's obligations based on an examination by the department or the United States department of agriculture shall not purchase grain on credit-sale contract to correct the shortage of grain.

c. (1) A grain dealer must meet at least either of the following conditions:

(a) The grain dealer's last financial statement required to be submitted to the department pursuant to section 203.3 is accompanied by an unqualified opinion based upon an audit performed by a certified public accountant licensed in this state.

(b) The grain dealer files a bond with the department in the amount of one hundred thousand dollars payable to the department.

(2) (a) The bond filed with the department under this paragraph shall be used to indemnify sellers for losses resulting from a breach of a credit-sale contract as provided

CODE: Provides criteria for a grain dealer who purchases grain through a credit sale contract.

by rules adopted by the department. The rules shall include but are not limited to procedures and criteria for providing notice, filing claims, valuing losses, and paying claims. The bond provided in this paragraph shall be in addition to any other bond required in this chapter.

(b) The bond shall not be canceled by the issuer on less than ninety days' notice by certified mail to the department and the principal. However, if an adequate replacement bond is filed with the department, the department may authorize the cancellation of the original bond before the end of the ninety-day period.

(c) If an adequate replacement bond is not received by the department within sixty days of the issuance of the notice of cancellation, the department shall suspend the grain dealer's license. The department shall cause an inspection of the licensed grain dealer immediately at the end of the sixty-day period. If a replacement bond is not filed within another thirty days following the suspension, the department shall revoke the grain dealer's license.

(3) When a license is revoked, the department shall provide notice of the revocation by ordinary mail to the last known address of each holder of an outstanding credit-sale contract and all known sellers.

PART B
GRAIN OPERATORS

Sec. 39. Section 203C.6, subsection 4, paragraph b, Code 2026, is amended by striking the paragraph and inserting in lieu thereof the following:

CODE: Provides conditions for financial statements submitted to the DALS when applying for a Class 1 warehouse operator license.

b. The warehouse operator shall submit, as required by the department, a financial statement that is accompanied by an unqualified opinion based upon an audit performed by a certified public accountant licensed in this state. However, the department may accept a qualification in an opinion that is unavoidable by any audit procedure that is permitted under generally accepted accounting principles. An opinion that is qualified because of a limited audit procedure or because the scope of an audit is limited shall not be accepted by the department. The department shall not require that a warehouse operator submit more than one such unqualified opinion per year. The warehouse operator may elect, however, to submit

a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by the certified public accountant in lieu of the audited financial statement specified in this paragraph. However, at any time the department may require a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by a certified public accountant if the department has good cause. A warehouse operator shall submit financial statements to the department in addition to those required in this paragraph if the department determines that it is necessary to verify the warehouse operator's financial status or compliance with this subsection.

Sec. 40. Section 203C.6, subsection 5, paragraph b, Code 2026, is amended by striking the paragraph and inserting in lieu thereof the following:

CODE: Provides conditions for financial statements submitted to the DALS when applying for a Class 2 warehouse operator license.

b. The warehouse operator shall submit, as required by the department, a financial statement that is accompanied by an unqualified opinion based upon an audit performed by a certified public accountant licensed in this state. However, the department may accept a qualification in an opinion that is unavoidable by any audit procedure that is permitted under generally accepted accounting principles. An opinion that is qualified because of a limited audit procedure or because the scope of an audit is limited shall not be accepted by the department. The department shall not require that a warehouse operator submit more than one such unqualified opinion per year. The warehouse operator may elect, however, to submit a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by the certified public accountant in lieu of the audited financial statement specified in this paragraph. However, at any time the department may require a financial statement that is accompanied by the report of a certified public accountant licensed in this state that is based upon a review performed by a certified public accountant if the department has good cause. A warehouse operator shall submit financial statements to the department in addition to those required in this paragraph if the department determines that it is necessary to verify the warehouse operator's financial status or compliance with this subsection.

PART C
GRAIN DEPOSITORS AND SELLERS INDEMNIFICATION

Sec. 41. Section 203D.3A, subsection 2, Code 2026, is amended by adding the following new paragraph:
NEW PARAGRAPH e. (1) If the per-bushel fee is passed on to a seller, the per-bushel fee shall occur at the time of payment.
(2) As used in subparagraph (1), "payment" means the same as defined in section 203.8.

CODE: Requires that the per-bushel fee occur at the time of payment if the fee is passed on to a seller and specifies that "payment" means the same as defined in Iowa Code section 203.8.

Sec. 42. Section 203D.6, subsection 8, paragraph a, Code 2026, is amended to read as follows:
a. Upon a determination by the board that an eligible claim satisfies the requirements in subsection 4, the board shall indemnify the claimant as a depositor under subsection 5, and a seller under subsection 6. Upon a determination by the board that an eligible repayment claim was filed by that seller under section 203D.6A,~~derives from the same covered transaction during the claim period, and the repayment loss incurred for that claim,~~ the board shall indemnify the claimant ~~as a seller~~ subject to the requirements of this section ~~and section 203D.6A~~.

CODE: Requires the Grain Indemnity Fund Board to indemnify a claimant as a depositor and a seller upon determination by the Grain Indemnity Fund Board that a claim satisfies requirements in Iowa Code section 203D.6. If the Grain Indemnity Fund Board determines that an eligible repayment claim was filed by the seller under Iowa Code section 203D.6A the Grain Indemnity Fund Board is required to indemnify the claimant subject to the requirements of Iowa Code section 203D.6.

Sec. 43. Section 203D.6A, subsection 2, Code 2026, is amended to read as follows:
2. To be timely, a seller must file a repayment claim with the department not later than sixty days after the amount of the seller's loss is finalized by a bankruptcy court, whether by an order issued, judgment entered, or settlement agreement approved. However, if a seller's loss is based upon a bankruptcy court's default judgment, to be timely, the seller must file a repayment claim with the department not later than sixty days after the bankruptcy court's default judgment is entered or a subsequent settlement agreement is approved and entered, whichever is later.

CODE: Requires a seller to file a repayment claim with the DALS no later than 60 days after a bankruptcy court's default judgement is entered or a subsequent settlement agreement is approved and entered, whichever is later, if the seller's loss is based upon a bankruptcy court's default judgement.

PART D
EFFECTIVE DATE

Sec. 44. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Specifies that Division V of the Act related to grain marketing takes effect on June 1, 2026.

DIVISION VI
DEPARTMENT OF TRANSPORTATION — IMPLEMENTS OF HUSBANDRY

Sec. 45. Section 321.457, subsection 2, paragraph f, Code 2026, is amended to read as follows:

f. (1) A trailer or semitrailer, laden or unladen, shall not have an overall length in excess of fifty-three feet when operating in a truck tractor-semitrailer combination exclusive of retractable extensions used to support the load. However, when a trailer or semitrailer is used exclusively for the transportation of passenger vehicles, light delivery trucks, panel delivery trucks, pickup trucks, recreational vehicle chassis, or boats, the load carried on the trailer or semitrailer may extend up to three feet beyond the front bumper and up to four feet beyond the rear bumper of the trailer or semitrailer.

(2) A lowboy semitrailer, laden or unladen, ~~which~~ that is designed and exclusively used for the transportation of either construction equipment or an implement of husbandry shall not have an overall length in excess of fifty-seven feet when used in a truck tractor-semitrailer combination.

CODE: Specifies that an implement of husbandry cannot have an overall length in excess of 57 feet when used in a truck tractor-semitrailer combination and operated on the highways of the State.

DIVISION VII
AGRICULTURAL TOURISM

Sec. 46. Section 673A.3, subsection 6, paragraph b, Code 2026, is amended to read as follows:

b. "Farm" includes but is not limited to a farm field, orchard, tree farm, nursery, greenhouse, garden, elevator, seedhouse, barn, warehouse, animal feeding operation structure, winery, brewery, distillery, or any personal property located on the land including machinery or equipment used in the production of a farm commodity.

CODE: Adds tree farms to the definition of "farm" for the purposes of the Iowa Agricultural Tourism Promotion Act established in Iowa Code chapter 673A.

Sec. 47. Section 673A.3, subsection 9, Code 2026, is amended to read as follows:

9. "Farm crop" means a plant or fungus used for food, animal feed, fiber, ~~or~~ oil, energy, or decoration, including any of

CODE: Updates the definition of "farm crop" to include fungus used for food, animal feed, oil, energy, or decoration, including honey, and adds nuts, maple syrup, mushrooms, and Christmas trees to what can qualify as a farm crop.

the following:

a. A forage or cereal plant, including but not limited to alfalfa, barley, buckwheat, corn, flax, forage, millet, oats, popcorn, rye, sorghum, soybeans, sunflowers, wheat, and grasses used for forage or silage.

b. Edible or ornamental produce, including but not limited to fruit such as apples, cherries, peaches, pears, berries, and grapes; vegetables such as asparagus, broccoli, and carrots; lentils; tubers; squashes and pumpkins; gourds; nuts; maple syrup; mushrooms; Christmas trees; and flowers.

c. Honey.

DIVISION VIII

LAND USE

Sec. 48. Section 335.2, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 4. As used in subsection 1, an agricultural purpose includes but is not limited to an agricultural tourism activity or event, value-added agricultural processing, direct-to-consumer marketing, or other on-farm enterprises that support the economic viability of the farm.

CODE: Specifies that an agricultural purpose includes, but is not limited to, the following:

- An agricultural tourism activity or event.
- Value-added agricultural processing.
- Direct-to-consumer marketing.
- Other on-farm enterprises that support the economic viability of the farm.

Sec. 49. Section 335.28, Code 2026, is amended to read as follows:

335.28 AGRICULTURAL ~~EXPERIENCES~~ EXPERIENCE .

1. a. For purposes of this section, "agricultural experience" includes but is not limited to any agriculture-related activity, or agriculture-related event, ~~as a~~ that constitutes a secondary use in conjunction with agricultural production, ~~on a farm which~~ if the agriculture-related activity, or agriculture-related event, is located on a farm and open to the public ~~with~~ for the intended purpose of promoting or educating the public about agriculture, agricultural practices, agricultural activities, or agricultural products.

b. "Agricultural experience" also includes any of the following:

(1) Agricultural tourism activities, such as recreational, entertainment, dining, or celebratory events, or short-term

CODE: Specifies that agricultural experience is not limited to any agriculture-related activity or agriculture-related event if the activity or event is located on a farm open to the public for the intended purpose of promoting or educating the public about agriculture or agricultural practices, activities, or products. An agricultural experience includes the following:

- Agricultural tourism activities.
- A fair event conducted on a fairgrounds under the management or control of a fair as defined in Iowa Code section 174.1.

rental opportunities offered on a working farm, so long as the farm's primary use remains agricultural production.

(2) A fair event conducted on a fairgrounds under the management or control of a fair as defined in section 174.1.

2. To assist in the promotion of agricultural experiences, a county shall not require a conditional use permit, special use permit, special exception, or variance for an agricultural ~~experiences~~ experience on property of which the primary use is agricultural production.

Sec. 50. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Specifies that Division VIII of the Act related to land use takes effect on June 1, 2026.

Sec. 51. APPLICABILITY. Any conditional use permit, special use permit, special exception, or variance described in section 335.28, as amended by this division of this Act, is void and unenforceable.

Specifies that any conditional use permit, special use permit, special exception, or variance described in Iowa Code section 335.28 is void and unenforceable.

DIVISION IX
HONEYBEES — SALES AND USE TAX EXEMPTION

Sec. 52. Section 423.3, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 111. The sales price of honeybees.

CODE: Exempts the sale of honeybees from the State sales and use tax.

FISCAL IMPACT: Beginning in FY 2027, Division IX of the Act is estimated to decrease annual revenue to the General Fund by $8,800, the Secure an Advanced Vision for Education (SAVE) Fund by $1,800, and the local option sales tax (LOST) by $1,700.

DIVISION X
VETERINARY PRACTICE

PART A
RURAL VETERINARIAN LOAN REPAYMENT PROGRAM

Sec. 53. Section 256.226, subsection 4, paragraph c, Code 2026, is amended to read as follows:

c. (1) ~~Secure~~ Subject to subparagraph (2), secure an offer of employment or establish and maintain a practice in a veterinary shortage situation or rural service commitment area

CODE: Authorizes a Rural Veterinarian Loan Repayment (RVLR) Program recipient to complete years of practice required under an agreement by securing new employment or establishing or maintaining a new practice in the same veterinary shortage area or rural service commitment area.

and engage in the full-time practice of veterinary medicine for a period of four consecutive years after entering into the agreement in the veterinary shortage area or rural service commitment area~~, unless the loan repayment recipient receives~~.

(2) (a) The loan repayment recipient may notify the commission that the loan repayment recipient will complete the years of full-time practice required under the agreement by securing new employment, or establishing and maintaining a new practice, in the same veterinary shortage area or rural service commitment area, according to rules adopted by the commission.

(b) The commission may grant the loan repayment recipienta waiver ~~from the commission~~ to complete the years of full-time practice required under the agreement in another veterinary shortage area or rural service commitment area pursuant to subsection 7.

PART B
INCOME TAX EXEMPTION

Sec. 54. Section 422.7, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 46. a. Subtract, to the extent included, loan repayments received under a program agreement entered into by a taxpayer who is a loan repayment recipient and the Iowa college student aid commission pursuant to section 256.226, if the taxpayer fulfills the obligation to engage in the practice of veterinary medicine according to terms of that section and the program agreement.

b. The amount subtracted in paragraph "a" shall not exceed the following limits:

(1) For any tax year, fifteen thousand dollars.

(2) For the aggregate of all tax years, sixty thousand dollars.

(3) In any case, the amount of the outstanding eligible loan.

CODE: Authorizes a licensed veterinarian participating in the RVLR Program to deduct net income from loan repayments, up to $15,000 per tax year and $60,000 for all tax years combined. The deduction cannot exceed the amount of the outstanding eligible loan.

FISCAL IMPACT: The deduction for licensed veterinarians participating in the RVLR Program is estimated to decrease General Fund revenue by approximately $27,000 annually beginning in FY 2028 and decrease the statewide local option income surtax for schools by less than $1,000 annually.

Sec. 55. EFFECTIVE DATE. This part of this division of this Act takes effect January 1, 2027.

Specifies that Division X, Part B of the Act, related to the deduction for licensed veterinarians participating in the RVLR Program takes effect January 1, 2027, and is applicable for tax years beginning on or after January 1, 2027.

PG LN	GA:91 SF2465	Explanation
23 3	Sec. 56. APPLICABILITY. This part of this division of this	Specifies that Division X of the Act related to income tax
23 4	Act applies to tax years beginning on or after January 1, 2027.	exemption, is applicable to tax years beginning on or after January 1, 2027.

FUNDING SUMMARY

Requires moneys in the Technology Reinvestment Fund (TRF) to be appropriated by the General Assembly to the Department of Management (DOM), beginning in FY 2028, to be used for the implementation of State information technology projects. This Act requires the DOM to prioritize projects based on criteria enumerated in this Act. Page 2, Line 25

Repeals the $17.5 million standing appropriation from the General Fund to the TRF under Iowa Code section 8.57C, beginning in FY 2027. Page 3, Line 3

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Authorizes the DOM to maintain an integrated information system for data sharing that enables automated data sharing among the Executive Branch, the Judicial Branch, and local agencies. Page 9, Line 39

Designates the DOM as the Iowa statistical analysis center to coordinate with data resource agencies to provide data and analytical information to federal, State, and local agencies. Allows the DOM to do the following: Page 10, Line 4

- Have access to criminal justice information, except that of intelligence data and peace officer investigation reports maintained by the Department of Public Safety (DPS).
- Provide data analysis and reporting on issues that may affect the State's correctional population.
- Maintain a multiagency information system to track the progress of juveniles and adults who have been charged with a criminal offense.
- Count and track decision points for persons in the juvenile justice system, the welfare system, and the court system.

Removes requirements for the Department of Health and Human Services (HHS) to do the following: Page 12, Line 37

- Provide the General Assembly with an analysis of current and proposed criminal code provisions.
- Provide for a clearinghouse of justice system information to coordinate with data resource agencies and assist others in the use of justice system data.
- Coordinate with data resource agencies to provide data and analytical information to federal, State, and local governments, and assist agencies in the use of criminal justice data.
- Provide technical assistance upon request to State and local agencies.

- Review data supplied by the HHS, the DOM, the Legislative Services Agency, the Iowa Supreme Court, and other departments or agencies for the purpose of determining the effectiveness and efficiency of the collection of such data.
- Provide to the General Assembly analysis and recommendations based on potential disparity in sentencing and costs associated with the implementation of criminal code provisions.

STUDIES AND INTENT

Intent

Allows the DOM to determine which authorized tasks of the Iowa statistical analysis center to perform if the DOM lacks sufficient moneys or resources to implement the specified tasks. — Page 11, Line 36

Nonreversion

Allows moneys in the TRF to remain available for expenditure until the close of the fiscal year that ends two years after the end of the fiscal year that the appropriation was made. Interest or earnings on moneys in the TRF are credited to the TRF. — Page 4, Line 8

Required Report

Requires the DOM to report the status of all projects funded from the TRF to the General Assembly by January 15 of each year. — Page 4, Line 16

SIGNIFICANT CODE CHANGES

Restricts the sum of an interdepartmental transfer in a fiscal year to an appropriation that is not an entitlement appropriation from exceeding 100.0% of the appropriation enacted by the General Assembly. — Page 1, Line 7

Restricts appropriations for an unspecified total from being used for an interdepartmental transfer under Iowa Code section 8.39. — Page 2, Line 11

Increases the frequency with which a staff member of the DOM is subject to a national criminal history check from once every 10 years to once every 5 years. — Page 4, Line 29

Provides a list of prohibited terms for a contract entered into by the DOM or a supported entity. Inclusion of the prohibited terms voids those provisions of the contract. — Page 5, Line 22

Requires certain provisions to be included in a contract entered into by the DOM or a supported entity. Page 7, Line 17

Allows the Director of the DOM to include contractual limitations of vendor liability in information technology goods and services contracts. Page 8, Line 17

Requires all communication between the Chief Information Security Officer and other entities concerning security issues to be confidential, except under specified circumstances. Page 9, Line 2

Specifies the DOM is not the lawful custodian of records that the DOM maintains for another department or establishment. Page 12, Line 1

Requires the DOM to deny a request for records for which the DOM has determined it is not the lawful custodian. Page 12, Line 14

Requires the DOM to provide assistance to the lawful custodian of records to comply with production obligations of Iowa Code chapter 22. Page 12, Line 22

Requires the DOM to notify the lawful custodian and the Attorney General's Office if the DOM receives a subpoena for records for which the DOM is not the lawful custodian and to cooperate in any efforts to resist the associated subpoena. Page 12, Line 26

Removes the requirement that the HHS include a collection of criminal and juvenile justice data in its three-year criminal and juvenile justice plan. Page 13, Line 10

Repeals the following Iowa Code sections: Page 13, Line 32
- Statistical analysis center — access to records pursuant to Iowa Code section 216A.136.
- Correctional policy project pursuant to Iowa Code section 216A.137.
- Multiagency database concerning juveniles pursuant to Iowa Code section 216A.138.

EFFECTIVE DATE

This Act takes effect July 1, 2026, unless specified below.

Specifies that Section 2 of this Act appropriating moneys in the TRF to the DOM for technology projects and relating to the required report from the DOM to the General Assembly takes effect July 1, 2027 (FY 2028). Page 13, Line 34

Specifies that certain sections of this Act apply to contracts entered into or renewed on or after July 1, 2026 (FY 2027). Page 13, Line 38

ENACTMENT DATE

This Act was approved by the General Assembly on April 30, 2026, and signed by the Governor on June 2, 2026.

STAFF CONTACT: Joey Lovan (515.242.5925) joey.lovan@legis.iowa.gov

House File 1028 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	5	1	Amend	8.39.2
2	25	2	Amend	8.57C.2,3,4
4	29	3	Amend	8.78
5	22	4	New	8.94
7	17	5	New	8.95
8	17	6	New	8.96
9	2	7	New	8.97
9	39	8	New	8.98
12	1	9	New	8.99
12	31	10	Amend	216A.131A
12	37	11	Strike	216A.133.1.d,e,f,l,t
12	39	12	Strike	216A.133.1.q.(1),(6)
13	3	13	Amend	216A.133.1.s
13	10	14	Strike	216A.135.2.e
13	12	15	Amend	232.147.2.i
13	16	16	Amend	232.147.3.n
13	20	17	Amend	232.147.4.i
13	24	18	Amend	232.149.5.f
13	28	19	Amend	232.149A.3.m
13	32	20	Repeal	216A.136; 216A.137; 216A.138

Section 1. Section 8.39, subsection 2, Code 2026, is amended to read as follows:

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 of the department of management, 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~~ moneys 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~~ one hundred percent of the amount of the appropriation as enacted by the general assembly. For ~~the~~ purposes of this subsection~~, an entitlement appropriation is~~:

CODE: Restricts the sum of an interdepartmental transfer in a fiscal year to an appropriation that is not an entitlement appropriation from exceeding 100.00% of the appropriation enacted by the General Assembly.

a. "Appropriation in excess of its needs" means the amount appropriated by the general assembly for a purpose is determined by the department, institution, or agency receiving the appropriation to be more than the amount necessary to carry out that purpose. An appropriation for an unspecified dollar amount, whether the appropriation is limited to be sufficient to carry out a particular purpose or is unlimited, shall not be considered an appropriation in excess of a department's, institution's, or agency's needs.

CODE: Defines "appropriation in excess of its need." Prohibits appropriations of unspecified dollar amounts from being considered appropriations in excess of needs.

DETAIL: Restricts appropriations for an unspecified total being used for an interdepartmental transfer under Iowa Code section 8.39.

b. "Entitlement appropriation" meansa 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.

CODE: Technical change.

2 25 Sec. 2. Section 8.57C, subsections 2, 3, and 4, Code 2026,
2 26 are amended to read as follows:
2 27 2. Moneys in the fund in a fiscal year shall be used as
2 28 appropriated by the general assembly ~~for the acquisition~~
2 29 ~~of computer hardware and software, software development,~~
2 30 ~~telecommunications equipment, and maintenance and lease~~
2 31 ~~agreements associated with technology components and for the~~
2 32 ~~purchase of equipment intended to provide an uninterruptible~~
2 33 ~~power supply~~ to the department of management to provide
2 34 a stable funding source for implementation costs of state
2 35 information technology projects that enhance the state's
2 36 technology infrastructure, improve government services,
2 37 and promote innovation and economic development, including
2 38 but not limited to new information technology projects
2 39 and infrastructure replacement efforts of a department or
3 1 establishment, while protecting the privacy of residents of
3 2 this state.

CODE: Requires moneys in the Technology Reinvestment Fund (TRF) to be appropriated by the General Assembly to the Department of Management (DOM) to be used to implement State information technology projects.

DETAIL: Currently, the General Assembly appropriates moneys from the TRF to various State agencies for technology projects in the annual Infrastructure Appropriations Act.

NOTE: Section 2 of this Act takes effect July 1, 2026 (FY 2027).

Pursuant to Iowa Code section 8.57C(3), $17,500,000 is appropriated from the General Fund to the TRF. However, in recent years, the General Assembly has instead appropriated moneys from the Rebuild Iowa Infrastructure Fund (RIIF) for this purpose. The General Assembly appropriated the following amounts:

- Actual FY 2024 = $18,390,000
- Actual FY 2025 = $21,131,873
- Estimated FY 2026 = $18,269,217

NOTE: Senate File 2484 (FY 2027 Infrastructure Appropriations Act) appropriated $26,314,315 from the RIIF to the TRF for FY 2027.

3 3 ~~3. a. There is appropriated from the general fund of the~~
3 4 ~~state to the technology reinvestment fund for the fiscal year~~
3 5 ~~beginning July 1, 2026, and for each fiscal year thereafter,~~
3 6 ~~the sum of seventeen million five hundred thousand dollars.~~

CODE: Repeals the $17,500,000 standing appropriation from the General Fund to the TRF beginning in FY 2027.

3 7 ~~b. There is appropriated from the rebuild Iowa~~
3 8 ~~infrastructure fund for the fiscal year beginning July 1, 2025,~~
3 9 ~~and ending June 30, 2026, the sum of eighteen million two~~
3 10 ~~hundred sixty-nine thousand two hundred seventeen dollars to~~
3 11 ~~the technology reinvestment fund, notwithstanding section 8.57,~~
3 12 ~~subsection 3, paragraph "c".~~

CODE: Removes Iowa Code language related to the FY 2026 RIIF appropriation to the TRF.

3 13 3. a. The department of management shall prioritize
3 14 proposed projects based on all of the following considerations:
3 15 (1) Whether the project aligns with the state's strategic
3 16 priorities.
3 17 (2) Whether the project promotes or introduces new
3 18 technology or significantly improves an existing system.
3 19 (3) Whether the project is feasible and whether the
3 20 department or establishment has established readiness for the
3 21 project to proceed, including a clear assessment of timelines,
3 22 budgets, and measurable outcomes.
3 23 (4) Whether the project includes a clear change management
3 24 strategy to support user adoption and aligns with lean
3 25 enterprise principles to maximize value, minimize waste, and
3 26 ensure continuous improvement.
3 27 (5) Whether the project provides a positive return on
3 28 investment, considering both financial returns and nonfinancial
3 29 benefits such as improved public safety, education, or health
3 30 care.
3 31 (6) Whether the project results in infrastructure that is
3 32 scalable across the state enterprise.
3 33 (7) Whether the department or establishment has identified
3 34 how the completed project will be sustained beyond the initial
3 35 funding period.
3 36 (8) Whether the project improves access to governmental
3 37 services, particularly in rural communities.
3 38 (9) Whether the project involves an infrastructure project
3 39 as opposed to maintenance or standard upgrades of existing
4 1 technology.

CODE: Requires the DOM to prioritize projects based on enumerated criteria in this subsection.

4 2 b. The department of management shall provide a prioritized
4 3 list of proposed projects for funding to the governor, who
4 4 shall use the list in developing a budgetary recommendation
4 5 for the general assembly pursuant to section 8.21 for the
4 6 fiscal year beginning July 1, 2027, and for each fiscal year
4 7 thereafter.

CODE: Requires the DOM to provide a prioritized list of proposed projects for funding from the TRF to the Governor to develop budgetary recommendations for the General Assembly for FY 2028 and each fiscal year thereafter.

4 8 c. Notwithstanding section 8.33, moneys in the technology
4 9 reinvestment fund that remain unencumbered or unobligated at
4 10 the close of a fiscal year shall not revert but shall remain
4 11 available for expenditure for the purposes designated until
4 12 the close of the fiscal year that ends two years after the

CODE: Allows moneys in the TRF to remain available for expenditure until the close of the fiscal year that ends two years after the end of the fiscal year that the appropriation was made. Interest or earnings on moneys in the TRF are credited to the TRF.

end of the fiscal year for which the appropriation was made. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.

DETAIL: Currently in the annual Infrastructure Appropriations Act, TRF-funded projects have three years to expend appropriations before reversion.

4. ~~Annually, on~~ On or before January 15 of each year, ~~a state agency that received an appropriation from this fund~~ the department of management shall report to the ~~legislative services agency and the department of management~~ general assembly the status of all projects funded under this section that have been completed since the previous report was submitted or that are in progress. The report ~~shall~~ must 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~~ moneys expended, the amount of ~~funds~~ moneys obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

CODE: Requires the DOM to report the status of all projects funded from the TRF to the General Assembly by January 15 of each year.

DETAIL: The report will include a description of the project, the progress of the work completed, the total estimated cost of the project, the amount of moneys expended, the amount of moneys obligated, and the date the project is to be completed.

Sec. 3. Section 8.78, Code 2026, is amended to read as follows:

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~~ five 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

CODE: Increases the frequency with which a staff member of the DOM is subject to a national criminal history check from once every 10 years to once every 5 years.

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.

Sec. 4. NEW SECTION 8.94 CONTRACTS — PROHIBITED TERMS.

CODE: Provides prohibited terms for a contract entered into by the DOM or a supported entity. Specifies that inclusion of the prohibited terms voids those provisions of the contract.

Provisions included in a contract entered into pursuant to this subchapter that impose terms or conditions prohibited by this section are void as contrary to public policy. Such a contract shall be interpreted and enforced as if the contract did not include the prohibited terms or conditions. Prohibited terms and conditions include all of the following:

1. A provision requiring the department or a supported entity to defend, indemnify, hold harmless another person, or otherwise assume the debt or liability of another person in violation of Article VII, section 1, of the Constitution of the State of Iowa.

2. A provision that seeks to impose a term that is unknown to the department or supported entity at the time of signing the contract or that can be unilaterally changed by an entity other than the department or a supported entity.

3. A provision that violates chapter 13 by not allowing the department or a supported entity to participate in its own defense through representation by the attorney general.

4. A provision that grants to a person other than the attorney general the authority to convey to a court or litigant the state's consent to any settlement of a suit involving the contract when such settlement could impose liability on the state.

5. A provision that specifies that the contract is governed by the laws of a foreign state or nation.

6. A provision that claims blanket confidentiality of the contract's terms.

7. A provision that claims that payment terms, including but not limited to cost proposals or other pricing information, of the contract are confidential.

8. A provision that authorizes or requires a venue for

litigation other than an appropriate state or federal court sitting in Iowa.

9. A provision that requires the department or a supported entity to pay attorney fees, court costs, or other litigation expenses in the event of a contractual dispute.

10. A provision that imposes on the department or a supported entity binding arbitration or any other binding extrajudicial dispute resolution process in which the final resolution is not determined by the state.

11. A provision that waives the department's or a supported entity's right to a jury trial.

12. A provision that obligates the department or a supported entity to pay late payment charges not consistent with section 8A.514, interest greater than allowed under section 8A.514 or other applicable law, or any cancellation charges, as such charges constitute pledges of the state's credit.

13. A provision that obligates the department or a supported entity to pay a tax.

14. A provision that imposes a prior notice obligation on the department or a supported entity as a condition for the automatic renewal of a software license. The department or a supported entity may provide notice of its intent to terminate a software license at any time before the renewal date established in the contract.

15. A provision that obligates the department or a supported entity to accept risk of loss before the receipt of items or goods.

16. A provision that obligates the department or a supported entity to have commercial insurance.

17. A provision that obligates the department or a supported entity to grant to a nongovernmental entity full or partial ownership of intellectual property developed pursuant to the contract when the intellectual property is developed in whole or in part using federal funding.

18. A provision that limits the time in which the department or a supported entity may bring a legal claim under the contract to a period shorter than that provided in Iowa law.

19. A boilerplate provision included in transactional documents received by the department or a supported entity that seeks to alter the terms of the contract or to impose new terms in the contract.

Sec. 5. NEW SECTION 8.95 CONTRACTS — REQUIRED TERMS.

All of the following provisions shall be deemed to be included in a contract entered into by the department or a supported entity under this subchapter:

1. GOVERNING LAW. The contract shall be governed by the laws of the state of Iowa, without giving effect to any conflicts of law principles of Iowa law that may require the application of another jurisdiction's law.

2. VENUE. Any litigation commenced in connection with the contract shall be brought and maintained in an appropriate state or federal court sitting in Iowa.

3. STATE DATA. "State data" means all data, records, information, or content, in any form, that is provided by a state governmental entity to a vendor or that is collected, generated, or otherwise obtained by the vendor in the course of providing a good or service to the state governmental entity.

"State data" does not include aggregated or deidentified data collected by the vendor and used exclusively for the vendor's internal purposes directly related to evaluating or improving system performance, ensuring reliability, evaluating product functionality, conducting system analytics, projecting needs through capacity planning, ensuring license compliance, or evaluating security. State data shall at all times remain the sole and exclusive property of the state, and the vendor shall use state data only as necessary to provide the contracted services to the state. Upon request, the vendor shall provide the state, at no cost, a current copy of all state data in a commercially reasonable and state-acceptable digital format that enables the state to readily use, transfer, or migrate the state data. Except to the extent retention of state data is required by law, grant, or other governmental requirement, the vendor shall, after confirming that the state has received a copy of the state data, permanently delete all state data within a commercially reasonable period of time after the conclusion or termination of the contract. At all times, including any post-contract period in which state data is retained due to record retention obligations, the vendor shall protect state data in accordance with current state data protection policies.

CODE: Requires the following provisions to be included in a contract entered into by the DOM or a supported entity:

- The contract will be governed by the laws of the State of Iowa without giving effect to any conflicts of law principles of Iowa law that may require application of another jurisdiction's law.
- Any litigation will be brought and maintained in an appropriate State or federal court setting in Iowa.
- Defines State data for the purpose of State contracts.

Sec. 6. NEW SECTION 8.96 CONTRACTS — LIMITATION OF LIABILITY — PROHIBITED TERMS.

Notwithstanding section 8A.311, subsection 22, and rules adopted pursuant to that subsection, the director may include a contractual limitation of vendor liability in information technology goods and services contracts. A contractual limitation of vendor liability must take into consideration the public interest and the mitigation of risks associated with the use of information technology goods or services. Any portion of a contractual limitation of vendor liability that includes a repudiation of all liability for cybersecurity incidents or a limitation on the vendor's liability for intentional torts, criminal acts, fraudulent conduct, intentional or willful misconduct, gross negligence, death, bodily injury, damage to real or personal property, intellectual property violations, liquidated damages, compliance with applicable laws, violations of confidential information obligations, or contractual obligations of the vendor pertaining to indemnification shall be void as a matter of law as contrary to public policy. A contractual limit of vendor liability that does not apply equally to the contracted parties or that limits a vendor's liability to less than the contract value inclusive of all possible extensions is void as a matter of law as contrary to public policy.

CODE: Allows the Director of the DOM to include contractual limitations of vendor liability in information technology goods and services contracts.

Sec. 7. NEW SECTION 8.97 CONFIDENTIALITY OF COMMUNICATIONS WITH CHIEF INFORMATION SECURITY OFFICER.

In the interest of facilitating communication between the chief information security officer and other entities concerning security incidents and security breaches, all such communications and any documents generated based in whole or in part on such communications are confidential. Notwithstanding chapter 22 or any other provision of law to the contrary, the department shall not release such communications pursuant to state open records laws, and such communications shall not be received into evidence, subject to discovery, or otherwise used in a trial, hearing, or other proceeding in or before any court, regulatory body, or other authority of the state or a political subdivision of the state, unless the communications are subject to a protective order that prohibits further disclosure of such communications and requires any court

CODE: Requires all communication between the Chief Information Security Officer and other entities concerning security issues to be confidential, except for the following purposes:

- Identifying a cybersecurity threat or a security vulnerability and then only to government officials for purposes of addressing the threat.
- Responding to or otherwise preventing or mitigating a specific threat of death, serious bodily harm, or serious economic harm.
- Responding to, investigating, prosecuting, or otherwise preventing or mitigating a serious threat to a minor, including sexual exploitation and threats to physical safety.
- Preventing, investigating, disrupting, or prosecuting an offense under State or federal law.

filings of such communications to be made under seal. It is the intent of the general assembly that these prohibitions and restrictions also apply to federal courts, regulatory bodies, and other authorities and for purposes of federal open records laws, to the extent allowed by federal law and court rules. The chief information security officer shall not release such communications other than for any of the following purposes:

1. Identifying a cybersecurity threat, including the source of the cybersecurity threat, or a security vulnerability, and then only to government officials for purposes of addressing the threat.
2. Responding to, or otherwise preventing or mitigating, a specific threat of death, serious bodily harm, or serious economic harm.
3. Responding to, investigating, prosecuting, or otherwise preventing or mitigating a serious threat to a minor, including sexual exploitation and threats to physical safety.
4. Preventing, investigating, disrupting, or prosecuting an offense under state or federal law.
5. Providing a confidential cybersecurity briefing to the governor or a member of the general assembly.

- Providing a confidential cybersecurity briefing to the Governor or a member of the General Assembly.

Sec. 8. NEW SECTION 8.98 CRIMINAL JUSTICE INFORMATION.

1. The department is authorized to maintain an integrated information system that enables automated data sharing among the executive branch, judicial branch, and local agencies.

CODE: Authorizes the DOM to maintain an integrated information system for data sharing that enables automated data sharing among the Executive Branch, the Judicial Branch, and local agencies.

NOTE: 2023 Iowa Acts, chapter 19 (State Government Alignment Act) moved Criminal and Juvenile Justice Planning (CJJP) under the Department of Health and Human Services (HHS). In FY 2024 and FY 2025, the HHS and the DOM entered into a Memorandum of Understanding (MOU) to share CJJP staff from the HHS with the DOM. 2025 Iowa Acts, chapter 168 (FY 2026 Administration and Regulation Appropriations Act) appropriated funding and FTE positions for the CJJP to the DOM. This transition has been made permanent and the CJJP has been renamed the Division of Data, Process, and Improvement (DPI).

2. The department is designated as the Iowa statistical analysis center for the purpose of coordinating with data resource agencies to provide data and analytical information

CODE: Designates the DOM as the Iowa statistical analysis center for the purpose of coordinating with data resource agencies to provide data and analytical information to federal,

to federal, state, and local governments. Notwithstanding any other provision of state law to the contrary, unless prohibited by federal law or regulation, the department shall be granted access, for purposes of research and evaluation, to all of the data listed in this subsection, except that intelligence data and peace officer investigative reports maintained by the department of public safety shall not be considered data for the purposes of this section. The department of management and any record, data, or information obtained by the department under this subsection is subject to the federal and state confidentiality laws and rules, including as described in chapter 22, applicable to the original record, data, or information, and to the original custodian of the record, data, or information. Authorized access under this subsection includes but is not limited to all of the following:

a. Juvenile court records and all other information maintained under sections 232.147 through 232.151.

b. Child abuse information under sections 235A.15 through 235A.19.

c. Dependent adult abuse records maintained under chapter 235B.

d. Criminal history data maintained under chapter 692.

e. Sex offender registry information maintained under chapter 692A.

f. Presentence investigation reports maintained under section 901.4.

g. Corrections records maintained under sections 904.601 and 904.602.

h. Community-based correctional program records maintained under chapter 904.

i. Parole records maintained under chapter 906.

j. Deferred judgment, deferred or suspended sentence, and probation records maintained under chapter 907.

k. Violation of parole or probation records maintained under chapter 908.

l. Fine and victim restitution records maintained under chapters 909 and 910.

m. Child welfare records maintained under chapter 235.

3. The department is authorized to provide data analysis and reporting on issues that may affect the state's correctional population and various subgroups of the population. This

State, and local agencies. Allows the DOM to have access to criminal justice information, except that of intelligence data and peace officer investigation reports maintained by the Department of Public Safety (DPS).

DETAIL: The DOM will have access to the following criminal justice information:

- Juvenile court records under Iowa Code sections 232.147 through 232.151.
- Child abuse information under Iowa Code sections 235A.15 through 235A.19.
- Dependent adult abuse records under Iowa Code chapter 235B.
- Criminal history data under Iowa Code chapter 692.
- Sex offender registry information under Iowa Code chapter 692A.
- Presentence investigation reports maintained under Iowa Code section 901.4.
- Corrections records maintained under Iowa Code sections 904.601 and 904.602.
- Community-Based Corrections program records under Iowa Code chapter 904.
- Parole records under Iowa Code chapter 906.
- Deferred judgment, deferred or suspended sentence, and probation records maintained under Iowa Code chapter 907.
- Violation of parole or probation records under Iowa Code chapter 908.
- Fine and victim restitution records maintained under Iowa Code chapters 909 and 910.
- Child welfare records maintained under Iowa Code chapter 235.

NOTE: Current law also includes employment records maintained under Iowa Code section 96.11. This Act does not include this provision.

CODE: Allows the DOM to provide data analysis and reporting on issues that may affect the State's correctional population.

11 9 reporting may include the review of filed, public legislative
11 10 bills, joint resolutions, and amendments, and compiling
11 11 criminal justice data for completion of correctional impact
11 12 statements under section 2.56, minority impact statements, and
11 13 an annual prison population forecast.

DETAIL: This includes reviewing filed public legislative bills, joint resolutions, and amendments and compiling criminal justice data for the completion of correctional impact statements under Iowa Code section 2.56, minority impact statements, and an annual prison population forecast.

11 14 4. The department is authorized to maintain a multiagency
11 15 information system to track the progress of juveniles and
11 16 adults who have been charged with a criminal offense in
11 17 the court system through various state and local agencies
11 18 and programs. This system must utilize existing databases,
11 19 including the Iowa court information system, the Iowa
11 20 corrections offender network, the child welfare information
11 21 system of the department of health and human services,
11 22 the federally mandated national adoption and foster care
11 23 information system, and other state and local databases
11 24 pertaining to juveniles and to adults who have been charged
11 25 with a criminal offense in the court system, to the extent
11 26 practicable.

CODE: Allows the DOM to maintain a multiagency information system to track the progress of juveniles and adults who have been charged with a criminal offense.

11 27 5. The multiagency information system is authorized to
11 28 count and track decision points for juveniles in the juvenile
11 29 justice system and minors in the child welfare system, evaluate
11 30 the experiences of the juveniles and minors, and evaluate
11 31 the success of the services provided. The system is also
11 32 authorized to count and track decision points for adults who
11 33 have been charged with a criminal offense in the court system,
11 34 including but not limited to dismissed charges, convictions,
11 35 deferred judgments, and sentence information.

CODE: Allows the DOM to count and track decision points, evaluate experiences, and evaluate the success of the services provided for juveniles in the juvenile justice system and minors in the welfare system. In addition, the DOM is authorized to court and track decision points for adults who have been charged with a criminal offense in the court system. This includes dismissed charges, convictions, deferred judgments, and sentencing information.

11 36 6. If the department has insufficient moneys or resources
11 37 to implement this section, the department is authorized to
11 38 determine which portion of this section may be implemented, if
11 39 any, and the remainder of this section shall not apply.

CODE: Allows the DOM to determine which authorized tasks of the Iowa statistical analysis center to perform if the DOM lacks sufficient moneys or resources to implement these tasks.

12 1 Sec. 9. NEW SECTION 8.99 CONFIDENTIALITY OF DATA.
12 2 1. For purposes of chapter 22, the department shall not be
12 3 deemed to be the lawful custodian of records the department
12 4 maintains for another department or establishment under this
12 5 subchapter, to the extent the records in question are held

CODE: Specifies the DOM is not the lawful custodian of records that the DOM maintains for another department or establishment. This includes the following information:

- Electronic messaging system data.

by the department as an automated data processing unit of government or held by the department solely for storage for another department or establishment. Such records include but are not limited to all of the following:

a. Electronic messaging system data.

b. Mainframe data.

c. Storage solutions or other electronic information, such as on-premises server data storage and cloud data storage.

- Mainframe data.
- Storage of electronic information, such as on-premises server data storage or cloud data storage.

2. If the department receives a request pursuant to chapter 22 for records over which the department has determined it is not the lawful custodian, the department shall deny the request and inform the requester to seek the information from the lawful custodian as provided in chapter 22. The department's determination that it is not the lawful custodian of records is presumed valid. The presumption may be rebutted by clear and convincing evidence to the contrary.

CODE: Requires the DOM to deny a request for records for which the DOM has determined it is not the lawful custodian.

3. The department shall provide assistance to the lawful custodian of records held by the department so that the lawful custodian can comply with the production obligations of chapter 22.

CODE: Requires the DOM to provide assistance to the lawful custodian of records to comply with production obligations of Iowa Code chapter 22.

4. If the department receives a subpoena in an administrative, civil, or criminal case for records for which the department is not the lawful custodian, the department shall notify the lawful custodian and the attorney general's office and cooperate in any efforts to resist the subpoena.

CODE: Requires the DOM to notify the lawful custodian and the Attorney General's Office if the DOM receives a subpoena for records for which the DOM is not the lawful custodian and to cooperate in any efforts to resist the associated subpoena.

Sec. 10. Section 216A.131A, Code 2026, is amended to read as follows:

216A.131A CRIMINAL AND JUVENILE JUSTICE PLANNING.

The department shall fulfill the responsibilities of this subchapter, including the duties specified in sections 216A.133, 216A.135, ~~216A.136, 216A.137, 216A.138,~~ and 216A.140.

CODE: Eliminates the following sections from the provisions of Iowa Code section 216A.131A:

- Iowa Code section 216A.136 (Statistical analysis center — access to records).
- Iowa Code section 216A.137 (Correctional policy project).
- Iowa Code section 216A.138 (Multiagency database concerning juveniles).

Sec. 11. Section 216A.133, subsection 1, paragraphs d, e, f, l, and t, Code 2026, are amended by striking the paragraphs.

CODE: Removes requirements for the HHS to perform the following duties:

- Provide the General Assembly with an analysis of current and proposed criminal code provisions.
- Provide for a clearinghouse of justice system information to coordinate with data resource agencies and assist others in the use of justice system data.
- Coordinate with data resource agencies to provide data and analytical information to federal, State, and local governments, and assist agencies in the use of criminal justice data.
- Provide technical assistance upon request to State and local agencies.
- Review data supplied by the HHS, the DOM, the Legislative Services Agency, the Iowa Supreme Court, and other departments or agencies for the purpose of determining the effectiveness and efficiency of the collection of such data.

12 39 Sec. 12. Section 216A.133, subsection 1, paragraph q, subparagraphs (1) and (6), Code 2026, are amended by striking the subparagraphs.

CODE: Removes the requirement that the HHS provide to the General Assembly analysis and recommendations based on the following factors:

- Potential disparity in sentencing.
- Costs associated with the implementation of criminal code provisions.

13 3 Sec. 13. Section 216A.133, subsection 1, paragraph s, Code 2026, is amended to read as follows:
s. Provide expertise and advice to the legislative services agency, the department of management, the department of corrections, the judicial branch, and others charged with formulating fiscal, correctional, or minority impact statements.

CODE: Includes the DOM in the list of agencies to which the HHS is required to provide expertise and advice regarding formulating fiscal, correctional, and minority impact statements.

13 10 Sec. 14. Section 216A.135, subsection 2, paragraph e, Code 2026, is amended by striking the paragraph.

CODE: Removes the requirement that the HHS include a collection of criminal and juvenile justice data in its three-year criminal and juvenile justice plan.

13 12 Sec. 15. Section 232.147, subsection 2, paragraph i, Code 2026, is amended to read as follows:
i. The statistical analysis center for the purposes stated

CODE: Makes conforming changes to Iowa Code section 232.147(2)(i) (Confidentiality of Juvenile Court Records).

13 15 in section ~~216A.136~~ 8.98.

13 16 Sec. 16. Section 232.147, subsection 3, paragraph n, Code
13 17 2026, is amended to read as follows:
13 18 n. The statistical analysis center for the purposes stated
13 19 in section ~~216A.136~~ 8.98.

CODE: Makes conforming changes to Iowa Code section 232.147(3)(n) (Confidentiality of Juvenile Court Records).

13 20 Sec. 17. Section 232.147, subsection 4, paragraph i, Code
13 21 2026, is amended to read as follows:
13 22 i. The statistical analysis center for the purposes stated
13 23 in section ~~216A.136~~ 8.98.

CODE: Makes conforming changes to Iowa Code section 232.147(4)(i) (Confidentiality of Juvenile Court Records).

13 24 Sec. 18. Section 232.149, subsection 5, paragraph f, Code
13 25 2026, is amended to read as follows:
13 26 f. The statistical analysis center for the purposes stated
13 27 in section ~~216A.136~~ 8.98.

CODE: Makes conforming changes to Iowa Code section 232.149(5)(f) (Records of Criminal or Juvenile Justice Agencies, Intake Officers, and Juvenile Court Officers).

13 28 Sec. 19. Section 232.149A, subsection 3, paragraph m, Code
13 29 2026, is amended to read as follows:
13 30 m. The statistical analysis center for the purposes stated
13 31 in section ~~216A.136~~ 8.98.

CODE: Makes conforming changes to Iowa Code section 232.149A(3)(m) (Confidentiality Orders).

13 32 Sec. 20. REPEAL. Sections 216A.136, 216A.137, and
13 33 216A.138, Code 2026, are repealed.

Repeals the following Iowa Code sections:

- Iowa Code section 216A.136 (Statistical analysis center — access to records).
- Iowa Code section 216A.137 (Correctional policy project).
- Iowa Code section 216A.138 (Multiagency database concerning juveniles).

13 34 Sec. 21. EFFECTIVE DATE. The following take effect July 1,
13 35 2027:
13 36 The portions of the section of this Act amending section
13 37 8.57C, subsections 2 and 4.

Specifies that Section 2 of this Act, which appropriates moneys in the TRF to the DOM for technology projects and relates to the required report from the DOM to the General Assembly on the status of all projects funded from the TRF by January 1 of each year, takes effect July 1, 2027 (FY 2028).

13 38 Sec. 22. APPLICABILITY. The following apply to contracts
13 39 entered into or renewed on or after July 1, 2026:
14 1 1. The section of this Act enacting section 8.94.
14 2 2. The section of this Act enacting section 8.95.

Specifies that the following sections of this Act will apply to contracts entered into or renewed on or after July 1, 2026 (FY 2027):

PG LN	GA:91 HF1028	Explanation
14 3	3. The section of this Act enacting section 8.96.	• Section 4 of this Act enacting 8.94 (Contracts — Prohibited Terms). • Section 5 of this Act enacting 8.95 (Contracts — Required Terms). • Section 6 of this Act enacting 8.96 (Contracts — Limitation of Liability — Prohibited Terms).

Unassigned Standings
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Gov Rec FY 2027 (3)	Final Action FY 2027 (4)	Final Action vs Est Net FY 2026 (5)	Page and Line # (6)
Management, Department of						
Management, Dept. of						
Technology Reinvest. Fund - Reduction	$ 0	$ 0	$ 0	$ -17,500,000	$ -17,500,000	PG 3 LN 3
Total Management, Department of	$ 0	$ 0	$ 0	$ -17,500,000	$ -17,500,000	
Total Unassigned Standings	$ 0	$ 0	$ 0	$ -17,500,000	$ -17,500,000	

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Establishes an Early Childhood and Family Services (ECFS) system under the control of the Department of Health and Human Services (HHS) for the purpose of implementing a statewide array of primary prevention strategies, early intervention strategies, and ongoing family and community resources for families and their children under 19 years of age. Outlines requirements for the HHS in administering the ECFS system.	Page 3, Line 22
Requires the HHS to establish an ECFS district advisory council in each ECFS district and outlines requirements. The HHS is required to develop policies and procedures for the operational functions of each ECFS district advisory council.	Page 5, Line 37
Requires the HHS to collect, maintain, monitor, analyze, and utilize data as necessary to perform ECFS system activities. The HHS is required to ensure the confidentiality and integrity of individually identifiable data and periodically assess the status of the HHS's compliance with federal and State privacy laws to ensure that data collected and maintained is protected.	Page 6, Line 34
Establishes an ECFS System Fund in the State Treasury under the control of the HHS consisting of any moneys appropriated to the HHS for the ECFS System Fund's purposes by the General Assembly and any other moneys available and obtained or accepted by the HHS for deposit in the ECFS System Fund. Requires the ECFS System Fund to be used to implement and administer the ECFS system. Appropriates moneys in the ECFS System Fund to the HHS for the purposes of implementing and administering the ECFS system. Establishes that interest or earnings on moneys in the ECFS System Fund will be credited to the Fund.	Page 8, Line 12
Requires the HHS, with input from appropriate stakeholders, to review the Child Abuse Prevention program's contract for program administration and each grant project funded through the Child Abuse Prevention program for FY 2026 impacted by Division III of this Act. The HHS is required to work with the Child Abuse Prevention program's program administrator, local child abuse stakeholders, and grant project recipients to transition the funding and child abuse prevention administration and service delivery to the ECFS system.	Page 13, Line 30
Requires the Legislative Council to convene a study committee during the 2026 Legislative Interim to review the most efficient means to transition home visiting services currently offered through an Early Childhood Iowa (ECI) area to a system based on districts created by the HHS and to implement the transition with minimal disruption to services.	Page 16, Line 25

Requires the HHS to cooperate with any formal request for data from the interim study committee and to redact all personal identifying information prior to submitting the requested data. Page 17, Line 33

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Permits a person who files an individual or a joint income tax return with the Department of Revenue to designate $1 or more to be paid to the ECFS System Fund for child abuse prevention instead of permitting designation of $1 or more to be paid to the Child Abuse Prevention Program Fund. Page 12, Line 24

Transfers any unencumbered or unobligated moneys remaining in the Child Abuse Prevention Program Fund at the close of FY 2026 to the ECFS System Fund created in Iowa Code section 234A.6, as established by this Act. Page 13, Line 24

Requires the HHS to develop and implement a plan to transfer the administration of an ECI area board's home visiting services to the ECFS system if requested by the ECI area board, and outlines what must be included in the plan. Page 14, Line 32

Requires the HHS during and after the transfer of the administration of home visiting services to the ECFS system, and contingent upon the receipt of additional federal funds for home visiting services pursuant to the Social Security Act, Tit. IV-E, to annually redistribute among the ECI areas that made a request to transition the administration of home visiting services the following percentages, up to $7.0 million, of the additional federal funds received for coordination of early childhood services for children from age zero through age five: Page 16, Line 8

- FY 2028 = 25.0%.
- FY 2029 = 15.0%.
- FY 2030 = 5.0%.

FUNDING FOR PROJECTS AND PROGRAMS

Requires the HHS to administer and distribute federal aid received and State appropriations, grants, and other moneys deposited into the ECFS System Fund, as created by this Act. Page 5, Line 8

STUDIES AND INTENT

Nonreversion

Specifies that moneys appropriated in Iowa Code section 234A.6, as established by this Act, that remain unencumbered or unobligated at the close of a fiscal year shall not revert but will remain available for expenditure for the purposes designated.	Page 8, Line 25
Allows moneys transferred and appropriated to the HHS and Juvenile Court Services to remain available to those entities to be used for child welfare and juvenile justice services until expended.	Page 11, Line 10
Specifies that moneys appropriated under Iowa Code section 144.13A(5)(a) that remain unencumbered or unobligated at the close of the fiscal year will remain available for the purposes designated until the close of FY 2028 and will not be transferred, used, obligated, appropriated, or otherwise encumbered, except as provided under Iowa Code section 144.13A(5)(a).	Page 12, Line 10

Required Reports

Requires the interim study committee to submit a final report with the committee's findings and recommendations to the General Assembly no later than January 8, 2027. In lieu of a final report, the interim study committee is permitted to submit a bill draft to the General Assembly with proposed changes to the Iowa Code based on the interim study committee's findings.	Page 17, Line 38

Rules

Requires the HHS to adopt administrative rules to administer Iowa Code chapter 234A, as established by this Act.	Page 5, Line 24

SIGNIFICANT CODE CHANGES

Repeals Iowa Code section 135.106 (Healthy Families Programs — HOPES-HFI Program). Instead, Section 5 of this Act permits the HHS to establish the Healthy Opportunities for Parents to Experience Success — Healthy Families Iowa (HOPES–HFI) program to provide services to families and children during a child's prenatal through preschool years.	Page 8, Line 32
Repeals Iowa Code section 232.188 relating to the decategorization of child welfare and juvenile justice funding initiative.	Page 9, Line 22

FISCAL IMPACT: The HHS estimates that eliminating child welfare decategorization will have an annual cost savings to the HHS of $1.7 million.

Modifies the standing appropriation of $10 from each birth certificate registration fee by requiring it be used for child abuse prevention instead of for primary and secondary child abuse prevention programs pursuant to Iowa Code section 235A.1. — Page 12, Line 10

EFFECTIVE DATE

This Act takes effect July 1, 2026 unless specified below.

Specifies that Section 6 of Division I of this Act enacting Iowa Code section 234A.6 relating to the ECFS System Fund takes effect on June 2, 2026. — Page 8, Line 33

Specifies that Section 14 of Division II of this Act related to decategorization funding and initiatives takes effect on June 2, 2026, and applies retroactively to July 1, 2025. — Page 12, Line 1

Specifies that Section 21 of Division III of this Act relating to the review of contracts impacted by the transition of the Child Abuse Prevention program to the ECFS system takes effect on June 2, 2026, and applies retroactively to July 1, 2025. — Page 14, Line 5

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 2, 2026.

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Senate File 2488 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	9	1	New	234A.1
3	22	2	New	234A.2
5	37	3	New	234A.3
6	34	4	New	234A.4
7	36	5	New	234A.5
8	12	6	New	234A.6
8	32	7	Repeal	135.106
8	38	9	Amend	235.7.2
9	15	10	Strike	237A.1.2.j.(2)
9	18	11	Strike	249A.26.5
9	20	12	Strike	256I.4.6
9	22	13	Repeal	232.188
12	10	17	Amend	144.13A.5.a
12	24	18	Amend	422.12K
13	22	19	Repeal	235A.1; 235A.2; 235A.3
18	7	26	Amend	232.69.1.b.(5)
18	15	27	Amend	237A.30.1
18	21	28	Amend	256I.13.1

DIVISION I
EARLY CHILDHOOD AND FAMILY SERVICES SYSTEM

Section 1. NEW SECTION 234A.1 DEFINITIONS.
For the purposes of this chapter, unless the context otherwise requires:
1. "Community resources" means locally focused, strength-based programs and supports that aim to enhance family functioning and resilience, promote child development and safety, and prevent future involvement with child protective services or the juvenile justice system.
2. "Department" means the department of health and human services.
3. "Early childhood and family services district" or "ECFS district" means a health and human services district utilized for the purpose of administering the ECFS system.
4. "Early childhood and family services district advisory council" or "ECFS district advisory council" means an advisory council established under section 234A.3.
5. "Early childhood and family services district plan" or "ECFS district plan" means a plan developed by the department to outline the ECFS system infrastructure of a district and the programs and services intended to be provided within that district.
6. "Early childhood and family services state plan" or "ECFS state plan" means the plan developed by the department that describes the key components of the state's ECFS system.
7. "Early childhood and family services system" or "ECFS system" means the system established in section 234A.2.
8. "Early childhood and family services system fund" or "ECFS system fund" means the fund created in section 234A.6.
9. "Early intervention strategies" means services and supports designed to proactively identify and address risk factors and includes services that aim to strengthen families, promote healthy development, and reduce the likelihood of abuse or neglect by providing timely, targeted assistance to children and caregivers through the ECFS system.
10. "Evidence-based" means practices, programs, and policies grounded in the best available research and data, and that have been scientifically tested and shown to be effective through rigorous evaluation.

CODE: Establishes definitions for the purposes of the Early Childhood and Family Services (ECFS) system.

11. “Family support services” include group-based parent education and home visiting programs designed to strengthen protective factors including parenting skills, increase parental knowledge of child development, and increase family functioning and problem-solving skills. Family support services may be used as an early intervention strategy to improve birth outcomes, parental knowledge, family economic success, the home learning environment, family and child involvement with others, and coordination with other community resources. Family support services may have a specific focus on preventing child maltreatment or ensuring children are safe, healthy, and ready to succeed in school.

12. “Health and human services district” means the same as defined in section 217.1.

13. “HOPES-HFI program” means the healthy opportunities for parents to experience success – healthy families Iowa program established in section 234A.5.

14. “Ongoing family and community resources” means a continuum of sustained, accessible, and family-centered resources provided through the ECFS system that help families meet their needs, strengthen protective factors, and prevent child abuse and neglect.

15. “Primary prevention strategies” means a comprehensive set of services and supports provided through the ECFS system that are designed to strengthen families, promote healthy child development, and prevent adverse outcomes before they occur. These activities focus on addressing the underlying social, economic, and environmental conditions that place children and families at risk, such as poverty, social isolation, and lack of access to quality early care and education.

16. “Protective factor” means an inherent strength, resource, or capacity of a family, or a resource that helps a family thrive, buffer against stress, and reduce the likelihood of child abuse, neglect, or other poor outcome.

17. “Strength-based” means an approach that focuses on identifying and building upon the inherent strengths, resources, and capacities of a family to support the family’s growth, resilience, and well-being.

Sec. 2. NEW SECTION 234A.2 EARLY CHILDHOOD AND FAMILY SERVICES SYSTEM — DEPARTMENT POWERS AND DUTIES.

1. An early childhood and family services system is

CODE: Establishes an ECFS system under the control of the Department of Health and Human Services (HHS) for the purpose of implementing a statewide array of primary

established under the control of the department for the purposes of implementing a statewide array of primary prevention strategies, early intervention strategies, and ongoing family and community resources for families and their children under nineteen years of age.

prevention strategies, early intervention strategies, and ongoing family and community resources for families and their children under 19 years of age.

2. The ECFS system shall be administered in a manner to maximize funding opportunities, interagency collaboration, and integration of activities and services that support positive outcomes for children and families.

CODE: Requires the ECFS system to be administered in a manner to maximize funding opportunities, interagency collaboration, and integration of activities and services that support positive outcomes for children and families.

3. The ECFS system shall support equitable statewide access to all services, supports, and other resources offered through the ECFS system that, at a minimum, shall include all of the following:

a. Evidence-based primary prevention strategies, including family support services, designed to assist families in establishing healthy, successful futures.

b. Tailored early intervention strategies for children and families to ensure long-term well-being, including economic self-sufficiency.

c. Ongoing family and community resources for children and families to address the root causes of child abuse and neglect and enhance protective factors.

d. Specific service components including early childhood services, evidence-based family support services, and community resources.

CODE: Requires the ECFS system to support equitable statewide access to all services, supports, and other resources offered through the ECFS system that, at a minimum, include the following:

- Evidence-based primary prevention strategies.
- Tailored early intervention strategies for children and families to ensure long-term well-being, including economic self-sufficiency.
- Ongoing family and community resources that address the root causes of child abuse and neglect and enhance protective factors.
- Specific service components, including early childhood services, evidence-based family support services, and community resources.

4. To the extent funding is available, the department shall do all of the following to develop and administer the ECFS system and carry out the department's duties under this chapter:

a. Plan, establish, and maintain primary prevention strategies, early intervention strategies, and ongoing family and community resources.

b. (1) Develop an early childhood and family services state plan that is consistent with the department's agency strategic plan adopted pursuant to section 8E.204, and the state health improvement plan developed under section 217.17.

(2) When developing the ECFS state plan, the department shall do all of the following:

(a) Collaborate with stakeholders including but not

CODE: Requires the HHS, to the extent to which funding is available, to do all of the following to develop and administer the ECFS system:

- Plan, establish, and maintain primary prevention strategies, early intervention strategies, and ongoing family community resources.
- Develop an ECFS State plan that is consistent with the HHS's agency strategic plan adopted pursuant to Iowa Code section 8E.204 and the State health improvement plan developed under Iowa Code section 217.17.
- Collaborate with stakeholders when developing the ECFS State plan.

4 25 limited to experienced public health and medical providers, law
4 26 enforcement, educators, the early childhood Iowa state board,
4 27 the early childhood Iowa area boards, and organizations that
4 28 represent populations including but not limited to children to
4 29 be served by the ECFS system.
4 30 (b) Publish the proposed ECFS state plan on the department's
4 31 internet site and allow the public to review and comment on the
4 32 proposed ECFS state plan prior to adoption.
4 33 c. Administer the ECFS system in each ECFS district based on
4 34 early childhood and family services district plans.
4 35 d. Develop ECFS district plans in collaboration with ECFS
4 36 system partners and stakeholders.
4 37 e. Establish ECFS district advisory councils pursuant to
4 38 section 234A.3.
4 39 f. Coordinate administration of each ECFS district plan with
5 1 federal and state resources.
5 2 g. Enter into contracts as necessary to perform activities,
5 3 and provide services, supports, and other resources in
5 4 accordance with each ECFS district plan.
5 5 h. Coordinate district activities with other state agencies
5 6 and state-funded initiatives that support positive outcomes for
5 7 children and families.
5 8 i. Administer and distribute federal aid received, and state
5 9 appropriations, grants, and other moneys deposited into the
5 10 early childhood and family services system fund.
5 11 j. Oversee, provide technical assistance to, and monitor
5 12 department contractors to ensure compliance with ECFS district
5 13 plans.
5 14 k. Establish and maintain data collection and management
5 15 information systems to identify, collect, and analyze service
5 16 outcomes and performance data to address the needs of clients,
5 17 providers, the department, and ECFS system programs.
5 18 l. Collect, maintain, monitor, analyze, and utilize
5 19 information including but not limited to ECFS client records
5 20 and programmatic, state, and national data, engage in studies
5 21 and analyses, and gather relevant statistics to understand
5 22 emerging needs and effectively deploy information, resources,
5 23 and technical assistance in response.
5 24 m. Adopt rules pursuant to chapter 17A to administer this
5 25 chapter.
5 26 n. Take any other necessary actions to execute the
5 27 department's duties under this chapter or maintain compliance

- Publish the proposed ECFS State plan on the HHS's internet site prior to adoption of the plan to allow the public to review and comment on the proposed ECFS State plan.
- Administer the ECFS system in each ECFS district based on ECFS district plans.
- Develop ECFS district plans in collaboration with ECFS system partners and stakeholders.
- Establish ECFS district advisory councils pursuant to Iowa Code section 234A.3, which is established in this Act.
- Coordinate the administration of each ECFS district plan with federal and State resources.
- Enter into contracts as necessary to perform activities and provide services, supports, and other resources in accordance with each ECFS district plan.
- Coordinate district activities with other State agencies and State-funded initiatives that support positive outcomes for children and families.
- Administer and distribute federal aid received and State appropriations, grants, and other moneys deposited into the ECFS System Fund, as created by this Act.
- Oversee, provide technical assistance to, and monitor HHS contractors to ensure compliance with ECFS district plans.
- Maintain data collection and management information systems.
- Collect, maintain, monitor, analyze, and utilize information; engage in studies and analyses; and gather relevant statistics to understand emerging needs and deploy information, resources, and technical assistance in response.
- Adopt administrative rules to administer Iowa Code chapter 234A, as established by this Act.
- Take any other actions that are necessary to execute the HHS's duties under Iowa Code chapter 234A, as established by this Act, or maintain compliance with federal requirements.

with federal requirements.

5. The department may do all of the following to develop and administer the ECFS system:
a. Cooperate with any state agency, political subdivision, or federal governmental agency to apply for grants.
b. Solicit and accept for use any gift of money, by will or otherwise, and any grant of money or services from the federal government, the state, a political subdivision of the state or federal government, or a private source.

CODE: Permits the HHS to do the following to develop and administer the ECFS system:

- Cooperate with any State agency, political subdivision, or federal government agency to apply for grants.
- Solicit and accept for use any gift of moneys, by will or otherwise, and any grant of moneys or services from the federal government, the State, a political subdivision of the State or federal government, or a private source.

Sec. 3. NEW SECTION 234A.3 EARLY CHILDHOOD AND FAMILY SERVICES DISTRICT ADVISORY COUNCILS.
1. The department shall establish an early childhood and family services district advisory council in each ECFS district. The department shall develop policies and procedures for the operational functions of each ECFS district advisory council.

CODE: Requires the HHS to establish an ECFS district advisory council in each ECFS district. The HHS is required to develop policies and procedures for the operational functions of each ECFS district advisory council.

2. An ECFS district advisory council shall consist of ten members appointed by the department. Individuals eligible for appointment include but are not limited to all of the following:
a. Elected public officials who currently hold office within the ECFS district.
b. Individuals who have experience or expertise related to health, education, domestic assault response, abuse response, or community-based child abuse prevention.
c. Individuals who are representative of the populations served in the ECFS district advisory council’s ECFS district.
d. Individuals who represent the faith community or community partners in the ECFS district advisory council’s ECFS district.

CODE: Establishes that an ECFS district advisory council consists of 10 members appointed by the HHS. Individuals eligible for appointment include but are not limited to the following:

- Elected public officials who currently hold office within the ECFS district.
- Individuals who have experience or expertise related to health, education, domestic assault response, abuse response, or community-based child abuse prevention.
- Representatives of the populations served in the ECFS district advisory council's ECFS district.
- Representatives of the faith community or community partners in the ECFS district advisory council's ECFS district.

3. An ECFS district advisory council shall do all of the following:
a. Identify opportunities and address challenges based on updates received from the department relating to the implementation of the ECFS district plan for the ECFS district

CODE: Establishes required duties of an ECFS district advisory council.

advisory council's ECFS district.
b. Provide feedback to the department while the department is developing ECFS system policies.
c. Advise the department on how to best provide families access to primary prevention strategies, early intervention strategies, and ongoing family and community resources throughout the ECFS district advisory council's ECFS district.

4. An ECFS district advisory council shall perform the duties required under this section regardless of whether any seat on the ECFS district advisory council is vacant.

CODE: Requires an ECFS district advisory council to perform the duties required under Iowa Code section 234A.3, as established by this Act, regardless of whether any seat on the ECFS district advisory council is vacant.

Sec. 4. NEW SECTION 234A.4 DATA COLLECTION AND USE.
1. The department shall perform all of the following actions related to ECFS system data:
a. (1) Collect, maintain, monitor, analyze, and utilize data, including but not limited to child welfare data, Medicaid data, ECFS system data, and other data depicting the status of children and families in the state, as necessary to issue cost estimates for serving populations, make and receive payments, conduct operations, and perform ECFS system activities.
(2) When performing duties under this paragraph, the department shall maintain compliance with applicable federal and state privacy laws to ensure the confidentiality and integrity of individually identifiable data.
(3) The department shall periodically assess the status of the department's compliance with subparagraph (2) to ensure that data collected and maintained by the department under this paragraph is protected.

CODE: Requires the HHS to collect, maintain, monitor, analyze, and utilize data as necessary to perform ECFS system activities. The HHS is required to ensure the confidentiality and integrity of individually identifiable data and periodically assess the status of the HHS's compliance with federal and State privacy laws to ensure that data collected and maintained is protected.

b. To the extent possible, establish a record for each individual receiving publicly funded ECFS system services. Each record established under this paragraph shall include a unique client identifier for the purposes of identifying and tracking the individual's record.

CODE: Requires the HHS, to the extent possible, to establish a record for each individual receiving publicly funded ECFS system services, including a unique client identifier.

c. Consult with department contractors and other ECFS system stakeholders on an ongoing basis relating to the administration of the ECFS system, including but not limited to reviewing trends and outcomes as indicators for improving or modifying administration of the ECFS system.

CODE: Requires the HHS to consult with HHS contractors and other ECFS system stakeholders on an ongoing basis related to the administration of the ECFS system, including but not limited to reviewing trends and outcomes.

d. Engage with entities that maintain information the department is required to collect pursuant to this section to integrate data relating to individuals receiving ECFS system services.

CODE: Requires the HHS to engage with entities that maintain information the HHS is required to collect pursuant to Iowa Code section 234A.4, as established by this Act, to integrate data relating to individuals receiving ECFS system services.

e. Engage with entities that maintain general population data relating to the ECFS system to develop action plans, create projections relating to a population's ECFS system needs, develop ECFS system policies, and otherwise perform activities as necessary to support families in achieving a healthy, successful future.

CODE: Requires the HHS to engage with entities that maintain general population data relating to the ECFS system to develop action plans, create projections relating to a population's ECFS system needs, develop ECFS system policies, and otherwise perform activities as necessary to support families.

2. The department shall ensure that public and private agencies, organizations, and individuals that operate within the ECFS system use uniform methods to maintain statistical information relating to ECFS system outcomes and performance.

CODE: Requires the HHS to ensure that public and private agencies, organizations, and individuals that operate within the ECFS system use uniform methods to maintain statistical information relating to ECFS system outcomes and performance.

Sec. 5. NEW SECTION 234A.5 HEALTHY FAMILIES PROGRAMS — HOPES-HFI PROGRAM.

1. The department may establish the HOPES-HFI program to provide services to families and children during a child's prenatal through preschool years. If established, the HOPES-HFI program shall do all of the following:
a. Promote optimal child health and development.
b. Improve family coping skills and functioning.
c. Promote positive parenting skills and intrafamilial interaction.
d. Prevent child abuse, child neglect, infant mortality, and infant morbidity.

CODE: Permits the HHS to establish the Healthy Opportunities for Parents to Experience Success (HOPES) – Healthy Families Iowa (HFI) program to provide services to families and children during a child's prenatal through preschool years.

DETAIL: The HOPES-HFI program is currently established and required under Iowa Code section 135.106.

2. The department shall administer the HOPES-HFI program, in whole or in part, by contracting with local organizations that use evidence-based home visiting models.

CODE: The HHS is required to administer the HOPES-HFI program, in whole or in part, by contracting with local organizations that use evidence-based home visiting models.

Sec. 6. NEW SECTION 234A.6 EARLY CHILDHOOD AND FAMILY SERVICES SYSTEM FUND.

CODE: Establishes an ECFS System Fund in the State Treasury under the control of the HHS consisting of any

8 14 1. An early childhood and family services system fund
8 15 is created in the state treasury under the control of the
8 16 department and consisting of any moneys appropriated to the
8 17 department for the ECFS system fund's purposes by the general
8 18 assembly and any other moneys available and obtained or
8 19 accepted by the department for deposit in the ECFS system fund.
8 20 The ECFS system fund shall be used to implement and administer
8 21 the ECFS system.

moneys appropriated to the HHS for the ECFS System Fund's purposes by the General Assembly and any other moneys available and obtained or accepted by the HHS for deposit in the ECFS System Fund. Requires the ECFS System Fund to be used to implement and administer the ECFS system.

8 22 2. Moneys in the ECFS system fund are appropriated to the
8 23 department for the purposes of implementing and administering
8 24 the ECFS system.

CODE: Appropriates moneys in the ECFS System Fund to the HHS for the purposes of implementing and administering the ECFS system.

8 25 3. Notwithstanding section 8.33, moneys appropriated in
8 26 this section that remain unencumbered or unobligated at the
8 27 close of a fiscal year shall not revert but shall remain
8 28 available for expenditure for the purposes designated.

CODE: Specifies that moneys appropriated in Iowa Code section 234A.6, as established by this Act, that remain unencumbered or unobligated at the close of a fiscal year shall not revert but will remain available for expenditure for the purposes designated.

8 29 4. Notwithstanding section 12C.7, subsection 2, interest or
8 30 earnings on moneys in the ECFS system fund shall be credited
8 31 to the ECFS system fund.

CODE: Establishes that interest or earnings on moneys in the ECFS System Fund will be credited to the Fund.

8 32 Sec. 7. REPEAL. Section 135.106, Code 2026, is repealed.

CODE: Repeals Iowa Code section 135.106 (Healthy Families Programs — HOPES-HFI Program).

8 33 Sec. 8. EFFECTIVE DATE. The section of this division of
8 34 this Act enacting section 234A.6, being deemed of immediate
8 35 importance, takes effect upon enactment.

Specifies that Section 6 of Division I of this Act enacting Iowa Code section 234A.6 relating to the ECFS System Fund takes effect on June 2, 2026.

8 36 DIVISION II
8 37 DECATEGORIZATION INITIATIVE

8 38 Sec. 9. Section 235.7, subsection 2, Code 2026, is amended
8 39 to read as follows:
9 1 2. MEMBERSHIP. ~~The department may authorize the governance~~
9 2 ~~boards of decategorization of child welfare and juvenile~~
9 3 ~~justice funding projects established under section 232.188 to~~
9 4 ~~appoint the transition committee membership and may utilize~~
9 5 ~~the boundaries of decategorization projects to establish~~

CODE: Removes permission for the HHS to authorize the governance boards of decategorization of child welfare and juvenile justice funding projects established under Iowa Code section 232.188 to appoint the transition committee membership and to utilize the boundaries of decategorization projects to establish the service areas for transition committees.

9 6 ~~the service areas for transition committees. The committee~~
9 7 A committee's membership may include but is not limited to
9 8 department staff involved with foster care, child welfare,
9 9 and adult services, juvenile court services staff, staff
9 10 involved with county general assistance or emergency relief
9 11 under chapter 251 or 252, school district and area education
9 12 agency staff involved with special education, and a child's
9 13 court appointed special advocate, guardian ad litem, service
9 14 providers, and other persons knowledgeable about the child.

9 15 Sec. 10. Section 237A.1, subsection 2, paragraph j,
9 16 subparagraph (2), Code 2026, is amended by striking the
9 17 subparagraph.

CODE: Strikes Iowa Code section 237A.1(2)(j)(2), which establishes that care, supervision, and guidance of a child at a structured program for the purpose of providing therapeutic, rehabilitative, or supervisory services to children under a contract approved by a governance board of a decategorization of child welfare and juvenile justice funding project are excluded from the definition of "child care" under Iowa Code chapter 237A (Child Care Facilities).

9 18 Sec. 11. Section 249A.26, subsection 5, Code 2026, is
9 19 amended by striking the subsection.

CODE: Strikes Iowa Code section 249A.26(5), which requires that funding under the Medical Assistance program be provided for case management services for eligible persons 17 years of age or younger residing in counties with child welfare decategorization projects, provided that these projects have included these persons in the service plan and the decategorization project county is willing to provide the nonfederal share of costs.

9 20 Sec. 12. Section 256I.4, subsection 6, Code 2026, is amended
9 21 by striking the subsection.

CODE: Strikes Iowa Code section 256I.4(6), which requires the Early Childhood Iowa (ECI) State Board to assist with the linkage of child welfare and juvenile justice decategorization projects with ECI areas.

9 22 Sec. 13. REPEAL. Section 232.188, Code 2026, is repealed.

CODE: Repeals Iowa Code section 232.188 relating to the decategorization of child welfare and juvenile justice funding initiative.

FISCAL IMPACT: The HHS estimates that eliminating child welfare decategorization will have an annual cost savings to the HHS of $1,700,000.

Sec. 14. DECATEGORIZATION FUNDING AND INITIATIVES.

1. For purposes of this section, unless the context otherwise requires:

a. “Carryover funding” means unobligated or unencumbered moneys described in section 232.188, subsection 5, paragraph “b”, Code 2026, at the close of the fiscal year beginning July 1, 2025.

b. “Decategorization initiative” means the services and activities funded through a funding pool.

c. “Department” means the department of health and human services.

d. “Funding” means moneys transferred to and remaining in a funding pool at the close of the fiscal year that began July 1, 2025, and that consist of any of the following:

(1) Moneys appropriated by the general assembly and designated for a decategorization initiative.

(2) Moneys appropriated by the general assembly to the department for child welfare and juvenile justice services and designated for a decategorization initiative by the department.

(3) Moneys appropriated to juvenile court services for juvenile justice programs and designated for a decategorization initiative.

(4) Carryover funding.

e. “Funding pool” means the same as defined in section 232.188, Code 2026.

f. “Governance board” means the same as defined in section 232.188, Code 2026.

Establishes definitions for the following terms: “carryover funding,” “decategorization initiative,” "department," "funding," “funding pool,” and “governance board.”

2. a. Notwithstanding any provision of law to the contrary, funding that consists of moneys designated for decategorization initiatives and transferred to a funding pool by the department that remains in a funding pool at the close of the fiscal year beginning July 1, 2025, that has been encumbered or obligated by the governance board for a decategorization initiative or by contract beyond the end of that fiscal year, shall remain available for expenditure to ensure continuation of such decategorization initiative or contract until the close of the succeeding fiscal year, unless otherwise determined by the department under subsection 5.

Permits funding designated for decategorization initiatives and transferred to a funding pool by the HHS that remains in a funding pool at the close of FY 2026 that has been encumbered or obligated by a governance board for a multiyear service decategorization initiative or by contract beyond the end of FY 2026 to remain available for expenditure to ensure the continuation of the decategorization initiative or contract until the close of FY 2027, unless otherwise determined by the HHS.

10 22 b. Any encumbered or obligated moneys remaining in a funding
10 23 pool as specified in paragraph “a” at the close of the fiscal
10 24 year that begins July 1, 2026, which are not encumbered or
10 25 obligated by the department as determined under subsection 5
10 26 shall be transferred and appropriated to the department.

Appropriates to the HHS any encumbered or obligated moneys remaining in a funding pool that are not encumbered or obligated by the HHS at the close of FY 2027.

10 27 3. a. Notwithstanding any provision of law to the contrary,
10 28 juvenile court services shall terminate all decategorization
10 29 initiative contracts funded through moneys designated for a
10 30 decategorization initiative and transferred to a funding pool
10 31 by juvenile court services at the close of the fiscal year
10 32 that began July 1, 2025, and shall not renew or extend such
10 33 contracts.

Requires Juvenile Court Services to terminate all decategorization initiative contracts funded through moneys designated for decategorization initiative and transferred to a funding pool by Juvenile Court Services at the close of FY 2026, and to not renew or extend such contracts.

10 34 b. Moneys encumbered or obligated under a contract
10 35 terminated under this subsection that remain in a funding pool
10 36 at the close of the fiscal year beginning July 1, 2025, shall
10 37 be transferred and appropriated to juvenile court services.

Requires moneys encumbered or obligated by a contract terminated by Juvenile Court Services that remain in a funding pool at the close of FY 2026 to be transferred and appropriated to Juvenile Court Services.

10 38 4. a. Notwithstanding any provision of law to the
10 39 contrary, moneys that remain in a funding pool at the end of
11 1 the fiscal year that began July 1, 2025, that are unencumbered
11 2 or unobligated by the governance board for a decategorization
11 3 initiative or by contract at the close of the fiscal year,
11 4 shall be transferred and appropriated to the department and
11 5 juvenile court services proportionately based on the percentage
11 6 of moneys designated for decategorization initiatives and
11 7 transferred to funding pools by each entity for each fiscal
11 8 year for the fiscal period beginning July 1, 2020, and ending
11 9 June 30, 2026.

Appropriates any moneys remaining in a funding pool that are unencumbered or unobligated by the governance board for a decategorization initiative or by contract at the end of FY 2026 to the HHS and Juvenile Court Services. Requires that moneys be appropriated proportionally based on the percentage of moneys designated for decategorization initiatives and transferred to funding pools by each entity for each fiscal year beginning FY 2021 and ending FY 2026.

11 10 b. Notwithstanding any provision of law to the contrary
11 11 including section 8.33, moneys transferred and appropriated
11 12 to the department and juvenile court services under this
11 13 subsection shall not revert but shall remain available to those
11 14 entities to be used for child welfare and juvenile justice
11 15 services until expended.

CODE: Allows moneys transferred and appropriated to the HHS and Juvenile Court Services to remain available to those entities to be used for child welfare and juvenile justice services until expended.

11 16 5. a. With input from appropriate stakeholders, the
11 17 department shall identify each contract funded through a
11 18 funding pool impacted by this division of this Act.

Requires the HHS, with input from appropriate stakeholders, to identify each contract funded through a funding pool impacted by Division II of this Act.

11 19 b. The department shall evaluate each contract identified
11 20 under paragraph “a” to determine the following:
11 21 (1) If termination is permitted by the terms of a contract
11 22 being evaluated, whether the department should exercise the
11 23 option to terminate the contract by June 30, 2026, or continue
11 24 the contract until the end of the current contract term.
11 25 (2) If termination is not permitted by the terms of the
11 26 contract, whether the contract should be renewed or extended by
11 27 the department at the end of the current contract term.
11 28 (3) Whether the department should assume responsibility
11 29 for a contract for the remainder of the current term of the
11 30 contract, for the term of the contract if the contract is
11 31 renewed, or for the term of the contract if the contract is
11 32 extended to avoid service interruption.

Requires the HHS to evaluate each contract funded through a funding pool impacted by Division II of this Act to determine the following:

- If permitted by the terms of the contract, whether the State should exercise the option to terminate the contract by June 30, 2026, or continue the contract until the end of the current contract term.
- If the option to terminate a contract is not permitted by the terms of the contract, whether the contract should be renewed or extended at the end of the current contract term.
- Whether the HHS should assume responsibility for a contract for the remainder of the current term of the contract, for the term of the renewed contract, or for the term of the extended contract to avoid service interruption.

11 33 c. Unless otherwise provided under this section, a
11 34 governance board or other entity shall not execute a contract
11 35 for a decategorization initiative if the contract is funded
11 36 through moneys in a funding pool after the effective date of
11 37 this section of this division of this Act, or if the term of the
11 38 contract extends beyond, or the deliverables under the contract
11 39 would be provided after, June 30, 2027.

Prohibits a governance board or other entity from executing a contract for a decategorization initiative if the contract is funded through a funding pool after the effective date of this section of Division II if the term of the contract extends past, or the deliverables under the contract would be provided after, June 30, 2027.

12 1 Sec. 15. EFFECTIVE DATE. The section of this division of
12 2 this Act related to decategorization funding and initiatives,
12 3 being deemed of immediate importance, takes effect upon
12 4 enactment.

Specifies that Section 14 of Division II of this Act related to decategorization funding and initiatives takes effect on June 2, 2026.

12 5 Sec. 16. RETROACTIVE APPLICABILITY. The section of this
12 6 division of this Act related to decategorization funding and
12 7 initiatives applies retroactively to July 1, 2025.

Specifies that Section 14 of Division II of this Act related to decategorization funding and initiatives applies retroactively to July 1, 2025.

12 8 DIVISION III
12 9 CHILD ABUSE PREVENTION PROGRAM

Sec. 17. Section 144.13A, subsection 5, paragraph a, Code 2026, is amended to read as follows:

a. Ten dollars of each registration fee is appropriated and shall be used for ~~primary and secondary~~ child abuse prevention ~~programs pursuant to section 235A.1~~, and ten dollars of each registration fee is appropriated and shall be used for the congenital and inherited disorders central registry established pursuant to section 136A.6. Notwithstanding section 8.33, moneys appropriated in this paragraph 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 the close of the succeeding fiscal year, and shall not be transferred, used, obligated, appropriated, or otherwise encumbered except as provided in this paragraph.

CODE: Appropriates $10 from each birth certificate registration fee to be used for child abuse prevention instead of for primary and secondary child abuse prevention programs pursuant to Iowa Code section 235A.1. Specifies that moneys appropriated under Iowa Code section 144.13A(5)(a) that remain unencumbered or unobligated at the close of the fiscal year will remain available for the purposes designated until the close of FY 2028 and will not be transferred, used, obligated, appropriated, or otherwise encumbered, except as provided under Iowa Code section 144.13A(5)(a).

Sec. 18. Section 422.12K, Code 2026, is amended to read as follows:

422.12K INCOME TAX CHECKOFF FOR CHILD ABUSE PREVENTION ~~PROGRAM FUND~~ .

1. A person who files an individual or a joint income tax return with the department of revenue under section 422.13 may designate one dollar or more to be paid to the ~~child abuse prevention program~~ early childhood and family services system fund created in section ~~235A.2~~ 234A.6, to be used for the purpose of child abuse prevention. If the refund due on the return or the payment remitted with the return is insufficient to pay the additional amount designated by the taxpayer to the ~~child abuse prevention program~~ early childhood and family services system fund, the amount designated shall be reduced to the remaining amount remitted with the return. The designation of a contribution to the ~~child abuse prevention program~~ early childhood and family services system fund under this section is irrevocable.

2. The director of revenue shall draft the income tax form to allow the designation of contributions to the ~~child abuse prevention program~~ early childhood and family services system fund on the tax return. The department of revenue, on or before January 31, shall transfer the total amount designated on the tax return forms due in the preceding calendar year to the ~~child abuse prevention program~~ early childhood and family services system fund. However, before a checkoff pursuant

CODE: Changes the income tax form designations from the Child Abuse Prevention Program Fund to the Early Childhood and Family Services System Fund.

to this section shall be permitted, all liabilities on the books of the department and accounts identified as owing under section 421.65 shall be satisfied.

3. The department of health and human services may authorize payment of moneys from the ~~child abuse prevention program~~ early childhood and family services system fund for the purpose of child abuse prevention in accordance with section ~~235A.2~~ 234A.6.

4. The department of revenue shall adopt rules to administer this section.

5. This section is subject to repeal under section 422.12E.

Sec. 19. REPEAL. Sections 235A.1, 235A.2, and 235A.3, Code 2026, are repealed.

CODE: Repeals Iowa Code sections 235A.1 (Child Abuse Prevention Program), 235A.2 (Child Abuse Prevention Program Fund), and 235A.3 (Child Abuse Prevention Program Advisory Committee).

Sec. 20. CHILD ABUSE PREVENTION PROGRAM FUND — TRANSFER OF MONEYS. Any unencumbered or unobligated moneys remaining in the child abuse prevention program fund created in section 235A.2, on June 30, 2026, shall be transferred to the early childhood and family services system fund created in section 234A.6, as enacted in this Act.

Transfers any unencumbered or unobligated moneys remaining in the Child Abuse Prevention Program Fund at the close of FY 2026 to the ECFS System Fund created in Iowa Code section 234A.6, as established by this Act.

FISCAL IMPACT: As of May 13, 2026, the balance of the Child Abuse Prevention Program Fund was $734,491.

Sec. 21. CHILD ABUSE PREVENTION PROGRAM — REVIEW OF CONTRACTS IMPACTED BY TRANSITION TO THE EARLY CHILDHOOD AND FAMILY SERVICES SYSTEM. With input from appropriate stakeholders, the department shall review the child abuse prevention program's contract for program administration and each grant project funded through the child abuse prevention program for the fiscal year beginning July 1, 2025, and ending June 30, 2026, impacted by this division of this Act. The department shall work with the child abuse prevention program's program administrator, local child abuse stakeholders, and grant project recipients to transition the funding and child abuse prevention administration and service delivery to the early childhood and family services system established in division I of this Act.

Requires the HHS, with input from appropriate stakeholders, to review the Child Abuse Prevention program's contract for program administration and each grant project funded through the Child Abuse Prevention program for FY 2026 impacted by Division III of this Act. The HHS is required to work with the Child Abuse Prevention program's program administrator, local child abuse stakeholders, and grant project recipients to transition the funding and child abuse prevention administration and service delivery to the ECFS system established in Division I of this Act.

Sec. 22. EFFECTIVE DATE. The section of this division of this Act relating to the review of contracts impacted by the transition of the child abuse prevention program to the early childhood and family services system, being deemed of immediate importance, takes effect upon enactment.

Specifies that Section 21 of Division III of this Act relating to the review of contracts impacted by the transition of the Child Abuse Prevention program to the ECFS system takes effect on June 2, 2026.

Sec. 23. RETROACTIVE APPLICABILITY. The section of this division of this Act relating to the review of contracts impacted by the transition of the child abuse prevention program to the early childhood and family services system applies retroactively to July 1, 2025.

Specifies that Section 21 of Division III of this Act relating to the review of contracts impacted by the transition of the Child Abuse Prevention program to the ECFS system applies retroactively to July 1, 2025.

DIVISION IV

EARLY CHILDHOOD IOWA INITIATIVE — EARLY CHILDHOOD AND FAMILY SERVICES

Sec. 24. EARLY CHILDHOOD IOWA INITIATIVE — EARLY CHILDHOOD AND FAMILY SERVICES.

1. For purposes of this section, unless the context otherwise requires:

a. “Department” means the department of health and human services.

b. “Early childhood Iowa area” means the same as defined in section 256I.1.

c. “Early childhood Iowa area board” means the same as defined in section 256I.1.

d. “Early childhood Iowa initiative” means the same as described in section 256I.2.

e. “ECFS system” means the same as defined in section 234A.1, as enacted in division I of this Act.

Establishes the following definitions related to the home visiting services administration transition for the ECI initiative: "department," "ECI area," "ECI area board," "ECI initiative," and "ECFS system."

2. If the department receives a request from an early childhood Iowa area board to transition administration of home visiting services to the ECFS system, the department shall develop and implement a plan to facilitate the transfer. The department’s plan shall, at a minimum, include all of the following:

Requires the HHS to develop and implement a plan to transfer the administration of an ECI area board's home visiting services to the ECFS system if requested by the ECI area board.

a. With input from appropriate stakeholders, the department shall identify each current home visiting services contract executed by the early childhood Iowa area board requesting the transfer of administration of home visiting services. The

Requires the HHS, with input from appropriate stakeholders, to identify each current home visiting services contract executed by the ECI area board requesting the transfer of administration of home visiting services. Requires the ECI

early childhood Iowa area board shall, if permitted by the terms of a contract, exercise the option to terminate the contract. If a contract does not permit early termination, the contract shall be terminated at the end of the current term of the contract. A contract identified under this paragraph shall not be renewed or extended at the end of the current contract term.

area board to exercise the option to terminate the home visiting services contract, if permitted by the terms of the contract. In cases where the contract does not permit early termination, the contract will be terminated at the end of the current term for the contract. Contracts will not be renewed or extended at the end of the current contract term.

b. All debts, claims, or other liabilities owed to an early childhood Iowa area board, or the board's early childhood Iowa area, due to home visiting services provided or rendered pursuant to chapter 256I prior to transfer of administration of home visiting services to the ECFS system shall remain due and owing after administration of home visiting services is transferred to the ECFS system. Each fiscal agent contracted with an early childhood Iowa area board shall collect such outstanding debts, claims, or other liabilities.

Requires that all debts, claims, or other liabilities owed to an ECI area or an ECI area board due to home visiting services provided or rendered pursuant to Iowa Code chapter 256I (Early Childhood Iowa Initiative) remain due and owing after administration of home visiting services are transferred to the ECFS system. Requires each fiscal agent contracted with an ECI area board to collect outstanding debts, claims, or other liabilities.

c. An early childhood Iowa area board or an agent of an early childhood Iowa area board shall not enter into, renew, or extend a home visiting services contract related to the early childhood Iowa initiative or related activities if the term of the contract extends past, or the deliverables under the contract would be provided after, the date administration of the home visiting services is transferred to the ECFS system.

Prohibits an ECI area board or an agent of an ECI area board from entering into, renewing, or extending a home visiting services contract related to the ECI initiative or related activities if the term of the contract extends past, or the deliverables under the contract would be provided after, the date that administration of the home visiting services is transferred to the ECFS system.

d. The department shall ensure that individuals currently receiving home visiting services provided through the early childhood Iowa initiative by the early childhood Iowa area board requesting the transfer of administration of home visiting services have uninterrupted continuity of care during the transition.

Requires the HHS to ensure that individuals currently receiving home visiting services provided through the ECI initiative by the ECI area board requesting the transfer of administration of home visiting services have uninterrupted continuity of care during the transition.

e. The department shall maintain ongoing communication with, and provide a means to receive input from, the early childhood Iowa area board requesting the transfer of administration of home visiting services during the selection process for home visiting services providers in the early childhood Iowa area board's early childhood Iowa area. The department shall collaborate with the director of the early childhood Iowa area board when selecting a home visiting services provider. The department shall ensure that each

Requires the HHS to maintain ongoing communication with the ECI area board requesting the transition of administration of home visiting services during the process to select home visiting services providers in the ECI area board's respective ECI area. The HHS is required to collaborate with the director of the ECI area board when selecting a home visiting services provider. The HHS is required to ensure that each contract the HHS enters into for home visiting services requires that the contracted home

16 2 contract the department enters into for home visiting services
16 3 requires that the contracted home visiting services provider
16 4 inform the early childhood Iowa area board that the home
16 5 visiting services provider will provide home visiting services
16 6 in the early childhood Iowa area board's early childhood Iowa
16 7 area.

visiting services provider inform each ECI area board of an ECI area in which the provider will provide home visiting services.

16 8 3. During and after the transfer of administration of home
16 9 visiting services to the ECFS system, and contingent upon the
16 10 department's receipt of additional federal funds for home
16 11 visiting services pursuant to the Social Security Act, Tit.
16 12 IV-E, the department shall annually redistribute among all
16 13 early childhood Iowa areas that made a request under subsection
16 14 2 the following percentages of the additional federal funds
16 15 received for coordination of early childhood services for
16 16 children from age zero through age five:
16 17 a. For the fiscal year beginning July 1, 2027, and ending
16 18 June 30, 2028, twenty-five percent.
16 19 b. For the fiscal year beginning July 1, 2028, and ending
16 20 June 30, 2029, fifteen percent.
16 21 c. For the fiscal year beginning July 1, 2029, and ending
16 22 June 30, 2030, five percent.

Requires the HHS during and after the transfer of the administration of home visiting services to the ECFS system, and contingent upon the receipt of additional federal funds for home visiting services pursuant to the Social Security Act, Tit. IV-E, to annually redistribute among the ECI areas that made a request to transition the administration of home visiting services the following percentages, up to $7,000,000, of the additional federal funds received for coordination of early childhood services for children from age zero through age five:

- FY 2028 = 25.00%.
- FY 2029 = 15.00%.
- FY 2030 = 5.00%.

16 23 DIVISION V
16 24 EARLY CHILDHOOD IOWA INTERIM STUDY COMMITTEE

16 25 Sec. 25. LEGISLATIVE COUNCIL — EARLY CHILDHOOD IOWA
16 26 INTERIM STUDY COMMITTEE.
16 27 1. The legislative council shall convene a study committee
16 28 during the 2026 legislative interim to review the most
16 29 efficient means to transition home visiting services offered
16 30 through an early childhood Iowa area, as that term is defined
16 31 in section 256I.1, to another system based on districts created
16 32 by the department of health and human services and to implement
16 33 the transition with minimal disruption to home visitation
16 34 services. At a minimum, the study committee shall review all
16 35 of the following:
16 36 a. The financial and logistical consequences to the early
16 37 childhood Iowa system and home visitation services.
16 38 b. The effects on statewide access to services currently
16 39 provided through early childhood Iowa, including but not
17 1 limited to the quality of services and the coordination between

Requires the Legislative Council to convene a study committee during the 2026 Legislative Interim to review the most efficient means to transition home visiting services currently offered through an ECI area to a system based on districts created by the HHS and to implement the transition with minimal disruption to services. The study committee must review all of the following:

- Consequences to the ECI system and home visitation.
- Effects on statewide access to services currently provided through ECI.
- Impact on rural and underserved communities.
- Possible courses of action to transition home visitation services to ensure the ECI system remains viable and effective in the long term.

providers and the department.

c. The impact on rural and underserved communities.

d. Possible courses of action to transition home visitation services to ensure the early childhood Iowa system remains viable and effective in the long term.

2. a. The study committee's voting members shall consist of the following:

(1) Two members of the senate appointed by the senate majority leader.

(2) One member of the senate appointed by the senate minority leader.

(3) Two members of the house of representatives appointed by the house majority leader.

(4) One member of the house of representatives appointed by the house minority leader.

Requires the interim study committee's voting members to consist of the following:

- Two members of the Senate appointed by the Senate majority leader.
- One member of the Senate appointed by the Senate minority leader.
- Two members of the House of Representatives appointed by the House majority leader.
- One member of the House of Representatives appointed by the House minority leader.

b. The study committee's nonvoting members shall consist of the following:

(1) Two members of the association of early childhood Iowa area boards and advocates appointed by the association of early childhood Iowa area boards and advocates.

(2) Two early childhood Iowa stakeholders appointed by the association of early childhood Iowa area boards and advocates.

(3) Two persons with relevant expertise appointed by the association of early childhood Iowa area boards and advocates.

(4) Two representatives of the department of health and human services.

(5) One representative of the department of education.

(6) One representative of the department of workforce development.

(7) One representative of the economic development authority.

Requires the interim study committee's nonvoting members to consist of the following:

- Two members of the Association of Early Childhood Iowa Area Boards and Advocates (AECIABA) appointed by the AECIABA.
- Two ECI stakeholders appointed by the AECIABA.
- Two persons with relevant expertise appointed by the AECIABA.
- Two representatives from the HHS.
- One representative from the Department of Education.
- One representative from Iowa Workforce Development.
- One representative of the Economic Development Authority.

3. The department of health and human services shall cooperate with any formal request for data from the study committee. All personal identifying information shall be redacted prior to submitting the requested data to the study committee.

Requires the HHS to cooperate with any formal request for data from the interim study committee and to redact all personal identifying information prior to submitting the requested data.

4. The study committee shall submit a final report with the study committee's findings and recommendations to the general assembly no later than January 8, 2027. In lieu of a final report, the study committee may submit a bill draft to the general assembly with proposed changes to the Code based on the study committee's findings.

Requires the interim study committee to submit a final report with the committee's findings and recommendations to the General Assembly no later than January 8, 2027. In lieu of a final report, the interim study committee is permitted to submit a bill draft to the General Assembly with proposed changes to the Iowa Code based on the interim study committee's findings.

DIVISION VI
CONFORMING CHANGES

Sec. 26. Section 232.69, subsection 1, paragraph b, subparagraph (5), Code 2026, is amended to read as follows:

(5) An employee or operator of a licensed child care center, registered child development home, head start program, family development and self-sufficiency grant program under section 216A.107, or healthy opportunities for parents to experience success – healthy families Iowa program under section ~~135.106~~ 234A.5.

CODE: Conforming change.

Sec. 27. Section 237A.30, subsection 1, Code 2026, is amended to read as follows:

1. The department shall ~~work with the early childhood Iowa program established in section 256I.5 in designing and implementing~~ implement a voluntary quality rating system for each provider type of child care facility.

CODE: Removes the requirement for the HHS to work with the ECI program established in Iowa Code section 256I.5 in designing and implementing a voluntary quality rating system.

Sec. 28. Section 256I.13, subsection 1, Code 2026, is amended to read as follows:

1. In order to implement the legislative intent stated in ~~sections 135.106 and~~ section 256I.9, that priority for family support program funding be given to programs using evidence-based or promising models for family support, it is the intent of the general assembly that ninety percent of state funds expended for family support programs shall be used for evidence-based or promising program models. The remaining ten percent of funds may be used for innovative program models that do not yet meet the definition of evidence-based or promising programs.

CODE: Conforming change.

DIVISION VII

18 34 CODE EDITOR DIRECTIVES

18 35 Sec. 29. CODE EDITOR DIRECTIVES. The Code editor is
18 36 directed to do all of the following:
18 37 1. Make changes in any Code sections amended or enacted
18 38 by any other Act to correspond with the changes made in this
18 39 Act if there appears to be no doubt as to the proper method of
19 1 making the changes and the changes would not be contrary to or
19 2 inconsistent with the purposes of this Act or any other Act.

CODE: Directs the Iowa Code Editor to make changes in any Iowa Code sections amended or enacted by any other Act to correspond with the changes made in this Act if there appears to be no doubt as to the proper method of making the changes and the changes would not be contrary to or inconsistent with the purposes of this Act or any other Act.

19 3 2. Correct internal references in the Code and in enacted
19 4 legislation as necessary due to the enactment of this Act.

CODE: Directs the Iowa Code Editor to correct internal references in the Iowa Code and in enacted legislation as necessary due to the enactment of this Act.

EXECUTIVE SUMMARY
FOSTER CARE, PRIORITY ACT

HOUSE FILE 1003

SIGNIFICANT CODE CHANGES

Prohibits a court from placing a child with a different individual or facility if the child was placed with a licensed foster parent for at least nine months immediately preceding the dispositional hearing. This prohibition does not apply if the court makes a specific finding that placement with the different individual is in the child's best interests and the court provides reasons for the finding.

Page 1, Line 1

EFFECTIVE DATE

This Act takes effect July 1, 2026.

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 15, 2026.

STAFF CONTACT:
Lindsey Ingraham (515.281.6764) lindsey.ingraham@legis.iowa.gov

House File 1003 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	1	1	Amend	232.102.1.c

Section 1. Section 232.102, subsection 1, paragraph c, Code 2026, is amended to read as follows:

c. (1) A court shall not order placement of a child in a category identified in paragraph "a", subparagraph (2), (3), (4), or (5) without a specific finding that placement with an adult relative is not in the child's best interests and providing reasons for the court's finding.

(2) Notwithstanding any provision under this subsection to the contrary, if the court finds, during the dispositional hearing, that the child has been placed with an individual licensed under chapter 237 to provide foster care for at least nine months immediately preceding the dispositional hearing, the court shall not order placement of a child in a category identified in paragraph "a", subparagraph (1), (2), or (3), without a specific finding that such placement is in the child's best interests and providing reasons for the court's findings.

CODE: Prohibits a court from placing a child with a different individual or facility if the child was placed with a licensed foster parent for at least nine months immediately preceding the dispositional hearing. This prohibition does not apply if the court makes a specific finding that placement with the different individual is in the child's best interests and the court provides reasons for the finding.

ACT SUMMARY

House File 2739 relates to taxes on Health Maintenance Organizations (HMOs), transfers from the Taxpayer Relief Fund (TPRF), and a supplemental appropriation for Medical Assistance.

This Act consists of the following two divisions:
- Division I — Health Maintenance Organization Taxation
- Division II — Taxpayer Relief Fund Transfers — Supplemental Appropriations

Division I of this Act does the following:
- Renames the Medicaid Managed Care Organization (MCO) Premiums Fund to the Medicaid MCO Health Care Tax Fund (HCTF).
- Requires HMOs to pay a health care-related tax to the Iowa Department of Revenue (IDR) at a rate of 0.95% of taxable funds, for deposit into the MCO HCTF, beginning January 1, 2026. However, Division I establishes a temporary health care-related tax of 3.5% in place of the 0.95% tax rate from January 1, 2026, to September 30, 2026. This temporary provision is contingent upon federal approval.

FISCAL IMPACT: Division I of this Act is estimated to decrease General Fund revenues by $6.6 million in FY 2026, $13.2 million in FY 2027, and $13.8 million in FY 2028 due to HMOs being retroactively exempt from the insurance premium tax.

Total revenue available to Medicaid is estimated to increase by approximately $6.6 million in FY 2026, $165.2 million in FY 2027, and $16.4 million in FY 2028, including increased payments to the Medicaid MCOs, due to the increased taxes on the MCOs. The increase in MCO payments is estimated to be approximately $178.8 million in FY 2027 and $2.4 million in FY 2028, of which the State portion is $54.5 million in FY 2027 and $746,000 in FY 2028.

Division I Fiscal Impact to Medicaid (in Millions)

Category	FY 2026	FY 2027	FY 2028
MCO Premiums Fund Revenue	$0.0	$-84.8	$-88.5
MCO Tax	0.0	263.6	91.0
Non-MCO HMO Tax	6.6	40.8	14.7
MCO Payments	0.0	-54.5	-0.7
Total	**$6.6**	**$165.2**	**$16.4**

Division II of this Act does the following:

- Transfers $347.0 million from the TPRF to the General Fund.
- Adds the anticipated transfer from the TPRF to the General Fund under Iowa Code section 8.57E(2)(b), which will be made during the upcoming budget year, to the expenditure limitation calculation for the same year in FY 2028 and FY 2029.
- Provides an FY 2026 supplemental General Fund appropriation of $89.0 million to the Department of Health and Human Services (HHS) for Medical Assistance.

FUNDING SUMMARY

Adds the anticipated transfer from the TPRF to the General Fund under Iowa Code section 8.57E(2)(b), which will be made during the upcoming budget year, to the expenditure limitation calculation for the same year beginning in FY 2028 and FY 2029. — Page 7, Line 20

Limits the TPRF transfer to the General Fund to 50.0% of the difference between the Adjusted Revenue Estimate and the net General Fund appropriation for the fiscal year. This limitation applies to FY 2028 and FY 2029. — Page 7, Line 39

Transfers $347.0 million from the TPRF to the General Fund in FY 2026. Requires the $347.0 million transfer made from the TPRF to the General Fund to be included in the expenditure limitation for FY 2027. — Page 8, Line 13

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Requires HMOs to pay a health care-related tax to the IDR at a rate of 0.95% of taxable funds, for deposit into the MCO HCTF, beginning January 1, 2026. — Page 3, Line 6

Requires HMOs to pay a temporary health care-related tax to the IDR at a rate of 3.5% of taxable funds from January 1, 2026, to September 30, 2026. Provides that the difference between the 3.5% tax rate and the 0.95% tax rate under Iowa Code section 432B.2, as established by this Act, is not subject to prepayment. — Page 6, Line 25

SUPPLEMENTAL APPROPRIATIONS

Authorizes an FY 2026 General Fund supplemental appropriation of $89.0 million to the HHS for Medical Assistance. — Page 8, Line 33

STUDIES AND INTENT

Intent

Provides that an HMO is not subject to the insurance premium tax in Iowa Code section 432.1, beginning with calendar year 2026, if the HMO is subject to the health care-related tax established in this Act. — Page 6, Line 17

Nonreversions

Allows any unencumbered and unobligated funds appropriated from the General Fund to the HHS to supplement the FY 2026 Medical Assistance appropriation to remain available for expenditure until the close of the succeeding fiscal year. — Page 9, Line 4

SIGNIFICANT CODE CHANGES

Renames the MCO Premiums Fund to the Medicaid MCO HCTF. Provides that moneys collected pursuant to Iowa Code section 432B.2, as established by this Act, are deposited in the HCTF. — Page 1, Line 10

Provides that an HMO is not subject to the taxes described in Iowa Code section 432.1 (Tax on Gross Premiums — Exclusions). — Page 2, Line 3

Requires the health care-related tax established in this Act to be paid on or before March 1 of the year following the calendar year that the tax is due, except for the required prepayment in new Iowa Code section — Page 3, Line 18

432B.3(2). Allows the Commissioner of the Iowa Insurance Division (IID) to suspend or revoke the licenses of HMOs that fail to pay the tax.	
Requires HMOs to remit, on a prepayment basis before June 1, one-half of the product of the health care-related tax and the taxable funds in the prior calendar year.	Page 3, Line 27
Requires HMOs to remit, on a prepayment basis before August 15, one-half of the product of the health care-related tax and the taxable funds in the prior calendar year.	Page 3, Line 33
Allows the prepayment taxes paid by an HMO to be credited against the HMO's tax liability for the calendar year during which the payments are made. Allows excess prepayments to be credits against the HMO's subsequent prepayment or tax liabilities. Requires the Commissioner of the IID to authorize the IDR to make a cash refund to an HMO in lieu of a credit against subsequent prepayment or tax liabilities if the HMO is unable to recoup the funds paid via a credit.	Page 3, Line 39
Requires the Commissioner of the IID to adopt administrative rules establishing an HMO's eligibility for a cash refund and the process for the IDR to make a cash refund to an eligible HMO from the HCTF. Allows the Commissioner to suspend or revoke the license of an HMO that fails to make a prepayment on or before the due date.	Page 4, Line 15
Requires the Commissioner of the IID to determine whether the tax remitted is correct. Requires the Commissioner to notify a delinquent company of the amount of such delinquency and certify the amount to the IDR to collect the delinquency if the tax remitted is not sufficient.	Page 4, Line 24
Requires the Commissioner of the IID to examine a tax return and determine the tax within five years after the tax return is filed or within five years after the tax return became due, whichever is later. Requires an assessment or claim for credit to be made within five calendar years after the annual tax filing is made. Allows a company to apply for a credit, or the Commissioner to make an assessment, for a five-year period preceding the current calendar year. Provides that the period of examination and determination of the correct amount of tax is unlimited in the case of a false or fraudulent return made with the intent to evade tax or in the case of a failure to file a return.	Page 4, Line 30
Repeals the MCO premium tax in Iowa Code section 432.1B (Health Maintenance Organization — Medical Assistance Program — Premium Tax).	Page 6, Line 16

EFFECTIVE DATE

Specifies that the temporary provisions for the health care-related tax and prepayment for calendar year 2026, as established by Section 13 of Division I of this Act, take effect when the HHS notifies the General Assembly and the Iowa Code Editor of approval by the Centers for Medicare and Medicaid Services (CMS) of the method of taxation upon an HMO imposed pursuant to Division I of this Act.	Page 7, Line 2
Specifies that Division I of this Act (except for Section 13) related to HMO taxation takes effect on March 25, 2026, and applies retroactively to January 1, 2026 for tax years beginning on or after that date.	Page 7, Line 12
Specifies that Division II of this Act related to TPRF transfers and supplemental appropriations takes effect on March 25, 2026.	Page 9, Line 9

ENACTMENT DATE

This Act was approved by the General Assembly on March 24, 2026, and signed by the Governor on March 25, 2026.

STAFF CONTACT: Louie Hoehle (515.281.6561) louie.hoehle@legis.iowa.gov

House File 2739 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	10	1	Amend	249A.13.1
2	3	2	Amend	432.1
2	14	3	Amend	432.1.2
2	18	4	New	432B.1
3	6	5	New	432B.2
3	18	6	New	432B.3
5	2	7	Amend	508C.19
5	21	8	Strike and Replace	514B.31
5	30	9	Amend	514E.1.3
6	4	10	Amend	514E.2.13
6	16	11	Repeal	432.1B
7	20	17	Amend	8.54.5.b
7	39	18	Add	8.57E.2.b.(02)

DIVISION I
HEALTH MAINTENANCE ORGANIZATION TAXATION

Section 1. Section 249A.13, subsection 1, Code 2026, is amended to read as follows:
1. A Medicaid managed care organization ~~premiums~~ health care tax fund is created in the state treasury under the authority of the department of health and human services. Moneys collected by the director of the department of revenue as taxes ~~on premiums~~ pursuant to section ~~432.1B~~ 432B.2 shall be deposited in the fund.

Renames the Medicaid Managed Care Organization (MCO) Premiums Fund to the Medicaid MCO Health Care Tax Fund (HCTF). Requires the deposit of the health care-related tax established by this Act into the MCO HCTF.

DETAIL: Medicaid received approximately $101,700,000 from the MCO premium tax in FY 2025.

Sec. 2. Section 432.1, unnumbered paragraph 1, Code 2026, is amended to read as follows:
Every insurance company or association of whatever kind or character, not including fraternal beneficiary associations, health maintenance organizations,and nonprofit hospital and medical service corporations, shall, as required by law, pay to the director of the department of revenue, or to a depository designated by the director, as taxes, an amount equal to the following, except that the premium tax applicable to county mutual insurance associations shall be governed by section 518.18:

CODE: Provides that a Health Maintenance Organization (HMO) is not subject to the taxes described in Iowa Code section 432.1 (Tax on Gross Premiums — Exclusions).

Sec. 3. Section 432.1, subsection 2, unnumbered paragraph 1, Code 2026, is amended to read as follows:
The "applicable percent" for purposes of subsection 1 of this section~~, section 432.1B,~~ and section 432.2 is the following:

CODE: Adopts conforming changes to Iowa Code section 432.1(2) (Tax on Gross Premiums — Exclusions).

Sec. 4. NEW SECTION 432B.1 DEFINITIONS.
As used in this chapter:
1. "Commissioner" means the commissioner of insurance.
2. "Health maintenance organization" means the same as defined in section 514B.1. "Health maintenance organization" includes a health maintenance organization contracting with the department of health and human services to administer the medical assistance program under chapter 249A.
3. a. "Taxable funds" means all of the following:
(1) Payments received by the health maintenance organization for health care services, insurance, indemnity, or other benefits to which an enrollee is entitled through a

CODE: Defines terms related to the health care-related taxes provided in this Act.

health maintenance organization.

(2) Payments made by the health maintenance organization to providers for health care services, to insurers, or to corporations authorized under chapter 514 for insurance, indemnity, or other authorized service benefits, except a payment made by a health maintenance organization that qualifies both as a payment received under subparagraph (1) and a payment made under this subparagraph, shall be considered taxable funds under subparagraph (1).

b. "Taxable funds" does not include payments made to a health maintenance organization by the United States secretary of health and human services under a contract issued under section 1833 or 1876 of the federal Social Security Act, or under section 4015 of the federal Omnibus Budget Reconciliation Act of 1987.

Sec. 5. NEW SECTION 432B.2 IMPOSITION OF HEALTH CARE-RELATED TAX.

1. Commencing with the calendar year beginning January 1, 2026, and for subsequent calendar years, each health maintenance organization transacting business in this state shall be subject to a health care-related tax payable to the director of revenue in an amount equal to ninety-five hundredths of one percent of the applicable percentage of taxable funds.

2. The amounts received by the director of revenue from the imposition of the tax shall be deposited in the health care tax fund created in section 249A.13.

CODE: Requires HMOs to pay a health care-related tax to the Iowa Department of Revenue (IDR) at a rate of 0.95% of taxable funds, for deposit into the MCO HCTF, beginning January 1, 2026.

DETAIL: There are currently 10 HMOs conducting business in Iowa, 3 of which are Medicaid MCOs. Under current law, HMOs are subject to the insurance premium taxes pursuant to Iowa Code section 432.1. These tax revenues, except for the taxes on Medicaid MCOs, are deposited into the General Fund. Medicaid MCOs are also currently required to pay the insurance premium tax; however, these revenues are deposited in the MCO Premiums Fund. Moneys in the MCO Premiums Fund are appropriated to the Department of Health and Human Services (HHS) for Medicaid. The insurance premium tax is currently set at 0.925% of taxable funds. The insurance premium tax is scheduled to decrease to 0.90% in 2027.

Sec. 6. NEW SECTION 432B.3 DATE TAX DUE — METHOD OF PAYMENT — STATUTE OF LIMITATIONS.

1. Except as provided in subsection 2, the tax imposed under this chapter shall be paid on or before March 1 of the year following the calendar year for which the tax is due. The commissioner may suspend or revoke the license of a health maintenance organization subject to the health care-related tax

CODE: Requires the health care-related tax established in this Act to be paid on or before March 1 of the year following the calendar year that the tax is due, except for the required prepayment in new Iowa Code section 432B.3(2). Allows the Commissioner of the Iowa Insurance Division (IID) to suspend or revoke the licenses of HMOs that fail to pay the tax.

in this chapter that fails to pay the health care-related tax on or before the due date.

2. a. Each health maintenance organization transacting business in this state that is subject to the tax in section 432B.2 shall remit on or before June 1, on a prepayment basis, an amount equal to one-half of the product of the rate in section 432B.2 and the taxable funds in the prior calendar year.

CODE: Requires HMOs to remit, on a prepayment basis before June 1, one-half of the product of the health care-related tax and the taxable funds in the prior calendar year.

b. In addition to the prepayment amount in paragraph “a”, each health maintenance organization subject to the tax in this chapter shall remit on or before August 15, on a prepayment basis, an additional amount equal to one-half of the product of the rate in section 432B.2 and the taxable funds in the prior calendar year.

CODE: Requires HMOs to remit, on a prepayment basis before August 15, one-half of the product of the health care-related tax and the taxable funds in the prior calendar year.

c. (1) The sums prepaid by a health maintenance organization under paragraphs “a” and “b” shall be allowed as credits against the health maintenance organization’s health care-related tax liability for the calendar year during which the payments are made. If a prepayment made under this subsection exceeds the health maintenance organization’s annual health care-related tax liability, the excess shall be allowed as a credit against the health maintenance organization’s subsequent prepayment or tax liabilities under this chapter. The commissioner shall authorize the department of revenue to make a cash refund to a health maintenance organization, in lieu of a credit against subsequent prepayment or tax liabilities under this section, if the health maintenance organization demonstrates the inability to recoup the funds paid via a credit.

CODE: Allows the prepayment taxes paid by an HMO to be credited against the HMO's tax liability for the calendar year during which the payments are made. Allows excess prepayments to be credits against the HMO's subsequent prepayment or tax liabilities. Requires the Commissioner of the IID to authorize the IDR to make a cash refund to an HMO in lieu of a credit against subsequent prepayment or tax liabilities if the HMO is unable to recoup the funds paid via a credit.

(2) The commissioner shall adopt rules establishing a health maintenance organization’s eligibility for a cash refund, and the process for the department of revenue to make a cash refund to an eligible health maintenance organization from the Medicaid managed care organization health care tax fund created in section 249A.13. The commissioner may suspend or revoke the license of a health maintenance organization that fails to make a prepayment on or before the due date under this subsection.

CODE: Requires the Commissioner of the IID to adopt administrative rules establishing an HMO's eligibility for a cash refund and the process for the IDR to make a cash refund to an eligible HMO from the MCO HCTF. Allows the Commissioner to suspend or revoke the license of an HMO that fails to make a prepayment on or before the due date.

3. The commissioner shall determine whether or not the tax remitted is correct. If the tax remitted is not sufficient, the commissioner shall notify the delinquent company of the amount of such delinquency and certify the amount to the department of revenue which shall proceed to collect the delinquency.

CODE: Requires the Commissioner of the IID to determine whether the tax remitted is correct. Requires the Commissioner to notify a delinquent company of the amount of such delinquency and certify the amount to the IDR to collect the delinquency if the tax remitted is not sufficient.

4. Within five years after the tax return is filed or within five years after the tax return became due, whichever is later, the commissioner shall examine the return and determine the tax. An assessment or a claim for credit must be made within five calendar years after the annual tax filing is made. For a five-year period preceding the current calendar year, a company may apply for a credit, or the commissioner may make an assessment, as appropriate. The period of examination and determination of the correct amount of tax is unlimited in the case of a false or fraudulent return made with the intent to evade tax or in the case of a failure to file a return.

CODE: Requires the Commissioner of the IID to examine a tax return and determine the tax within five years after the tax return is filed or within five years after the tax return became due, whichever is later. Requires an assessment or claim for credit to be made within five calendar years after the annual tax filing is made. Allows a company to apply for a credit, or the Commissioner to make an assessment, for a five-year period preceding the current calendar year. Provides that the period of examination and determination of the correct amount of tax is unlimited in the case of a false or fraudulent return made with the intent to evade tax or in the case of a failure to file a return.

Sec. 7. Section 508C.19, Code 2026, is amended to read as follows:

508C.19 CREDITS FOR ASSESSMENTS PAID.

1. An insurer may offset an assessment made pursuant to section 508C.9 against its premium tax liability pursuant to chapter 432 or health care-related tax liability pursuant to chapter 432B to the extent of twenty percent of the amount of the assessment for each of the five calendar years following the year in which the assessment was paid. If an insurer ceases doing business, all uncredited assessments may be credited against its premium or health care-related tax liability for the year it ceases doing business.

2. Sums acquired by refund from the association which have been written off by contributing insurers and offset against premium taxes or health care-related taxes as provided in subsection 1 and are not then needed for purposes of this chapter shall be paid by the association to the commissioner. The commissioner shall remit the moneys to the treasurer of state to deposit in the state general fund.

CODE: Makes health care-related taxpayers eligible for credits for assessments paid.

Sec. 8. Section 514B.31, Code 2026, is amended by striking the section and inserting in lieu thereof the following:

514B.31 HEALTH MAINTENANCE ORGANIZATION HEALTH CARE-RELATED TAXATION.

Every health maintenance organization and including health maintenance organizations contracting with the department of health and human services to administer the medical assistance program under chapter 249A shall be subject to taxation under chapter 432B.

CODE: Replaces current HMO tax requirements with the requirement that HMOs be subject to the health care-related tax established in this Act.

Sec. 9. Section 514E.1, subsection 3, Code 2026, is amended to read as follows:

3. "Carrier" means an insurer providing accident and sickness insurance under chapter 509, 514, 514A and includes a health maintenance organization established under chapter 514B if payments received by the health maintenance organization are ~~considered premiums pursuant to section 514B.31 and are taxed under chapter 432~~ subject to the health care-related tax under chapter 432B. "Carrier" also includes a corporation which becomes a mutual insurer pursuant to section 514.23 and any other person as defined in section 4.1, subsection 20, who is or may become liable for the tax imposed by chapter 432 or 432B.

CODE: Defines insurers subject to the health care-related tax under this Act as a carrier under Iowa Code chapter 514E (Iowa Comprehensive Health Insurance Association).

Sec. 10. Section 514E.2, subsection 13, Code 2026, is amended to read as follows:

13. An insurer may offset an assessment made pursuant to this chapter against its premium tax liability pursuant to chapter 432 or against its health care-related tax liability pursuant to chapter 432B, as applicable, to the extent of twenty percent of the amount of the assessment for each of the five calendar years following the year in which the assessment was paid. If an insurer ceases doing business, all uncredited assessments may be credited against its premium or health care-related tax liability for the year it ceases doing business.

CODE: Allows an insurer to offset an assessment made under Iowa Code chapter 514E against its health care-related tax liability under this Act.

Sec. 11. REPEAL. Section 432.1B, Code 2026, is repealed.

CODE: Repeals the MCO premium tax in Iowa Code section 432.1B (Health Maintenance Organization — Medical Assistance Program — Premium Tax).

Sec. 12. PREMIUM TAX — HEALTH MAINTENANCE ORGANIZATION. For purposes of imposing the premium tax under section 432.1, beginning with calendar year 2026, and subsequent calendar years, a health maintenance organization is not subject to the premium tax under section 432.1, if the health maintenance organization is subject to the imposition of the health care-related tax under chapter 432B, if enacted by this division of this Act.

Provides that an HMO is not subject to the insurance premium tax in Iowa Code section 432.1, beginning with calendar year 2026, if the HMO is subject to the health care-related tax established in this Act.

Sec. 13. TEMPORARY PROVISIONS FOR THE HEALTH CARE-RELATED TAX AND PREPAYMENTS FOR CALENDAR YEAR 2026. Notwithstanding section 432B.2, subsection 1, if enacted by this division of this Act, each health care maintenance organization transacting business in this state shall be subject to a health care-related tax payable to the director of revenue in an amount equal to three and one-half percent of the applicable percentage of taxable funds as defined in section 432B.1, if enacted by this division of this Act, for the period in calendar year beginning January 1, 2026, and ending September 30, 2026. The difference between the amount of taxes collected pursuant to this section and the amount of tax that would be collected by imposing the rate under section 432B.2, subsection 1, if enacted by this division of this Act, shall not be subject to prepayment under section 432B.3, subsection 1, if enacted by this division of this Act.

Requires HMOs to pay a temporary health care-related tax at a rate of 3.50% of taxable funds from January 1, 2026, to September 30, 2026. Provides that the difference between the 3.50% tax rate and the 0.95% tax rate under Iowa Code section 432B.2, established by this Act, is not subject to prepayment.

FISCAL IMPACT: Division I of this Act is estimated to decrease General Fund revenues by $6,600,000 in FY 2026, $13,200,000 in FY 2027, and $13,800,000 in FY 2028 due to HMOs being retroactively exempt from the insurance premium tax. Total revenue available to Medicaid is estimated to increase by approximately $6,600,000 in FY 2026, $165,200,000 in FY 2027, and $16,400,000 in FY 2028, including increased payments to the Medicaid MCOs. The increase in MCO payments is estimated to be approximately $178,800,000 in FY 2027 and $2,400,000 in FY 2028, of which the State portion is $54,500,000 in FY 2027 and $746,000 in FY 2028.

Sec. 14. CONTINGENT EFFECTIVE DATE. The following takes effect upon the date the department of health and human services notifies the general assembly and the Code editor of the approval by the federal centers for Medicare and Medicaid services of the United States department of health and human services of the method of taxation upon a health maintenance organization imposed pursuant to this division of the Act:

The section of this division of this Act enacting the temporary provisions for the health care-related tax and prepayments for calendar year 2026.

Specifies that the temporary provisions for the health care-related tax and prepayment for calendar year 2026, as established by Section 13 of Division I of this Act, take effect when the HHS notifies the General Assembly and the Iowa Code Editor of approval by the Centers for Medicare and Medicaid Services (CMS) of the method of taxation upon an HMO imposed pursuant to Division I of this Act.

NOTE: The HHS notified the General Assembly and the Iowa Code Editor of CMS approval on July 2, 2026.

Sec. 15. EFFECTIVE DATE. Unless otherwise provided, this division of this Act, being deemed of immediate importance, takes effect upon enactment.

Specifies that Division I of this Act, except for the contingent effective date for Section 13 of the Act, related to HMO taxation takes effect on March 25, 2026.

Sec. 16. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to January 1, 2026, for tax years beginning on or after that date.

Provides that Division I of this Act applies retroactively to January 1, 2026, for tax years beginning on or after that date.

NOTE: This Act was approved by the General Assembly on March 24, 2026, and signed by the Governor on March 25, 2026.

DIVISION II

TAXPAYER RELIEF FUND TRANSFERS — SUPPLEMENTAL APPROPRIATIONS

Sec. 17. Section 8.54, subsection 5, paragraph b, Code 2026, is amended to read as follows:

b. (1) 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~~ subparagraph is repealed July 1, ~~2029~~ 2027.

(2) For the fiscal year beginning July 1, 2027, and each fiscal year thereafter, 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 be readjusted to include the amount of moneys anticipated to be so transferred.

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

CODE: Adds the anticipated transfer from the Taxpayer Relief Fund (TPRF) to the General Fund under Iowa Code section 8.57E(2)(b), which will be made during the upcoming budget year, to the expenditure limitation calculation for the same year in FY 2028 and FY 2029.

DETAIL: Under Iowa Code section 8.57E(2)(b), if actual net revenue is less than net General Fund appropriations for a fiscal year, up to 50.00% of the difference between actual net revenue and net General Fund appropriations is transferred from the TPRF to the General Fund. This transfer is repealed July 1, 2029.

Sec. 18. Section 8.57E, subsection 2, paragraph b, Code 2026, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH (02) (a) For the fiscal year beginning July 1, 2027, the transfer pursuant to this paragraph shall not exceed fifty percent of the difference between the adjusted

CODE: Limits the TPRF transfer to the General Fund to 50.00% of the difference between the Adjusted Revenue Estimate and the net General Fund appropriation for the fiscal year. This limitation applies to FY 2028 and FY 2029.

revenue estimate, as defined in section 8.54, for the fiscal year and the net general fund appropriation for the fiscal year.

(b) For the fiscal year beginning July 1, 2028, the transfer pursuant to this paragraph shall not exceed fifty percent of the difference between the adjusted revenue estimate, as defined in section 8.54, for the fiscal year and the net general fund appropriation for the fiscal year.

DETAIL: Under Iowa Code section 8.57E(2)(b), if actual net revenue is less than net General Fund appropriations for a fiscal year, up to 50.00% of the difference between actual net revenue and net General Fund appropriations is transferred from the TPRF to the General Fund. This transfer is repealed July 1, 2029.

Sec. 19. TAXPAYER RELIEF FUND TRANSFER — FEDERAL TAX LAW CHANGES.

1. On the effective date of this division of this Act, there is transferred from the taxpayer relief fund created in section 8.57E to the general fund of the state, the following amount:

..... $ 347,013,889

Transfers $347,013,889 from the TPRF to the General Fund in FY 2026.

2. The transfer under this section is made in accordance with section 8.57E, subsection 2, paragraph “a”, for state tax relief based on the reduction in state revenue for the fiscal year beginning July 1, 2025, associated with 2025 federal tax law changes pursuant to section 422.3, subsection 5, paragraph “b”, including but not limited to the allowance of income tax deductions for qualified tips, overtime compensation, and qualified passenger vehicle loan interest under the federal Internal Revenue Code, as amended by Pub.L. No.119-21, commonly referred to as the One Big Beautiful Bill Act.

Specifies that the increases in transfer percentages from the TPRF are made in accordance with Iowa Code section 8.57E(2)(a) for State tax relief based on the reduction in State revenue associated with federal tax changes in the One Big Beautiful Bill Act.

3. Notwithstanding section 8.54, the state general fund expenditure limitation amount calculated for the fiscal year beginning July 1, 2026, shall be readjusted to include one hundred percent of the moneys transferred under this section.

Requires the $347,013,889 transfer made from the TPRF into the General Fund be included in the expenditure limitation for FY 2027.

Sec. 20. DEPARTMENT OF HEALTH AND HUMAN SERVICES — SUPPLEMENTAL APPROPRIATION. There is appropriated from the general fund of the state to the department of health and human services for the fiscal year beginning July 1, 2025, and ending June 30, 2026, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

To supplement the appropriation made for medical assistance program reimbursement and associated costs in 2025 Iowa Acts, chapter 169, section 9, unnumbered paragraph 2:

89,000,000

Authorizes an FY 2026 General Fund supplemental appropriation of $89,000,000 to the HHS for Medical Assistance.

DETAIL: 2025 Iowa Acts, House File 1049 (FY 2026 Health and Human Services Appropriations Act), appropriated $1,903,550,706 from the General Fund to the HHS for Medical Assistance in FY 2026.

Notwithstanding section 8.33, moneys appropriated in this section 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 the close of the succeeding fiscal year.

Allows any unencumbered and unobligated funds appropriated from the General Fund to the HHS to supplement the FY 2026 Medical Assistance appropriation to remain available for expenditure until the close of the succeeding fiscal year.

Sec. 21. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Specifies that Division II of this Act related to TPRF transfers and supplemental appropriations takes effect on March 25, 2026.

Health and Human Services
General Fund

	Actual FY 2025 (1)	Estimated FY 2026 (2)	Supp-Final Act. FY 2026 (3)	Estimated Net FY 2026 (4)	Page and Line # (5)
Health and Human Services, Department of					
Health and Human Services					
Medical Assistance	$ 1,650,866,536	$ 1,903,550,706	$ 89,000,000	$ 1,992,550,706	PG 8 LN 33
Total Health and Human Services, Department of	$ 1,650,866,536	$ 1,903,550,706	$ 89,000,000	$ 1,992,550,706	
Total Health and Human Services	$ 1,650,866,536	$ 1,903,550,706	$ 89,000,000	$ 1,992,550,706	

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Requires the Office to Combat Human Trafficking within the Department of Public Safety (DPS) to hold an annual meeting of stakeholders to develop legislative proposals to combat human trafficking. Specifies required participants in the meeting. — Page 1, Line 7

NOTE: Section 1 of this Act was repealed in Section 80 of HF 2800 (FY 2027 Standing Appropriations Act).

Requires the Department of Health and Human Services (HHS) to develop a plan, in consultation with nonprofit service providers, to increase the availability of restoration facilities and protective services available to juvenile victims of human trafficking. — Page 4, Line 33

STUDIES AND INTENT

Required Report

Requires the DPS to submit an annual report by December 15, 2025, and annually thereafter for five years through December 15, 2030, to the Governor and the General Assembly. — Page 1, Line 7

NOTE: Section 1 of this Act was repealed in Section 80 of HF 2800 (FY 2027 Standing Appropriations Act).

Requires the HHS to provide a report December 15, 2025 to the Governor and the General Assembly detailing the plan to increase the availability of restoration facilities and protective services available to juvenile victims of human trafficking. — Page 4, Line 33

NOTE: Section 81 of HF 2800 (FY 2027 Standing Appropriations Act) amended the submission date for the annual report to December 15, 2026.

SIGNIFICANT CODE CHANGES

Defines the term "commercial sexual exploitation" under Iowa Code chapter 232 (Juvenile Justice). — Page 2, Line 14

Requires the court or its designee to order every complaint alleging a child has committed a delinquent act to be reviewed using a standardized human trafficking indicator list. Authorizes the court or its designee to order the child subject to the complaint to be screened for commercial sexual exploitation using a standardized, evidence-based, trauma-informed screening tool. — Page 2, Line 21

Requires the HHS to screen for commercial sex exploitation using a standardized, evidence-based, trauma-informed screening tool when the HHS determines a report constitutes a child abuse allegation. — Page 2, Line 33

NOTE: Section 4 of this Act was repealed in Section 80 of HF 2800 (FY 2027 Standing Appropriations Act).

Changes the time frame to file a complaint pursuant to Iowa Code chapter 216, to make a claim pursuant to Iowa Code chapter 669, or to otherwise commence an action from one year to five years. — Page 3, Line 5

Provides that the time to file an action related to sexual abuse or human trafficking that occurred when the injured person was a minor is extended to 5 years beyond the minor's attainment of 18 years of age. — Page 3, Line 19

Provides that an action for damages for injury suffered as a result of human trafficking that occurred when the injured person was a child, but not discovered until after the injured person is of the age of majority, must be brought within five years from the time of discovery by the injured party of both the injury and the causal relationship between the injury and the sexual abuse or human trafficking. — Page 3, Line 25

Updates the definition of "human trafficking" under Iowa Code chapter 710A (Human Trafficking) to mean recruiting, harboring, transporting, supplying provisions to, obtaining, patronizing, or soliciting a person for any of the purposes listed under Iowa Code section 710A.1(4)(a). — Page 3, Line 34

Provides that if the person who sells or offers for sale the person's services as a partner in a sex act is under the age of 18, the county attorney may elect, in lieu of filing a petition alleging that the person has committed a delinquent act, that the person shall not be arrested, charged, or prosecuted for an offense under Iowa Code section 725.1 but instead may be taken into temporary custody under Iowa Code section 232.78 or 232.79 or shall be referred to the HHS for the possible filing of a petition alleging that the person is a child in need of assistance. — Page 4, Line 3

Modifies the definitions of "Category 'A' restitution" and "Category 'B' restitution." — Page 4, Line 15

EFFECTIVE DATE

This Act takes effect July 1, 2026.

Section 9 of the Act amending Iowa Code section 910.1 (Restitution) takes effect July 1, 2026 (FY 2027).

HUMAN TRAFFICKING, OMNIBUS ACT

NOTE: HF 2800 (FY 2027 Standing Appropriations Act) amended 2026 Iowa Acts 1036, to make the effective date of Section 9 of the Act related to restitution definitions July 1, 2027 (FY 2028).

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 15, 2026.

STAFF CONTACT:

Justus Thompson (515.725.2249) justus.thompson@legis.iowa.gov

House File 1036 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	7	1	Add	80.45.3.i
2	14	2	Add	232.2.7A
2	21	3	Amend	232.28.2
2	33	4	Amend	232.71B.1.a
3	5	5	Amend	614.8.2
3	15	6	Amend	614.8A
3	34	7	Amend	710A.1.4.a
4	3	8	Amend	725.1.1.b
4	15	9	Amend	910.1.1,2

Section 1. Section 80.45, subsection 3, Code 2025, is amended by adding the following new paragraph:

NEW PARAGRAPH i. Hold an annual meeting of stakeholders to develop legislative proposals to combat human trafficking, and submit a report, by December 15, 2025, and annually thereafter for a period of five years ending with the submission of the report in 2030, to the governor and general assembly. Participants shall include the following:

(1) A representative of the department of public safety.

(2) A representative of the office to combat human trafficking.

(3) A representative of the attorney general's office.

(4) A representative of the department of health and human services.

(5) A representative of juvenile court services.

(6) A chief of police or head law enforcement official of a city in this state.

(7) A county sheriff.

(8) A county attorney who serves on a child protection assistance team under section 915.35, subsection 4, paragraph "a".

(9) A public defender or criminal law attorney with experience working on human trafficking cases.

(10) A member of the public, or the person's legal representative, who is a former human trafficking victim.

(11) A representative from the Iowa network against human trafficking.

(12) A representative from a nonprofit organization whose primary focus is services for human trafficking survivors.

(13) A representative from state court administration with expertise in child welfare law.

CODE: Requires the Office to Combat Human Trafficking within the Department of Public Safety (DPS) to hold an annual meeting of stakeholders to develop legislative proposals to combat human trafficking. Requires the DPS to submit an annual report by December 15, 2025, and annually thereafter for five years through December 15, 2030, to the Governor and the General Assembly. Requires the participants for the stakeholder meeting include a representative from the following departments or organizations:

- Department of Public Safety.
- Office to Combat Human Trafficking.
- Attorney General's Office.
- Department of Health and Human Services (HHS).
- Juvenile Court Services.
- A Chief of Police or head law enforcement official of a city.
- A County Sheriff.
- A County Attorney who serves on a child protection assistance team.
- A Public Defender or criminal law attorney with experience working on human trafficking cases.
- A public member who is a former human trafficking victim, or the person's legal representative.
- Iowa Network Against Human Trafficking.
- A nonprofit organization with a primary focus on human trafficking survivors.
- State Court Administration with expertise in child welfare law.

NOTE: Section 1 of this Act was repealed in Section 80 of HF 2800 (FY 2027 Standing Appropriations Act).

Sec. 2. Section 232.2, Code 2025, is amended by adding the following new subsection:

NEW SUBSECTION 7A. "Commercial sexual exploitation" refers to a range of crimes and activities involving the sexual abuse or exploitation of a child for the financial benefit of any person or in exchange for anything of value including monetary and nonmonetary benefits given or received by any person.

CODE: Defines the term "commercial sexual exploitation" under Iowa Code chapter 232 (Juvenile Justice).

Sec. 3. Section 232.28, subsection 2, Code 2025, is amended to read as follows:

2. a. The court or its designee shall refer the complaint to an intake officer who shall consult with law enforcement authorities having knowledge of the facts and conduct a preliminary inquiry to determine what action should be taken.

b. The court or its designee shall order every complaint to be reviewed using a standardized human trafficking indicator list. The court or its designee may order the child subject to the complaint with the presence of an indicator to be screened for commercial sexual exploitation using a standardized, evidence-based, trauma-informed screening tool.

CODE: Requires the court or its designee to order every complaint alleging a child committed a delinquent act to be reviewed using a standardized human trafficking indicator list. Authorizes the court or its designee to order the child subject to the complaint to be screened for commercial sexual exploitation using a standardized, evidence-based, trauma-informed screening tool.

Sec. 4. Section 232.71B, subsection 1, paragraph a, unnumbered paragraph 1, Code 2025, is amended to read as follows:

If the department determines a report constitutes a child abuse allegation, the department shall ~~promptly~~ have the child subject to the child abuse allegation screened for commercial sexual exploitation using a standardized, evidence-based, trauma-informed screening tool, and shall commence either a child abuse assessment within twenty-four hours of receiving the report or a family assessment within seventy-two hours of receiving the report.

CODE: Requires the HHS to screen for commercial sex exploitation using a standardized, evidence-based, trauma-informed screening tool when the HHS determines a report constitutes a child abuse allegation.

NOTE: Section 4 of this Act was repealed in Section 80 of HF 2800 (FY 2027 Standing Appropriations Act).

Sec. 5. Section 614.8, subsection 2, Code 2025, is amended to read as follows:

2. Except as provided in section 614.1, subsection 9, or section 614.8A, the times limited for actions in this chapter, or chapter 216, 659A, 669, or 670, except those brought for penalties and forfeitures, are extended in favor of minors, so that they shall have ~~one year~~ five years from and after attainment of majority within which to file a complaint pursuant to chapter 216, to make a claim pursuant to chapter 669, or to otherwise commence an action.

CODE: Changes the time frame to file a complaint pursuant to Iowa Code chapter 216, to make a claim pursuant to Iowa Code chapter 669, or to otherwise commence an action from one year to five years.

Sec. 6. Section 614.8A, Code 2025, is amended to read as follows:

614.8A ~~DAMAGES~~ COMMENCEMENT OF ACTION FOR CHILD OR MINOR SEXUAL ABUSE OR HUMAN TRAFFICKING — TIME LIMITATION.

3 19 1. Notwithstanding section 614.8, subsection 2, and the
3 20 times limited for actions in this chapter, the time to file
3 21 an action related to sexual abuse or human trafficking that
3 22 occurred when the injured person was a minor is extended to
3 23 five years beyond the minor's attainment of eighteen years of
3 24 age.

CODE: Provides that the time to file an action related to sexual abuse or human trafficking that occurred when the injured person was a minor is extended to 5 years beyond the minor's attainment of 18 years of age.

3 25 2. ~~An~~ In addition to the extension of the time provided in
3 26 subsection 1, an action for damages for injury suffered as a
3 27 result of sexual abuse ~~which~~ or human trafficking that occurred
3 28 when the injured person was a child, but not discovered until
3 29 after the injured person is of the age of majority, shall
3 30 be brought within ~~four~~ five years from the time of discovery
3 31 by the injured party of both the injury and the causal
3 32 relationship between the injury and the sexual abuse or human
3 33 trafficking.

CODE: Provides that an action for damages for injury suffered as a result of human trafficking that occurred when the injured person was a child, but not discovered until after the injured person is of the age of majority, must be brought within five years from the time of discovery by the injured party of both the injury and the causal relationship between the injury and the sexual abuse or human trafficking.

3 34 Sec. 7. Section 710A.1, subsection 4, paragraph a,
3 35 unnumbered paragraph 1, Code 2025, is amended to read as
3 36 follows:
3 37 "Human trafficking" means ~~participating in a venture to~~
3 38 ~~recruit, harbor, transport, supply provisions, or obtain~~
3 39 recruiting, harboring, transporting, supplying provisions to,
4 1 obtaining, patronizing, or soliciting a person for any of the
4 2 following purposes:

CODE: Updates the definition of "human trafficking" under Iowa Code chapter 710A (Human Trafficking) to mean recruiting, harboring, transporting, supplying provisions to, obtaining, patronizing, or soliciting a person for any of the purposes listed under Iowa Code section 710A.1(4)(a).

4 3 Sec. 8. Section 725.1, subsection 1, paragraph b, Code 2025,
4 4 is amended to read as follows:
4 5 b. If the person who sells or offers for sale the person's
4 6 services as a partner in a sex act is under the age of eighteen,
4 7 the county attorney may elect, in lieu of filing a petition
4 8 alleging that the person has committed a delinquent act, ~~to~~
4 9 ~~refer that person~~ that the person shall not be arrested,
4 10 charged, or prosecuted for an offense under this section, but
4 11 instead may be taken into temporary custody under section
4 12 232.78 or 232.79 or shall be referred to the department of
4 13 health and human services for the possible filing of a petition
4 14 alleging that the person is a child in need of assistance.

CODE: Provides that if the person who sells or offers for sale the person's services as a partner in a sex act is under the age of 18, the county attorney may elect, in lieu of filing a petition alleging that the person has committed a delinquent act, that the person shall not be arrested, charged, or prosecuted for an offense under Iowa Code section 725.1 but instead may be taken into temporary custody under Iowa Code section 232.78 or 232.79 or shall be referred to the HHS for the possible filing of a petition alleging that the person is a child in need of assistance.

4 15 Sec. 9. Section 910.1, subsections 1 and 2, Code 2025, are
4 16 amended to read as follows:

1. “Category “A” restitution” means fines, penalties, the payment of crime victim compensation program reimbursements, and surcharges.

CODE: Modifies the definition of “Category 'A' restitution” to include the payment of crime victim compensation program reimbursements.

2. “Category “B” restitution” means the contribution of funds to a local anticrime organization ~~which~~ that provided assistance to law enforcement in an offender’s case, ~~the payment of crime victim compensation program reimbursements,~~ payment of restitution to public agencies pursuant to section 321J.2, subsection 13, paragraph “b”, court costs, court-appointed attorney fees ordered pursuant to section 815.9, including the expense of a public defender, and payment to the medical assistance program pursuant to chapter 249A for expenditures paid on behalf of the victim resulting from the offender’s criminal activities including investigative costs incurred by the Medicaid fraud control unit pursuant to section 249A.50.

CODE: Removes the payment of crime victim compensation program reimbursements from the definition of “Category 'B' restitution."

Sec. 10. DEPARTMENT OF HEALTH AND HUMAN SERVICES — RESTORATION FACILITIES. The department of health and human services shall develop a plan in consultation with nonprofit service providers who provide restoration services to victims of human trafficking to increase the availability of restoration facilities and protective services available to juvenile victims of human trafficking, including juvenile victims who are not, at the time of victimization, either a child in need of assistance or otherwise involved in the juvenile court system. The department shall consider developing a network with other states to provide housing outside of the state for victims at risk of returning to the person involved in the victim’s trafficking. The department of health and human services shall present a report detailing the plan to the governor and the general assembly by December 15, 2025.

Requires the HHS to develop a plan, in consultation with nonprofit service providers, to increase the availability of restoration facilities and protective services available to juvenile victims of human trafficking. Requires the HHS to consider developing a network with other states to provide housing outside of the State for victims at risk of returning to the person involved in the victim’s trafficking. Requires the HHS to provide a report detailing the plan to the Governor and the General Assembly by December 15, 2025.

NOTE: Section 81 of HF 2800 (FY 2027 Standing Appropriations Act) amended the submission date for the annual report to December 15, 2026.

Sec. 11. EFFECTIVE DATE. The following takes effect July 1, 2026:
The section of this Act amending section 910.1.

Provides that Section 9 of the Act amending Iowa Code section 910.1 (Restitution) takes effect July 1, 2026 (FY 2027).

PG LN	GA:91 HF1036	Explanation
		NOTE: HF 2800 (FY 2027 Standing Appropriations Act) amended this section making the effective date July 1, 2027 (FY 2028).

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Distributes $150,000 to each eligible county or multicounty juvenile detention home from the appropriation from the Juvenile Detention Home Fund to the Department of Health and Human Services (HHS) pursuant to Iowa Code section 232.142. Appropriated moneys remaining after the distribution to each eligible detention home will be prorated and distributed on the basis of an eligible detention home's proportion of the costs of all eligible homes in the immediately preceding fiscal year. Page 2, Line 11

EFFECTIVE DATE

This Act takes effect July 1, 2026.

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 2, 2026.

STAFF CONTACT: Lindsey Ingraham (515.281.6764) lindsey.ingraham@legis.iowa.gov

House File 2781 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
2	1	1	Amend	232.142.6.b

Section 1. Section 232.142, subsection 6, paragraph b, Code 2026, is amended to read as follows:

b. (1) Moneys deposited in the juvenile detention home fund during a fiscal year are appropriated to the department for the same fiscal year for distribution of an amount equal to a percentage of the costs of the establishment, improvement, operation, and maintenance of county or multicounty juvenile detention homes in the ~~prior~~ immediately preceding fiscal year. Such percentage shall be determined by the department based on the amount available for distribution from the fund.

CODE: Technical change.

(2) Moneys appropriated for distribution in accordance with this subsection shall be allocated ~~among eligible detention homes,~~ as follows:

(a) One hundred fifty thousand dollars shall be distributed to each eligible county or multicounty juvenile detention home.

CODE: Distributes $150,000 to each eligible county or multicounty juvenile detention home from the appropriation from the Juvenile Detention Home Fund to the Department of Health and Human Services (HHS) pursuant to Iowa Code section 232.142.

DETAIL: Under current law, the appropriation from the Juvenile Detention Home Fund is distributed equal to a percentage of the costs associated with county and multicounty juvenile detention homes in the prior fiscal year to eligible detention homes.

(b) Appropriated moneys remaining after the distribution in subparagraph division (a) shall beprorated and distributed on the basis of an eligible county or multicounty juvenile detention home's proportion of the costs of all eligible county or multicounty juvenile detention homes in the ~~prior~~ immediately preceding fiscal year.

CODE: Establishes that moneys appropriated to the HHS pursuant to Iowa Code section 232.142 remaining after the distribution of $150,000 to each eligible county or multicounty juvenile detention home will be prorated and distributed on the basis of an eligible home's proportion of the costs of all eligible homes in the immediately preceding fiscal year.

FUNDING SUMMARY

Creates a severance tax on the extraction of oil or gas equal to 6.0% of the fair market value of the oil and gas extracted at a wellhead.

FISCAL IMPACT: Any increase in revenue is unknown due to a lack of information but may be significant. The Act distributes severance tax revenues as follows:

- 9.9% of revenue to each county in proportion to the county's share of total State population according to the most recent federal decennial census.
- 5.0% of revenue to counties in which land is located from which oil or gas is produced, in proportion to each county's share of the value of production.
- 5.0% of revenue deposited into the Road Use Tax Fund (RUTF).
- 10.0% of revenue deposited into the severance tax account of the Environment First Fund (EFF) to support the Water Quality Initiative, and allows the moneys to be used for salaries, support, maintenance, and miscellaneous purposes.
- 70.1% of revenue deposited into the Taxpayer Relief Fund (TPRF).

FUNDING FOR PROJECTS AND PROGRAMS

Creates a severance tax account in the EFF. Moneys in the account shall be used as appropriated by the General Assembly to support water quality projects.	Page 1, Line 7
Creates a severance tax for the privilege of severing or extracting oil or gas from the lands within the State equal to 6.0% of the fair market value of the oil or gas extracted at a wellhead.	Page 10, Line 39
Specifies that expenses incurred by a producer prior to valuation are not deductible from taxable value.	Page 11, Line 8
Requires each owner to be responsible for payment of its proportionate share of severance tax when ownership of oil or gas production is shared. A taxpayer paying severance tax on oil or gas may deduct the taxes paid from any royalty or other amounts due or to become due, in proportion of the interest ownership, in which case the person receiving the royalty or other payment is not liable for severance tax.	Page 11, Line 10
Requires severance tax revenues to be distributed to counties each year in the following ways: • 9.9% of revenue to each county in proportion of the county's share of total State population according to the most recent federal decennial census.	Page 11, Line 23

- 5.0% of revenue to counties in which land is located from which oil or gas is produced, in proportion of each county's share of the value of oil and gas production.

Requires distributions of revenue made to counties to be used to construct and maintain county roads and to offset county property tax collections by requiring counties that receive distributions of revenue to adopt a corresponding levy rate reduction. — Page 11, Line 33

Requires 5.0% of severance tax revenue collected each year to be deposited into the RUTF. — Page 11, Line 39

Requires 10.0% of severance tax revenue collected each year to be deposited into the severance tax account of the EFF to support water quality initiatives and establishes that no more than 10.0% of the moneys may be used for administration or implementation of the initiatives. Provides guidelines for the use of severance tax revenue deposited in the severance tax account within the EFF. — Page 12, Line 3

Requires 70.1% of severance tax revenue collected each year to be deposited into the TPRF. — Page 14, Line 3

Requires the Iowa Department of Revenue (IDR) to report, by September 15 of each year, actual earnings for the months of the preceding fiscal years for which estimates were used in computing severance tax revenue distributions and requires the IDR to make adjustments to distributions during the current fiscal year in an amount equal to the difference between revenues earned and actual distributions for the preceding fiscal year. — Page 14, Line 13

SIGNIFICANT CODE CHANGES

Specifies that the records received, collected, or created in the administration of the severance tax for oil and gas production are confidential records. — Page 2, Line 1

Directs every person engaged in the production; storage; transportation, except by rail; refining; reclaiming; treating; marketing; or processing of oil or gas, or engaged in the exploration for or production of metallic minerals, to file specific information with the Department of Natural Resources (DNR) every year by April 1. — Page 2, Line 23

Amends the duties and powers of the Director of the DNR with regard to the duty to require certain filings within six months after the completion or abandonment of a well to include specific confidential exclusions as detailed in Section 7 of this Act. — Page 3, Line 5

Grants the Director of the DNR the authority to allow for variances to any of the DNR's rules, regulations, or orders within 14 days of the receipt of an application for a variance showing a good faith effort by the — Page 3, Line 14

applicant to comply or a showing that the applicant is unable to comply. Requires that the variance shall be granted in writing by the Director without a hearing upon a written request of the owner or applicant.

Allows the DNR to establish an exploratory spacing unit to drill one or more exploratory wells in order to establish the existence of a pool as defined by Iowa Code section 458A.2 when the DNR is unable to determine the existence of a pool or the appropriate acreage to be embraced within a spacing unit. — Page 5, Line 8

Creates new policies, procedures, and guidelines for pooling orders in the absence of voluntary pooling. Provides required contents for pooling orders issued by the Director of the DNR and direction on the distribution of costs and royalties to nonconsenting members. — Page 5, Line 25

Creates new policies, procedures, and guidelines for entering sites subject to a pooling order under Iowa Code section 458A.8 and the negotiation of surface damages caused by drilling operations. — Page 9, Line 31

Allows the IDR to adopt administrative rules to administer Iowa Code related to severance tax. — Page 11, Line 18

Requires the IDR to annually value and assess oil or gas production for taxation in appropriate unit measures at the fair market value of the product after mining is completed or the oil or gas is extracted at the wellhead. — Page 14, Line 24

Requires the IDR to certify the valuation of the product to the county assessor of the county from which the oil or gas was produced and enter the valuation in the assessment rolls of the county on or before June 1 of each year. — Page 14, Line 31

Establishes as confidential the records received, collected, or created in the administration of the severance tax. — Page 14, Line 37

Specifies that an oil and gas operation is subject to the exclusive jurisdiction of the State and that a county, city, or other political subdivision cannot enact or enforce an ordinance or other measure, or an amendment or revision of an ordinance or other measure, that bans, limits, or otherwise regulates an oil and gas operation within the boundaries or jurisdiction of the county, city, or political subdivision. Allows the authority of a county, city, or other political subdivision to enact, amend, or enforce an ordinance or other measure to regulate an oil and gas operation if the ordinance or other measure fits specified criteria. — Page 15, Line 37

Repeals Iowa Code section 458A.6 relating to the DNR's duty to determine market demand and regulate the amount of production in regard to oil, gas, and other minerals. — Page 17, Line 2

EFFECTIVE DATE

This Act takes effect July 1, 2026.

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 1, 2026.

STAFF CONTACT: Austin Brinks (515.725.2200) austin.brinks@legis.iowa.gov

Senate File 2490 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	7	1	Add	8.57A.3A
2	1	2	Add	22.7.78
2	6	3	Add	458A.2.01,2A,5A,20A
2	23	4	Add	458A.4.1.0b
3	5	5	Amend	458A.4.1.b
3	14	6	Add	458A.4.4A
3	30	7	New	458A.6A
4	20	8	Amend	458A.7.3,4
5	8	9	Add	458A.7.5
5	25	10	Amend	458A.8
9	31	11	New	458A.26
10	39	12	New	458A.27
11	20	13	New	458A.28
14	24	14	New	458A.29
15	37	15	New	458A.30
17	2	16	Repeal	458A.6

Section 1. Section 8.57A, Code 2026, is amended by adding the following new subsection:
NEW SUBSECTION 3A. A severance tax account is created in the environment first fund. Moneys in the account in a fiscal year shall be used as appropriated by the general assembly for purposes of supporting water quality projects.

CODE: Creates a severance tax account in the Environment First Fund (EFF). Moneys in the account shall be used as appropriated by the General Assembly to support water quality projects.

Sec. 2. Section 22.7, Code 2026, is amended by adding the following new subsection:
NEW SUBSECTION 78. Records received, collected, or created in the administration of severance tax for oil and gas production pursuant to section 458A.29, subsection 3.

CODE: Specifies that the records received, collected, or created in the administration of the severance tax for oil and gas production are confidential records.

Sec. 3. Section 458A.2, Code 2026, is amended by adding the following new subsections:
NEW SUBSECTION 01. “Casing” means the practice of providing structural integrity, stability for unstable geologic formations, and formation isolation, allowing for pressure control via blowout preventer equipment, and allowing for flowback if applicable.
NEW SUBSECTION 2A. “Correlative rights” means the opportunity afforded to the owner of each property in a pool to produce, so far as it is reasonably practicable to do so without waste, a just and equitable share of the oil or gas, or both, in the pool.
NEW SUBSECTION 5A. “Exploratory well” means a well drilled beyond the known producing limits of a pool.
NEW SUBSECTION 20A. “Well log” means a record of geologic formations penetrated by the borehole with respect to both time and depth during drilling operations.

CODE: Creates definitions for "casing," "correlative rights," "exploratory well," and "well log" for the purposes of Iowa Code chapter 458A.

Sec. 4. Section 458A.4, subsection 1, Code 2026, is amended by adding the following new paragraph:
NEW PARAGRAPH 0b. Every person acting as a principal or agent for another or independently engaged in the production, storage, transportation, except by railroad, refining, reclaiming, treating, marketing, or processing of oil or gas, or engaged in the exploration for or production of metallic minerals to file the following with the department on or before April 1 of each year:
(1) The name under which the business is being operated.

CODE: Directs every person engaged in the production; storage; transportation, except by rail; refining; reclaiming; treating; marketing; or processing of oil or gas, or engaged in the exploration for a production of metallic minerals, to file specific information with the Department of Natural Resources (DNR) every year by April 1.

(2) The name and contact information of the person, business, or businesses engaged in the activity.
(3) The plan of organization.
(4) For a corporation, the following filings apply:
(a) The law under which the corporation is chartered.
(b) The names and contact information for any person acting as a trustee.
(c) The names of the manager, agent, or executive.
(d) The names and contact information of all officers.
(5) The names and contact information of all owners if the business is conducted under an assumed name.

Sec. 5. Section 458A.4, subsection 1, paragraph b, Code 2026, is amended to read as follows:
b. The making and filing of all mechanical well logs and the filing of directional surveys if taken, and the filing of reports on well location, drilling, and production, and the filing free of charge of samples and core chips and of complete cores less tested sections when requested in the department within six months after the completion or abandonment of the well, unless otherwise extended pursuant to section 458A.6A;

CODE: Amends the duties and powers of the Director of the DNR with regard to the duty to require certain filings within six months after the completion or abandonment of a well to include specific confidential exclusions as detailed in Section 7 of this Act.

Sec. 6. Section 458A.4, Code 2026, is amended by adding the following new subsection:
NEW SUBSECTION 4A. To allow for variances to any of the department's rules, regulations, or orders. A variance shall be granted in writing by the director without a hearing upon written request of an owner or applicant. The owner or the applicant requesting the variance shall demonstrate that it has made a good faith effort to comply or is unable to comply with the specific requirements contained in the rules, regulations, or orders from which it seeks a variance, and that the requested variance will not violate the basic intent of this chapter. Upon proper submission to the director, the director shall approve or deny the variance request within fourteen days of receipt. The director shall report any variance granted at the subsequent hearing or otherwise make public any variance granted.

CODE: Grants the Director of the DNR the authority to allow for variances to any of the DNR's rules, regulations, or orders within 14 days of the receipt of an application for a variance showing a good faith effort by the applicant to comply or a showing that the applicant is unable to comply. Requires that the variance shall be granted in writing by the Director without a hearing upon a written request of the owner or applicant.

Sec. 7. NEW SECTION 458A.6A CONFIDENTIAL INFORMATION.
If an owner seeks to submit information that is listed as confidential, the owner will confer with the department

CODE: Allows an owner to make select information submitted to the DNR confidential for a period of five years, unless extended for good cause by the DNR Director.

prior to submitting the information to verify it qualifies as confidential pursuant to the department's rules or otherwise under law. If the information is determined to be confidential, the owner will submit hard copies of the information in nonredacted form but labeled confidential in a conspicuous location on the document. Confidential information shall be maintained as confidential and held without public access for a period of five years, unless otherwise extended by the director for good cause. Confidential information may include the following:

1. Monetary amounts, payment terms, drilling obligations, or personal information listed on surface use agreements, oil and gas leases, or rights-of-way agreements.
2. Information concerning ongoing commercial negotiations regarding potential or planned routing and location of off-lease midstream gathering systems or infrastructure.
3. Confidential geological or geophysical well records pertaining to exploratory wells.
4. Information about a proposed transfer of permits and assets.
5. Proprietary stimulation or completion chemicals that qualify as trade secrets.
6. Personal medical information.
7. Commercial information that, if disclosed, would be likely to cause substantial harm to the competitive position of the person providing the information.

Sec. 8. Section 458A.7, subsections 3 and 4, Code 2026, are amended to read as follows:

3. An order establishing spacing units for a pool shall specify the size and shape of each unit and the location and number of the permitted ~~well thereon~~ wells in accordance with a reasonably uniform spacing plan. Upon application, if the director finds that a well drilled at the prescribed location would not produce in paying quantities, or that surface conditions would substantially add to the burden or hazard of drilling such well, the director is authorized to enter an order permitting ~~the~~ a well to be drilled at a location other than that prescribed by such spacing order; however, the director shall include in the order suitable provisions to prevent the production from the spacing unit of more than its just and equitable share of the oil and gas in the pool.

CODE: Amends the procedure for setting spacing units to accommodate the existence of multiple wells, rather than a single well, within an order establishing spacing units for a pool.

4 35 4. An order establishing units for a pool shall cover all
4 36 lands determined or believed to be underlaid by the pool, and
4 37 may be modified by the director from time to time to include
4 38 additional areas determined to be underlaid by the pool. When
4 39 found necessary for the prevention of waste, or to avoid the
5 1 drilling of unnecessary wells or to protect correlative rights,
5 2 an order establishing spacing units in a pool may be modified
5 3 by the director to increase the size of spacing units in the
5 4 pool or any zone of the pool, or to permit the drilling of
5 5 additional wells within a spacing unit on a reasonable uniform
5 6 plan in the pool, or any zone of the pool. Orders of the
5 7 director may be appealed to the department within thirty days.

5 8 Sec. 9. Section 458A.7, Code 2026, is amended by adding the
5 9 following new subsection:
5 10 NEW SUBSECTION 5. If the department is unable to determine
5 11 the existence of a pool and the appropriate acreage to be
5 12 embraced within a spacing unit and the shape thereof based
5 13 on the evidence introduced at hearing, the department may
5 14 establish an exploratory spacing unit for the purpose of
5 15 drilling one or more exploratory wells in order to establish
5 16 the existence of a pool and the appropriate size and shape of
5 17 the spacing unit to be applied for future development of the
5 18 pool. In establishing the size and shape of the exploratory
5 19 spacing unit, the department may consider the size and shape
5 20 of spacing units established by the department for the same
5 21 pool or formation in other areas, the size and shape of units
5 22 for similar development in other basins, reservoir modeling or
5 23 other preliminary data on the pool or formation, and any other
5 24 information the department deems relevant.

CODE: Allows the DNR to establish an exploratory spacing unit to drill one or more exploratory wells in order to establish the existence of a pool as defined by Iowa Code section 458A.2 when the DNR is unable to determine the existence of a pool or the appropriate acreage to be embraced within a spacing unit.

5 25 Sec. 10. Section 458A.8, Code 2026, is amended to read as
5 26 follows:
5 27 458A.8 INTEGRATION OF FRACTIONAL TRACTS.
5 28 1. When two or more separately owned tracts are embraced
5 29 within a spacing unit, or when there are separately owned
5 30 interests in all or a part of the spacing unit, then the owners
5 31 and royalty owners of the tracts may pool their interests
5 32 for the development and operation of the spacing unit. ~~In~~
5 33 ~~the absence of voluntary pooling, the department, upon the~~
5 34 ~~application of any interested person, shall enter an order~~
5 35 ~~pooling all interests in the spacing unit for the development~~

CODE: Creates new policies, procedures, and guidelines for pooling orders in the absence of voluntary pooling. Provides required contents for pooling orders issued by the Director of the DNR and direction on the distribution of costs and royalties to nonconsenting members.

~~and operations of the unit. Each pooling order shall be made after notice and hearing, and shall be upon terms and conditions that are just and reasonable, and that afford to the owner of each tract or interest in the spacing unit the opportunity to recover or receive, without unnecessary expense, a just and equitable share. Operations incident to the drilling of a well upon any portion of a spacing unit covered by a pooling order shall be deemed for all purposes to be the conduct of the operations upon each separately owned tract in the drilling unit by the several owners of the unit. That portion of the production allocated to each tract included in a spacing unit covered by a pooling order shall, when produced, be deemed for all purposes to have been produced from the tract by a well drilled on it.~~

~~2. Each pooling order shall make provision for the drilling and operation of a well on the spacing unit, and for the payment of the reasonable actual cost of the well by the owners of interests in the spacing unit, plus a reasonable charge for supervision. In the event of any dispute as to such costs, the department shall determine the proper costs. If an owner shall drill and operate, or pay the expenses of drilling and operating the well for the benefit of others, then, the owner so drilling or operating shall, upon complying with the terms of section 458A.10, have a lien on the share of production from the spacing unit accruing to the interest of each of the other owners for the payment of a proportionate share of the expenses. All the oil and gas subject to the lien shall be marketed and sold and the proceeds applied in payment of the expenses secured by the lien as provided for in section 458A.10.~~

2. In the absence of voluntary pooling pursuant to subsection 1, and only if the producer has identified pools of existing natural hydrogen within the spacing unit, the director, upon the application by the owner or owners of not less than twenty-five percent of the area of the spacing unit, shall enter an order pooling all interests in the spacing unit for the development and operation thereof. Any such pooling order may authorize cost recovery and risk penalties against nonconsenting owners for a specific well. Each such pooling order shall be made after notice and hearing and with terms and conditions that are just and reasonable. Operations incident to the drilling of a well upon any portion of a spacing unit

covered by a pooling order shall be deemed for all purposes to be the conduct of such operations upon each separately owned tract in the unit by the several owners thereof. When produced, that portion of the production allocated or applicable to each tract included in a unit covered by a pooling order shall be deemed for all purposes to have been produced from such tract by a well drilled thereon.

3. Each pooling order shall provide for the drilling and operation of a well in the spacing unit, and for the payment of the cost thereof, as provided in this subsection. The director is specifically authorized to provide that the producer shall be entitled to all production from the well that would be received by the owner or owners, for whose benefit the well was drilled or operated, after payment of royalty as provided in the lease, if any, applicable to each tract or interest or after payment of the royalty if required under subsection 4, and obligations payable out of production, until the producers have been paid the amount due under the terms of the pooling order or order settling the dispute. In the event of any disputed cost, the director shall determine the proper cost. The pooling order shall determine the interest of each owner in the unit, and may provide that each owner who agrees with the producer for the payment by the owner of the owner's share of the costs, unless the owner has agreed otherwise, shall be entitled to receive, subject to royalty or similar obligations, the share of the production of the well applicable to the tract of the nonconsenting owner. Each owner who does not agree shall be entitled to receive from the producer the owner's share of the production applicable to the owner's interest after the producer has recovered the following, subject to the provisions of subsection 4:

a. One hundred percent of the nonconsenting owner's share of the cost of any newly acquired surface equipment beyond the wellhead connections, including stock tanks, separators, treaters, or pumping equipment and piping, plus one hundred percent of the nonconsenting owner's share of the cost of operating the well commencing with first production and continuing until the nonconsenting owner's relinquished interest reverts under other provisions in this section.

b. Up to two hundred percent of that portion of the costs and expenses of drilling, reworking, deepening or plugging back, testing, and completing, after deducting any cash

contributions received, and up to two hundred percent of that portion of the cost of newly acquired equipment in the well, up to and including the wellhead connections, which would have been chargeable to the nonconsenting owner if the owner had participated therein, if the nonconsenting owner's tract or interest is subject to a lease or other contract for oil and gas development.

4. During the time the producer is recovering costs from a nonconsenting owner as authorized in a pooling order issued pursuant to subsection 2, a nonconsenting owner of a tract or interest in a spacing unit that is not subject to a lease or other contract for oil and gas development shall be entitled to a cost-free royalty interest equal to twelve and one-half percent.

5. Upon full payment of the recoverable costs as specified in subsection 3, the following shall occur:

a. Within thirty days the producer shall notify the nonconsenting owner to offer to the nonconsenting owner the opportunity to participate under the pooling order as a working interest owner. The notice shall state that the nonconsenting owner may elect to participate in the pooling order or may elect to continue receiving the royalty specified in subsection 4.

b. Within sixty days after receiving notice, the nonconsenting owner shall inform the producer whether the nonconsenting owner wishes to make an election to participate under the pooling order as a working interest owner or continue receiving the royalty specified in subsection 4.

c. If the nonconsenting owner fails to respond to the notice within the time specified in paragraph "b", the nonconsenting owner shall be deemed to elect to continue receiving the royalty specified in subsection 4.

d. Within five business days after receiving notice of election from a nonconsenting owner or upon expiration of the time specified in paragraph "b", the producer shall notify the director regarding the nonconsenting owner's election or lack thereof.

6. An application for pooling shall provide at least the following:

a. A certificate of service containing all persons that have a royalty interest or are owners inside the drilling and spacing unit.

b. The applicant's interest type in the drilling and spacing unit.

c. The legal description of the lands and the department docket number establishing the drilling and spacing unit sought to be pooled.

d. A statement that two or more separately owned tracts or separately owned interests in the drilling and spacing unit have not voluntarily pooled their interests and any valid pooling order for the drilling and spacing unit.

e. The American petroleum institute well number of the well subject to the application, if requesting cost recovery or risk penalties.

f. A list of all nonconsenting owners in the well that the applicant is seeking cost recovery and risk penalties against at the time of filing the application.

g. The cost recovery and risk penalties the applicant is requesting, if any.

7. An applicant shall provide at hearing at least the following:

a. A copy of the election letter, well proposal, and authorization for expenditure sent to the owners in the drilling and spacing unit.

b. The names and interests of all nonconsenting owners and unleased nonconsenting owners in the well.

c. Evidence to justify the application of a risk penalty.

Sec. 11. NEW SECTION 458A.26 PERMISSION TO ENTER SITE — NEGOTIATION OF SURFACE DAMAGES.

CODE: Creates new policies, procedures, and guidelines for entering sites subject to a pooling order under Iowa Code section 458A.8 and the negotiation of surface damages caused by drilling operations.

1. Before entering a site that is subject to a pooling order under section 458A.8, or that is within an exploratory spacing unit, for purposes of an oil and gas operation, an operator shall receive written permission from the surface owner to enter the site. If the surface owner does not grant written permission to the operator to enter the site, the operator shall not enter the site for purposes of an oil and gas operation.

2. a. Before entering a site that is subject to a pooling order under section 458A.8, or that is within an exploratory spacing unit, with heavy equipment for the purpose of drilling, an operator shall negotiate with the surface owner for the payment of any damages that may be caused by the drilling operation. If the parties agree and execute a written contract

for payment of damages, the operator may enter the site to drill. If the parties do not reach an agreement for payment of damages, the operator shall not enter the site to drill.

b. Before entering into a negotiation under paragraph "a", the operator shall provide a written description of the opt-out procedure described in paragraph "c".

c. A surface owner may decline further communication with an operator concerning a possible agreement for the payment of any damage that may be caused by the drilling operation by providing verbal or written notice to the operator that states that the surface owner does not wish to discuss the matter further, and by submitting to the attorney general notice through mail or electronic means stating the same. Upon receipt of such notice from the surface owner, the attorney general shall forward a copy to the operator.

d. After receipt of notice from the surface owner pursuant to paragraph "c", the operator shall not initiate further contact with the surface owner for purposes of an agreement for the payment of any damages that may be caused by the drilling operation, except that the operator shall continue to provide the surface owner with notices otherwise required by law. The surface owner may rescind such refusal by contacting the operator and notifying the attorney general through mail or electronic means. Unless the surface owner rescinds the refusal, the surface owner's land shall be deemed unavailable for an agreement.

e. An operator violating the contact prohibition in paragraph "d" is subject to a civil penalty of not less than ten thousand dollars for each violation.

3. For purposes of this section, "oil and gas operation" means the same as defined in section 458A.30.

Sec. 12. NEW SECTION 458A.27 IMPOSITION OF TAX — TAX RATE — VALUATION TAXPAYERS.

1. For the privilege of severing or extracting oil or gas from the lands within the state, there is levied a severance tax on the value of the oil and gas extracted, which shall be in addition to any other taxes imposed by law.

2. The severance tax shall be six percent of the fair market value of the oil or gas upon extraction at the wellhead.

CODE: Creates a severance tax for the privilege of severing or extracting oil or gas from the lands within the State equal to 6.00% of the fair market value of the oil or gas extracted at a wellhead.

FISCAL IMPACT: Any increase in revenue due to the new severance tax is unknown due to a lack of information, but may be significant.

11 8 3. Expenses incurred by the producer prior to valuation are
11 9 not deductible from taxable value.

CODE: Specifies that expenses incurred by a producer prior to valuation are not deductible from taxable value.

11 10 4. When ownership of oil or gas produced is shared, each
11 11 owner shall be responsible for payment of its proportionate
11 12 share of severance tax. A taxpayer paying severance tax on oil
11 13 or gas production may deduct the taxes paid from any royalty
11 14 or other amounts due or to become due to the interest owners of
11 15 such production, in proportion to the interest ownership, in
11 16 which case the person receiving the royalty or other payment
11 17 shall not be liable for severance tax.

CODE: Requires each owner to be responsible for payment of its proportionate share of severance tax when ownership of oil or gas production is shared. A taxpayer paying severance tax on oil or gas may deduct the taxes paid from any royalty or other amounts due or to become due, in proportion of the interest ownership, in which case the person receiving the royalty or other payment is not liable for severance tax.

11 18 5. The department of revenue may adopt rules pursuant to
11 19 chapter 17A to administer this section.

CODE: Allows the IDR to adopt administrative rules to administer Iowa Code related to severance tax.

11 20 Sec. 13. NEW SECTION 458A.28 REVENUE DISTRIBUTION.
11 21 1. Revenues received from the severance tax collected
11 22 pursuant to section 458A.27 shall be distributed as follows:

CODE: Establishes required revenue distributions for the severance tax created in this Act.

11 23 a. (1) The severance tax revenues shall be distributed to
11 24 counties as follows:
11 25 (a) Nine and nine-tenths percent of severance tax revenue
11 26 each year shall be distributed to each county in the state in
11 27 proportion to the county’s share of total state population
11 28 according to the most recent federal decennial census.
11 29 (b) Five percent of severance tax revenue each year shall be
11 30 distributed to the counties in which land is located from which
11 31 oil or gas is produced in proportion to each county’s share of
11 32 the value of oil and gas production for that year.

CODE: Requires severance tax revenues to be distributed to counties each year in the following ways:

- 9.90% of revenue to each county in proportion to the county's share of total state population according to the most recent federal decennial census.
- 5.00% of revenue to counties in which land is located from which oil or gas is produced, in proportion to each county's share of the value of production.

11 33 (2) Distributions to counties under this paragraph shall be
11 34 used exclusively for any of the following purposes:
11 35 (a) To construct and maintain county roads.
11 36 (b) To offset county property tax collections. For
11 37 distributions used for purposes of this subparagraph division,
11 38 the county shall adopt a corresponding levy rate reduction.

CODE: Requires distributions of revenue made to counties to be used to construct and maintain county roads and to offset county property tax collections by requiring counties that receive distributions of revenue to adopt a corresponding levy rate reduction.

11 39 b. Five percent of severance tax revenue each year shall be
12 1 deposited in the road use tax fund established under section
12 2 312.1.

CODE: Requires 5.00% of severance tax revenue collected each year to be deposited into the Road Use Tax Fund.

12 3 c. (1) Ten percent of severance tax revenue each year
12 4 shall be deposited in the severance tax account within the
12 5 environment first fund established under section 8.57A
12 6 for purposes of supporting the water quality initiative
12 7 administered by the division pursuant to section 466B.42,
12 8 including salaries, support, maintenance, and miscellaneous
12 9 purposes, including as provided in this paragraph,
12 10 notwithstanding section 8.57A, subsection 3.

CODE: Requires 10.00% of severance tax revenue collected each year to be deposited into the severance tax account of the Environment First Fund (EFF) to support the Water Quality Initiative, and allows the moneys to be used for salaries, support, maintenance, and miscellaneous purposes.

12 11 (2) (a) The moneys deposited pursuant to this paragraph
12 12 shall be used to support demonstration projects in
12 13 subwatersheds as designated by the department of agriculture
12 14 and land stewardship that are part of high-priority watersheds
12 15 identified by the water resources coordinating council.
12 16 (b) The moneys deposited pursuant to this paragraph shall be
12 17 used to support demonstration projects in watersheds generally,
12 18 including regional watersheds, as designated by the division,
12 19 and high-priority watersheds identified by the water resources
12 20 coordinating council.

CODE: Requires the funds deposited into the EFF to be used to support projects in high-priority watersheds as identified by the Water Resources Coordinating Council and requires the funds deposited to be used to support projects in watersheds.

12 21 (3) In supporting projects in watersheds and subwatersheds
12 22 as provided in subparagraph (2), all of the following apply:
12 23 (a) The demonstration projects must utilize water quality
12 24 practices as described in the Iowa nutrient reduction strategy
12 25 as defined in section 455B.171.
12 26 (b) The division shall implement demonstration projects
12 27 as provided in subparagraph division (a) by providing
12 28 for participation by persons who hold a legal interest in
12 29 agricultural land used in farming. To every extent practical,
12 30 the division shall provide for collaborative participation by
12 31 such persons who hold a legal interest in agricultural land
12 32 located within the same subwatershed.
12 33 (c) The division shall implement demonstration projects on
12 34 a cost-share basis as determined by the division. Except for
12 35 edge-of-field practices, the state’s share of the amount shall
12 36 not exceed fifty percent of the estimated cost of establishing
12 37 the practice as determined by the division or fifty percent
12 38 of the actual cost of establishing the practice, whichever is
12 39 less.
13 1 (d) The demonstration projects shall be used to educate
13 2 other persons about the feasibility and value of establishing

CODE: Specifies criteria for projects in high-priority watersheds as follows:

- Requires demonstration projects to utilize water quality practices described in the Iowa Nutrient Reduction Strategy as defined in Iowa Code section 455B.171.
- Requires the Department of Agriculture and Land Stewardship (DALS) to collaborate with agricultural landowners in targeted watersheds.
- Prohibits the State's cost-share amount of water quality protection practices from exceeding 50.00% of the value of the practices, except for edge-of-field practices.
- Requires demonstration projects to educate the public about water quality practices.
- Requires the DALS to conduct water quality evaluations within targeted watersheds and to create a database of water quality practices. Specifies that all information received is to be a confidential record and exempt from public access.

similar water quality practices. The division shall promote field day events for purposes of allowing interested persons to establish water quality practices on such persons' agricultural land.

(e) The division shall conduct water quality evaluations within supported subwatersheds. Within a reasonable period after accumulating information from such evaluations, the division shall create an aggregated database of water quality practices. Any information identifying a person holding a legal interest in agricultural land or specific agricultural land shall be a confidential record.

(4) The moneys deposited pursuant to this paragraph shall be used to support education and outreach in a manner that encourages persons who hold a legal interest in agricultural land used for farming to implement water quality practices, including the establishment of such practices in watersheds generally, and not limited to subwatersheds or high-priority watersheds.

CODE: Requires the DALS to use funds to support education and outreach to encourage agricultural producers to establish water quality practices.

(5) The moneys deposited pursuant to this paragraph may be used to contract with persons to coordinate the implementation of efforts provided in this paragraph.

CODE: Permits the DALS to use funds for contracts that will assist with the implementation of the WQI.

(6) The moneys deposited pursuant to this paragraph may be used by the department of agriculture and land stewardship to support urban soil and water conservation efforts, which may include but are not limited to management practices related to bioretention, landscaping, the use of permeable or pervious pavement, and soil quality restoration. The moneys shall be allocated on a cost-share basis as provided in chapter 161A.

CODE: Permits the DALS to use funds to support urban soil and water conservation practices and to allocate funds on a cost-share basis.

(7) Notwithstanding any other provision of law to the contrary, the department of agriculture and land stewardship may use moneys deposited pursuant to this paragraph to carry out the provisions of this paragraph on a cost-share basis in combination with other moneys available to the department of agriculture and land stewardship from a state or federal source.

CODE: Permits the DALS to use funds as cost-share moneys for projects.

13 38 (8) Not more than ten percent of the moneys deposited
13 39 pursuant to this paragraph may be used for costs of
14 1 administration and implementation of the water quality
14 2 initiative administered by the division.

CODE: Prohibits the DALS from using more than 10.00% of the funds deposited for administration and implementation of WQI practices.

14 3 d. Seventy and one-tenth percent of severance tax revenue
14 4 each year shall be deposited in the taxpayer relief fund
14 5 established under section 8.57E.

CODE: Requires 70.10% of severance tax revenue collected each year to be deposited into the Taxpayer Relief Fund.

14 6 e. Distributions to the counties and to the funds under
14 7 this subsection shall be made quarterly in an amount equal
14 8 to one-fourth of the estimate of annual total severance tax
14 9 revenues estimated for the current fiscal year by the revenue
14 10 estimating committee. The share for producing counties shall
14 11 be calculated using county production data from the prior
14 12 fiscal year's severance tax returns.

CODE: Requires revenue distributions to counties, the RUTF, the EFF, and the Taxpayer Relief Fund to be made quarterly in an amount equal to one-fourth of the estimate of annual total severance tax revenues estimated for the current fiscal year by the Revenue Estimating Committee.

14 13 2. By September 15 of each year, the department of
14 14 revenue shall report actual earnings for the months of
14 15 the preceding fiscal year for which estimates were used in
14 16 computing distributions. The department of revenue shall make
14 17 adjustments to distributions during the current fiscal year in
14 18 an amount equal to the difference between revenues earned and
14 19 actual distributions for the preceding fiscal year.

CODE: Requires the Iowa Department of Revenue (IDR) to report, by September 15 of each year, actual earnings for the months of the preceding fiscal years for which estimates were used in computing severance tax revenue distributions and requires the IDR to make adjustments to distributions during the current fiscal year in an amount equal to the difference between revenues earned and actual distributions for the preceding fiscal year.

14 20 3. For purposes of this section, "division" means the
14 21 division of soil conservation and water quality created within
14 22 the department of agriculture and land stewardship pursuant to
14 23 section 159.5.

CODE: Specifies that "division" refers to the Division of Soil Conservation and Water Quality within the DALS.

14 24 Sec. 14. NEW SECTION 458A.29 ADMINISTRATION
14 25 CONFIDENTIALITY.
14 26 1. The department of revenue shall annually value and
14 27 assess oil or gas production for taxation, in appropriate unit
14 28 measures, at the fair market value of the product, after the
14 29 mining is completed or the oil or gas is extracted at the
14 30 wellhead.

CODE: Requires the IDR to annually value and assess oil or gas production for taxation in appropriate unit measures at the fair market value of the product after mining is completed or the oil or gas is extracted at the wellhead.

14 31 2. Annually, on or before June 1, or as soon thereafter
14 32 as the fair market value is determined under subsection 1,

CODE: Requires the IDR to certify the valuation of the product to the county assessor of the county from which the

the department of revenue shall certify the valuation of the product to the county assessor of the county from which the oil or gas was produced, and such valuation shall be entered upon the assessment rolls of the county.

oil or gas was produced and enter the valuation in the assessment rolls of the county on or before June 1 of each year.

3. Records received, collected, or created in the administration of the severance tax shall be confidential as follows:

a. All taxpayer returns and return information shall be confidential and, except as authorized below, no current or former official, officer, employee, or agent of the state or any political subdivision thereof shall disclose any such information obtained in the course of service as an official, officer, employee, or agent. Taxpayer returns and return information shall include without limitation all statements, reports, summaries, and all other data and documents under audit or provided by the taxpayer in accordance with the provisions of this chapter regarding severance tax.

b. Without written authorization from the taxpayer, no current or former official, officer, employee, or agent of the state or any political subdivision thereof shall release taxpayer returns and return information pertaining to taxes imposed by this chapter, except for any of the following reasons:

(1) Information may be released to employees of the department of revenue and employees of the department of justice for official purposes.

(2) Upon prior notice to the taxpayer, information may be released by the department of revenue, upon written application, to any other governmental entity if the entity shows sufficient reason to obtain the information for official business, subject to execution of a confidentiality agreement.

(3) Information shall be admissible in court or administrative proceedings related to the severance tax or other taxes on oil or gas production or on income of producers or owners, or royalties.

c. Units of production reported by the taxpayer and the taxpayer’s taxable value are not confidential and may be released.

CODE: Specifies that records received, collected, or created in the administration of the severance tax imposed on oil and gas are confidential as follows:

- Requires that all taxpayer returns and return information are confidential and no current or former official, officer, employee, or agent of the State or any political subdivision can disclose such information in the course of service, and requires all taxpayer returns and return information to include all statements, reports, summaries, and all other data and documents under audit or provided by the taxpayer.
- Prohibits any current or former official, officer, employee, or agent of the State or any political subdivision from releasing taxpayer returns or return information pertaining to taxes imposed, except for information released to employees of the Department of Revenue (IDR) and Department of Justice for official purposes, information released by the IDR to any other governmental entity upon written application if the entity shows sufficient reason to obtain the information for official business and is subject to a confidentiality agreement, and information admissible in court or administrative proceedings related to the severance tax or other taxes on oil or gas production or on income producers, owners, or royalties.
- Allows units of production reported by the taxpayer and the taxpayer's taxable value to be released.

4. Violations of this section shall be subject to the same prohibitions and penalties that apply to other violations of

CODE: Specifies that violations of new Iowa Code section 458A.29 are subject to the same prohibitions and penalties

confidentiality requirements applicable to data and records in the custody of the department of revenue for purposes of carrying out its duties.

that apply to other violations of confidentiality requirements applicable to data and records in the custody of the Iowa Department of Revenue.

Sec. 15. NEW SECTION 458A.30 EXCLUSIVE JURISDICTION AND EXPRESS PREEMPTION.

1. For purposes of this section:

a. "Commercially reasonable" means a condition that would allow a reasonably prudent operator to fully, effectively, and economically exploit, develop, produce, process, and transport oil and gas, as determined based on the objective standard of a reasonably prudent operator and not on an individualized assessment of an actual operator's capacity to act.

b. "Oil and gas operation" means an activity associated with the exploration, development, production, processing, and transportation of oil and gas, including drilling, testing, geological sampling, boring, excavation, hydraulic fracture stimulation, completion, maintenance, reworking, recompletion, disposal, plugging and abandonment, secondary and tertiary recovery, geophysical surveys related to oil and gas development, and remediation activities.

2. An oil and gas operation is subject to the exclusive jurisdiction of this state. Except as provided in subsection 3, a county, city, or other political subdivision shall not enact or enforce an ordinance or other measure, or an amendment or revision of an ordinance or other measure, that bans, limits, or otherwise regulates an oil and gas operation within the boundaries or jurisdiction of the respective county, city, or political subdivision.

3. The authority of a county, city, or other political subdivision to regulate an oil and gas operation is expressly preempted, except that a county or city may enact, amend, or enforce an ordinance or other measure if the ordinance or other measure does all of the following:

a. Only regulates activity related to an oil and gas operation that occurs at or above the surface of the ground and concerns governing fire and emergency response, traffic, lights, or noise, or imposes notice or reasonable setback requirements.

b. (1) Is commercially reasonable.

(2) An ordinance or other measure is considered prima facie

CODE: Specifies that an oil and gas operation is subject to the exclusive jurisdiction of the State and that a county, city, or other political subdivision can enact or enforce an ordinance or other measure, or an amendment or revision of an ordinance or other measure within the boundaries or jurisdiction of the county, city, or political subdivision under specified circumstances, and provides definitions.

16 35 to be commercially reasonable if the ordinance or other measure
16 36 has been in effect for at least five years and has allowed the
16 37 oil and gas operations at issue to continue during that period.
16 38 c. Does not prohibit or effectively prohibit an oil and gas
16 39 operation conducted by a reasonably prudent operator.
17 1 d. Is not otherwise preempted by state or federal law.

17 2 Sec. 16. REPEAL. Section 458A.6, Code 2026, is repealed.

CODE: Repeals Iowa Code section 458A.6 relating to the DNR's duty to determine market demand and regulate the amount of production in regard to oil, gas, and other minerals.

BILL SUMMARY

Establishes definitions for "automated external defibrillator" (AED), "cardiac emergency plan", and "school" as used in the Act. Page 1, Line 12

Establishes that the Act applies to public school districts, charter schools, and innovation zone schools. Page 2, Line 3

STUDIES AND INTENT

Required Report

Requires the Department of Education, in coordination with each school, to submit a report to the General Assembly by January 15, 2027, containing the number of schools that have adopted and implemented a cardiac emergency response plan, the number of AEDs owned by each school, regardless of whether the AED is in good working order, and where each AED is located on such school's property. Page 2, Line 8

SIGNIFICANT CODE CHANGES

Iowa Dyslexia Board: Extends the repeal date of the Iowa Dyslexia Board from July 1, 2027, to July 1, 2032. Page 1, Line 7

EFFECTIVE DATE

This Act takes effect July 1, 2026.

ENACTMENT DATE

This Act was approved by the General Assembly on May 1, 2026, and signed by the Governor on June 1, 2026.

STAFF CONTACT: Serenity Lo (5125.281.5661) serenity.lo@legis.iowa.gov

Senate File 2474 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	7	1	Amend	256.32A.5

Section 1. Section 256.32A, subsection 5, Code 2026, is amended to read as follows:

5. This section is repealed July 1, ~~2027~~ 2032.

CODE: Extends the repeal date of the Iowa Dyslexia Board from July 1, 2027, to July 1, 2032.

Sec. 2. DEPARTMENT OF EDUCATION — AUTOMATED EXTERNAL DEFIBRILLATOR AND CARDIAC EMERGENCY RESPONSE PLANS — REPORT.

1. As used in this section:

a. "Automated external defibrillator" means a lightweight, portable device that delivers an electric shock through the chest to the heart to stop an irregular heartbeat and allow normal heartbeat rhythm to resume following cardiac arrest.

b. "Cardiac emergency response plan" means a written document that establishes the specific steps to be taken by employees or contractors of a school to respond to incidents involving an individual experiencing cardiac arrest or a similar life-threatening emergency on school property, during physical education, during an extracurricular athletic activity or contest, during practice associated with an extracurricular athletic activity or contest, or during a school-sponsored activity, and to reduce the likelihood of the individual's death from cardiac arrest or a similar life-threatening emergency.

Establishes definitions for "automated external defibrillator" (AED), "cardiac emergency plan", and "school" as used in the Act.

c. "School" means all of the following:

(1) A school district organized pursuant to chapter 274.

(2) A charter school established pursuant to chapter 256E.

(3) A charter school or innovation zone school established pursuant to chapter 256F.

Establishes that the Act applies to public school districts, charter schools, and innovation zone schools.

2. The department of education, in coordination with each school, shall prepare a report that includes information related to all of the following:

a. The number of schools that have adopted and implemented a cardiac emergency response plan.

b. The number of automated external defibrillators owned by each school, regardless of whether any such automated external defibrillator is in good working order, and where each automated external defibrillator is located on the school's property.

3. The department of education shall submit the report

Requires the Department of Education, in coordination with each school, to submit a report to the General Assembly by January 15, 2027, containing the number of schools that have adopted and implemented a cardiac emergency response plan; the number of AEDs owned by each school, regardless of whether the AED is in good working order; and where each AED is located on such school's property.

described in subsection 2 to the general assembly on or before January 15, 2027.

EXECUTIVE SUMMARY
SECOND INJURY FUND, REIMBURSEMENTS ACT

SENATE FILE 2467

BILL SUMMARY

Increases the annual reimbursement limit from the Second Injury Fund to the Attorney General's Office for services provided related to the Fund from $450,000 to $900,000. Page 2, Line 1

EFFECTIVE DATE

This Act takes effect July 1, 2026.

ENACTMENT DATE

This Act was approved by the General Assembly on April 20, 2026, and signed by the Governor on May 15, 2026.

STAFF CONTACT:
Justus Thompson (515.725.2249) justus.thompson@legis.iowa.gov

Senate File 2467 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
2	1	1	Amend	85.67.1

2 1 Section 1. Section 85.67, subsection 1, Code 2026, is
2 2 amended to read as follows:
2 3 1. The attorney general shall appoint a staff member
2 4 to represent the treasurer of state and the fund in all
2 5 proceedings and matters arising under this subchapter. The
2 6 attorney general shall be reimbursed up to ~~four hundred fifty~~
2 7 nine hundred thousand dollars annually from the fund for
2 8 services provided related to the fund. The commissioner of
2 9 insurance shall consider the reimbursement to the attorney
2 10 general as an outstanding liability when making a determination
2 11 of funding availability under section 85.65A, subsection 2.

CODE: Increases the annual reimbursement limit from the Second Injury Fund to the Attorney General's Office for services provided related to the Fund from $450,000 to $900,000.

NOTE: The FY 2025 ending balance in the Second Injury Fund was $8,045,719.

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Establishes a grant program in the Department of Justice for a nonprofit organization that operates sexual assault forensic examination centers. Requires that the Attorney General (AG) contract with an eligible nonprofit organization to operate and maintain sexual assault forensic examination centers in the State. The grant program is contingent upon funding. — Page 1, Line 8

FISCAL IMPACT: The total fiscal impact of HF 2794 is estimated to be approximately $1.5 million to establish the first center and $5.0 to $6.0 million to establish multiple centers. These costs would include both one-time costs and ongoing costs. The AG's Office anticipates needing additional full-time equivalent (FTE) positions including 2.0 to 4.0 FTE positions for nurses at a cost of approximately $90,000 to $100,000 each and a minimum of 4.0 FTE positions for support staff at a cost of approximately $50,000 each.

Establishes eligibility requirements for nonprofit organizations under the Program. — Page 1, Line 13

Provides requirements for a contracting nonprofit organization. — Page 2, Line 4

FUNDING FOR PROJECTS AND PROGRAMS

Creates a Sexual Assault Forensic Examination Center Grant Program Trust Fund in the State Treasury under the control of the AG's Office. The AG's Office may accept gifts, grants, bequests, and other private contributions, as well as State or federal moneys, for deposit into the Trust Fund. All moneys deposited into the Trust Fund are appropriated and made available to the AG's Office to be used for the purposes meeting the requirements of this Section and to provide grants to sexual assault forensic examination centers in this State. Interest or earnings on moneys in the Fund shall be credited to the Fund. — Page 3, Line 3

STUDIES AND INTENT

Required Reports

Requires the contracting nonprofit to submit an annual report to the AG and the General Assembly no later than January 15 of each calendar year describing the types of services offered and trainings that have been provided including the total number of unduplicated clients served; demographic breakdown of clients served including age, gender, and county of residence; number of individuals by county trained; referrals — Page 2, Line 29

made to other agencies or services; description of service gaps identified during the reporting period; and barriers to service access identified.

EFFECTIVE DATE

This Act takes effect July 1, 2026.

ENACTMENT DATE

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 19, 2026.

STAFF CONTACT:

Justus Thompson (515.725.2249) justus.thompson@legis.iowa.gov

PG LN	GA:91 HF2794	Explanation
1 4	Section 1. NEW SECTION 915.47 SEXUAL ASSAULT FORENSIC EXAMINATION CENTER GRANT PROGRAM — FUND.	
1 6	1. The terms defined in section 915.46 shall have the same meaning when used in this section.	CODE: Establishes that the definitions under Iowa Code section 915.46 (Sexual assault forensic examiner program) apply to this section.
1 8	2. A sexual assault forensic examination center grant program is established in the department of justice. Contingent upon funding, the attorney general shall contract with an eligible nonprofit organization to operate and maintain sexual assault forensic examination centers in this state.	CODE: Establishes a grant program in the Department of Justice for a nonprofit organization that operates sexual assault forensic examination centers. Requires the Attorney General (AG) to contract with an eligible nonprofit organization to operate and maintain sexual assault forensic examination centers in the State if funds are provided. FISCAL IMPACT: The total fiscal impact is estimated to be approximately $1,500,000 to establish the first center and $5,000,000 to $6,000,000 to establish multiple centers. These costs would include both one-time costs and ongoing costs. The AG's Office anticipates needing additional full-time equivalent (FTE) positions including 2.00 to 4.00 FTE positions for nurses at a cost of approximately $90,000 to $100,000 each and a minimum of 4.00 FTE positions for support staff at a cost of approximately $50,000 each.
1 13	3. A nonprofit organization must comply with all of the following to be eligible for a contract under this section: a. Be a nonprofit organization incorporated in this state pursuant to chapter 504 that is not owned, controlled, or affiliated with any hospital, health system, or inpatient medical facility. b. Employ or otherwise retain services from sexual assault nurse examiners. c. Maintain, or be in the process of establishing, one or more treatment facilities in this state that are primarily dedicated to providing a diverse range of services to sexual assault survivors, including but not limited to medical forensic services. d. Provide services for sexual assault survivors, including providing sexual assault care and related trainings, as the overall primary purpose of the organization.	CODE: Requires a nonprofit organization to comply with the following criteria to be eligible for a contract under this section: • Be a nonprofit organization incorporated in the State not affiliated with any medical facility; • Employ or otherwise retain services from sexual assault nurse examiners; • Maintain, or be in the process of establishing, one or more treatment facilities in the State primarily dedicated to providing a diverse range of services to sexual assault survivors, including but not limited to medical forensic services;

- Provide services for sexual assault survivors, including providing sexual assault care and related trainings, as the overall primary purpose of the organization.

4. The contracting nonprofit organization shall do all of the following:

a. Provide services, including medical forensic services, to sexual assault survivors including adults, persons with disabilities, rural Iowans, and other underserved populations.

b. Offer or facilitate trainings to law enforcement officers, prosecuting attorneys, health care professionals, and members of the public regarding sexual assault services and sexual assault prevention.

c. Provide a cooperative team approach regarding sexual assault services, deliver accessible services to sexual assault survivors, and establish an approach that emphasizes the best interests of the sexual assault survivor and that provides investigation, assessment, and rehabilitative services.

d. Involve or consult with persons from various professional disciplines who have training and expertise in addressing special types of sexual assault as necessary to address serious cases of sexual assault such as those involving intimate partner violence, dating violence, domestic violence, incest, human trafficking, and drug-facilitated sexual assault. These persons may include but are not limited to physicians and other health care professionals, law enforcement, mental health professionals, social workers, child protection workers, attorneys, juvenile court officers, public health workers, educators, and advocates.

e. Submit an annual report to the attorney general and the general assembly no later than January 15 of each calendar year describing, in aggregated and anonymized form, the types of services offered, total number of unduplicated clients served, demographic breakdown of clients served including age, gender, and county of residence, number of individuals by county trained, referrals made to other agencies or services, description of service gaps identified during the reporting period, and barriers to service access identified.

CODE: Provides that a contracting nonprofit organization must do the following:

- Provide services, including medical forensic services, to sexual assault survivors including adults, persons with disabilities, rural Iowans, and other underserved populations;
- Provide or facilitate trainings for law enforcement officers, prosecuting attorneys, health care professionals, and members of the public regarding sexual assault services and prevention;
- Provide a cooperative team approach regarding sexual assault services and establish an approach that emphasizes the best interests of the sexual assault survivor;
- Involve or consult with persons from various professional disciplines who have training and expertise in addressing special types of sexual assault;
- Submit an annual report to the AG and the General Assembly no later than January 15 of each calendar year describing the types of services offered and trainings that have been provided including the total number of unduplicated clients served; demographic breakdown of clients served including age, gender, and county of residence; number of individuals by county trained; referrals made to other agencies or services; description of service gaps identified during the reporting period; and barriers to service access identified.

5. The requirements in subsection 4 are not intended to restrict or otherwise limit the contracting nonprofit

CODE: Provides that the requirements in Subsection 4 of the Act are not intended to restrict or limit the contracting

organization from seeking funding or reimbursement from other sources.

nonprofit organization from seeking funding or reimbursement from other sources.

6. A sexual assault forensic examination center grant program trust fund is created in the state treasury under the control of the department of justice. The department of justice may accept gifts, grants, bequests, and other private contributions, as well as state or federal moneys, for deposit in the fund. All moneys deposited in the trust fund are appropriated and made available to the department of justice to be used for the purposes meeting the requirements of this section and to provide grants to sexual assault forensic examination centers in this state. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.

CODE: Creates a Sexual Assault Forensic Examination Center Grant Program Trust Fund in the State Treasury under the control of the AG's Office. The AG's Office may accept gifts, grants, bequests, and other private contributions, as well as State or federal moneys, for deposit into the Trust Fund. All moneys deposited into the Trust Fund are appropriated and made available to the AG's Office to be used for the purposes meeting the requirements of this Section and to provide grants to sexual assault forensic examination centers in this State. Allows the fund to retain interest earned on the Fund balance.

FUNDING SUMMARY

House File 2800 makes adjustments to various standing appropriations that result in a decrease of $67.3 million to General Fund appropriations for FY 2027. The adjustments include, in part, the following:

- A decrease of $25.0 million from the General Fund for State school foundation aid for AEA reductions. This decrease and a $7.5 million decrease in 2026 Iowa Acts, SF 2201 (Supplemental State Aid Act), will amount to a total AEA reduction of $32.5 million for FY 2027.
- A decrease of $5.0 million for Nonpublic School Transportation.
- A decrease of $14.8 million for Instructional Support.

House File 2800 makes adjustments to various standing appropriations that result in an increase of $4.0 million to other funds for FY 2027. The adjustments include the following:

- Appropriates $1.0 million from the Sports Wagering Receipts Fund (SWRF) to the Department of Health and Human Services (HHS) to provide a grant to support the Double Up Food Bucks program.
- Appropriates $31.0 million from the Information Technology Fund to HHS for the Medicaid management information system. *This item was vetoed by the Governor.*
- Appropriates $30.5 million from the Information Technology Fund to HHS for the eligibility determination for essential needs information technology modernization project. *This item was vetoed by the Governor.*
- Appropriates $34.0 million from the Information Technology Fund to HHS for information technology projects associated with child support services. *This item was vetoed by the Governor.*
- Appropriates $5.0 million from the Information Technology Fund to HHS for information technology costs associated with public assistance and verification. *This item was vetoed by the Governor.*
- Appropriates $3.0 million for pediatric cancer research from SWRF to the Board of Regents (BOR). This appropriation is contingent upon the enactment of Senate File 2480 (Taxation of Vapor Products, Appropriations Act). This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 26, 2026.

ACT SUMMARY

Division I – Appropriations, Distributions, Transfers, and Expenditure Authority Page 2, Line 1

Limits the standing limited nonpublic school pupil transportation to $9.0 million for FY 2027.

Suspends the $14.8 million General Fund Instructional Support State aid.

Authorizes the use of $12.0 million by Iowa Workforce Development (IWD) from federal funds for administration and unemployment insurance systems modernization.

Transfers balances as detailed in this Act to the Department of Health and Human Services (HHS) Information Technology Fund. *This item was vetoed by the Governor.*

Appropriates the following amounts to the HHS from the Information Technology Fund for FY 2027 for the purposes designated:

- $31.0 million for the Medicaid management information system. *This item was vetoed by the Governor.*
- $30.5 million for the eligibility determination for essential needs information technology modernization project. *This item was vetoed by the Governor.*
- $34.0 million for information technology projects associated with child support services. *This item was vetoed by the Governor.*
- $5.0 million for information technology costs associated with 2023 Iowa Acts, chapter 104 (Public Assistance Program Oversight Act), and 2026 Iowa Acts, SF 2422 (Public Assistance, Verification and Eligibility Act). *This item was vetoed by the Governor.*

Permits salary adjustments to be funded from non-General Fund moneys for FY 2027.

Appropriates $1.0 million from the SWRF in FY 2027 to the HHS to provide a grant to support the Double Up Food Bucks program.

Allows the portion of the appropriation to IWD for the Registered Apprenticeship Development Program that is unencumbered or unobligated at the close of a fiscal year to be used for the operation and maintenance of the Iowa Office of Apprenticeship or for other apprenticeship activities in future fiscal years.

Strikes previous references to Area Education Agency (AEA) reductions and establishes a $32.5 million decrease for FY 2027 and succeeding fiscal years. Beginning in FY 2028, from the AEA reduction, $10.0 million will be appropriated to the Department of Education (DE) for the Division of Special Education.

Division II – Corrective Provisions Page 6, Line 2
Adopts corrective provisions.

Division III – National Electrical Code Page 12, Line 5
Changes sections of the National Electrical Code.

Division IV – Local Laws — Civil Rights Page 14, Line 17
Prohibits cities from enforcing any ordinance or other law that is broader or has different categories of unfair discriminatory practices than those provided in Iowa Code chapter 216.

Division V – Political Party State Central Committees Page 14, Line 29
Specifies that a State party constitution or bylaws cannot prohibit an elected official from serving on a State party central committee. Specifies that a political party's State central committee is required to elect a chairperson, co-chairperson or vice-chairperson, treasurer, and secretary.

Division VI – Noxious Weeds Page 15, Line 17
Adds Japanese knotweed (Fallopia japonica) as an identified noxious weed.

Division VII – Iowa State Fair Foundation — Nonresident Deer Hunting License Page 15, Line 23
Increases the number of nonresident deer hunting licenses that can be allocated by the Director of the Department of Natural Resources (DNR) from 25 to 26 and allocates one license as determined by the Iowa State Fair Foundation.

Division VIII – Proprietary Treatment Systems Page 15, Line 35
Provides definitions and requirements related to proprietary treatment systems.

Division IX – Poultry Association Page 18, Line 20
Changes references to the Iowa Poultry Association to the North Central Poultry Association or its successor organization in Iowa Code.

Division X – Health Care Access and Innovation (HCAI) Tax Credit Page 19, Line 13
Creates the HCAI Tax Credit for domestic insurance companies for expenditures that support health care access and innovation and authorizes a 25.00% tax credit for expenditures that support health care access and innovation. The HCAI Tax Credit is available for tax years 2026 through 2033 for an amount not to exceed $3.0 million in a tax year for applicants. *This item was vetoed by the Governor.*

FISCAL IMPACT: The HCAI Tax Credit was expected to decrease General Fund revenue by a maximum of $3.0 million annually beginning in FY 2027.

Division XI – Alternative Nicotine and Vapor Products — Pediatric Cancer Research Page 20, Line 19
Details the purposes of the Health Care Trust Fund appropriation to the BOR in Senate File 2480 (Taxation of Vapor Products, Appropriations Act). Appropriates $3.0 million from the SWRF for FY 2027 to the BOR, contingent upon the enactment of Senate File 2480. This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 26, 2026.

Division XII – Public Assistance Programs Page 22, Line 4
Amends an effective date in 2026 Iowa Acts, SF 2422 (Public Assistance, Verification and Eligibility Act).

Division XIII – Judicial Branch and County Attorney Salaries Page 22, Line 18
Provides for changes to the structure of judicial branch and county attorney salaries.

Division XIV – Civil Litigation Abuse — Cause of Action Page 25, Line 3
Provides definitions and applicability of civil litigation abuse. *This item was vetoed by the Governor.*

Division XV – Human Trafficking Page 26, Line 15
Requires child abuse assessments to begin within 24 hours, with additional screenings for commercial sexual exploitation if risk factors are identified.

Division XVI – Federal Grants and Loans — Notification Page 27, Line 4
Establishes a federal grant and loan notification process for the Office of Grants Enterprise Management within the DOM.

Division XVII – Area Education Agencies — Quarterly payments — FY 2026 – 2027 Page 27, Line 36
Aligns date references in 2026 Iowa Acts, SF 2201 (Supplemental State Aid Act).

Division XVIII – Higher Education — Civic Proficiency Page 29, Line 4
Establishes new general education and core curriculum requirements for the BOR in American History and American Government, beginning July 1, 2028.

FISCAL IMPACT: The estimated cost to establish new general education and core curriculum requirements for the BOR in American History and American Government is estimated to be a minimum of $2.1 million annually beginning in FY 2029.

Division XIX – Charter Schools — IPERS Page 30, Line 4
Allows for continued Iowa Public Employees' Retirement System (IPERS) eligibility for all eligible charter school employees if certain requirements are met by the charter school.

Division XX – Incentives — School Districts Page 30, Line 31
Extends reorganization incentives for eligible school districts.

FISCAL IMPACT: The estimated fiscal impact of the reorganization incentives is currently unknown and will depend on the number of districts eligible to receive supplementary weighting for whole grade sharing and joint employment, as well as the number of districts that start or continue to make progress toward reorganization. All reorganization incentives will be calculated and distributed through the school aid formula. A total of $2.5 million was appropriated from the General Fund in 2026 Iowa Acts, HF 2783 (FY 2027 Education Appropriations Act).

Division XXI – Extracurricular Interscholastic Eligibility Page 32, Line 24
Modifies the effective date of Section 4 in 2026 Iowa Acts, HF 2591 (Extracurricular Athletics, Open Enrollment and Eligibility Act), from effective upon enactment to August 1, 2026.

Division XXII – Levy Increase Page 33, Line 10
Allows a defined school district, for the school budget year beginning July 1, 2026 (FY 2027), and subject to defined circumstances in this Act, to adjust its levy rates.

MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Limits the FY 2027 General Fund appropriation to the DE for nonpublic school transportation to $9.0 million. Requires the appropriation to be prorated if the claims exceed the appropriation. Page 2, Line 4

Suspends the General Fund standing appropriation of $14.8 million to the DE for the Instructional Support Program for FY 2027. Page 2, Line 18

Transfers the unencumbered and unobligated balances, including all interest and earnings, from the Iowa Coronavirus Fiscal Recovery Fund and moneys available from the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act to the HHS Information Technology (IT) Fund. *This item was vetoed by the Governor.* Page 2, Line 36

Appropriates the following amounts from the HHS IT Fund to the HHS: Page 3, Line 8

- $31.0 million for the Medicaid Management Information System (MMIS). *This item was vetoed by the Governor.*
- $30.5 million for the eligibility determination for essential needs (EDEN) IT modernization project. *This item was vetoed by the Governor.*
- $34.0 million for child support services IT projects. *This item was vetoed by the Governor.*

- $5.0 million for IT costs associated with 2023 Iowa Acts, chapter 104 (Public Assistance Program Oversight Act), and 2026 Iowa Acts, SF 2422 (Public Assistance, Verification and Eligibility Act). Requires the appropriation to be used for IT costs associated with the Public Assistance Program Oversight Act if SF 2422 is not enacted. *This item was vetoed by the Governor.*

Beginning in FY 2027, requires the Department of Management (DOM) to reduce the annual General Fund standing unlimited school aid funding for State foundation aid by $32.5 million. The reductions for each school district will be prorated based on the proportional amount the school district would otherwise have received. Page 5, Line 14

Beginning in FY 2028, from the AEA reduction, $10.0 million will be appropriated to the DE for the Division of Special Education.

FUNDING FOR PROJECTS AND PROGRAMS

Authorizes the use of up to $12.0 million by IWD from federal Assistance for Unemployed Workers and Struggling Families Act (Reed Act) funds for administration of the unemployment insurance program and for unemployment insurance systems modernization. Page 2, Line 24

Establishes a standing appropriation of $1.0 million, beginning in FY 2027, from the SWRF to the HHS to provide a grant to support the Double Up Food Books program administered by the Iowa Healthiest State Initiative. Page 21, Line 11

STUDIES AND INTENT

Intent

Provides that moneys appropriated from the Health Care Trust Fund (HCTF) of the amount attributable to the alternative nicotine and vapor products taxes to the BOR for pediatric cancer research, clinical therapy access, and physician-scientist leadership at the State University of Iowa (SUI) Stead Family Children's Hospital cannot be used for administrative expenses, overhead costs, or other activities not directly related to the purpose of the appropriation. This Section is contingent upon the enactment of SF 2480 (Taxation of Vapor Products, Appropriations Act). Page 20, Line 22

DETAIL: Senate File 2480 was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 26, 2026.

Required Reports

Requires the DNR to review the information regarding the annual inspection and maintenance reports of proprietary treatment systems, which must include an analysis of inspection, monitoring, and maintenance data collected from July 1, 2026, to December 1, 2028, and submit a report to the General Assembly on or before January 10, 2029, detailing the DNR's findings. — Page 17, Line 33

Requires the BOR to submit an annual report by October 1 of each year to the Governor and General Assembly detailing the use of SWRF appropriations for pediatric cancer research. — Page 21, Line 11

Rules

Allows the DNR to adopt administrative rules to administer Division VIII of this Act related to proprietary treatment systems. — Page 17, Line 30

Authorizes the Iowa Department of Revenue (IDR) in consultation with the Iowa Department of Insurance and Financial Services to adopt rules to administer the HCAI Tax Credit. — Page 20, Line 13

EFFECTIVE DATE

Specifies that the authorization of $12.0 million to IWD from federal Reed Act funds for administration of the unemployment insurance program and for unemployment insurance systems modernization takes effect upon enactment. — Page 5, Line 36

Specifies that Section 22 of this Act, which adopts corrective provisions related to 2026 Iowa Acts, House File 2754 (Private Schools and Charter Schools Act) and Section 30, which adopts corrective provisions related to 2026 Iowa Acts, House File 2739 (Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act) are effective on June 2, 2026. The changes in Section 22 apply retroactively to May 12, 2026. The changes in Section 30 apply retroactively to tax years beginning on or after January 1, 2026. — Page 11, Line 28

Specifies that Division III of this Act, related to the National Electrical Code, takes effect on June 2, 2026. — Page 14, Line 15

Specifies that Division VIII of this Act related to proprietary treatment systems, applies to the inspection, monitoring, and maintenance of proprietary treatment systems performed on or after July 1, 2026. — Page 18, Line 15

Specifies that Division X of this Act creating the HCAI Tax Credit applies retroactively to January 1, 2026, for tax years beginning on or after that date. *This item was vetoed by the Governor.* — Page 20, Line 16

Specifies that Sections 57 and 58 of this Act amending Iowa Code sections 453A.35A and 453A.45 are effective January 1, 2027, contingent on the enactment of 2026 Iowa Acts SF 2480 (Taxation of Vapor Products, Appropriations Act). Senate File 2480 was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 26, 2026.	Page 21, Line 31
Amends 2026 Iowa Acts, SF 2422 (Public Assistance, Verification and Eligibility Act), to provide that Division I of SF 2422 takes effect on the date the HHS implements the Supplemental Nutrition Assistance Program (SNAP) and cash assistance eligibility system known as the EDEN system. Requires the HHS to notify the Iowa Code Editor of the date of implementation on or before that date.	Page 22, Line 6
Specifies that Division XII of this Act related to public assistance programs takes effect June 2, 2026.	Page 22, Line 16
Specifies that Division XIII of this Act related to changes to the structure of Judicial Branch and county attorney salaries are effective June 19, 2026.	Page 25, Line 1
Specifies that Division XIV of this Act related to civil litigation abuse applies to cases resolved on or after June 2, 2026. *This Division was vetoed by the Governor.*	Page 26, Line 12
Amends 2026 Iowa Acts, HF 1036 (Human Trafficking, Omnibus Act), section 11, to make the effective date of Section 9 of the Act July 1, 2027.	Page 26, Line 30
Specifies that Division XV related to human trafficking takes effect on July 1, 2026, if HF 1036 (Human Trafficking, Omnibus Act) is enacted. House File 1036 was passed by the General Assembly on May 2, 2026, and signed by the Governor on May 15, 2026.	Page 27, Line 1
Specifies that Division XVIII of this Act applies to undergraduate students beginning enrollment at BOR institutions in academic years beginning on or after July 1, 2028.	Page 29, Line 39
Specifies that Division XIX of this Act, which adopts corrective provisions to 2026 Iowa Acts, HF 2754 (Private Schools and Charter Schools Act), is effective on June 2, 2026, and applies retroactively to May 12, 2026.	Page 30, Line 26
Modifies the effective date of Section 1 in 2026 Iowa Acts, House File 2591 (Extracurricular Athletics, Open Enrollment and Eligibility Act), from upon enactment to August 1, 2026.	Page 32, Line 26
Specifies that Division XXI of this Act, related to extracurricular interscholastic eligibility is effective on June 2, 2026, and applies retroactively to June 2, 2026.	Page 33, Line 5

Specifies that Division XXII of this Act related to a school district cash reserve levy increase is effective on June 2, 2026. — Page 34, Line 1

GOVERNOR'S VETOES

The Governor vetoed Division I, Section 4 of this Act stating that Section 4 of the Act is in conflict with federal law and will result in no additional funding being transferred into the IT Fund. — Page 2, Line 36

The Governor vetoed Division I, Section 5 of this Act stating that this federal funding contains federal restrictions prohibiting the transfer of funds into a state general fund or any other fund without a qualifying, documented eligible use under program rules. — Page 3, Line 8

The Governor vetoed Division X of this Act stating that the tax credit undermined the Managed Care Organization (MCO) tax structure adopted by the General Assembly in 2026 Iowa Acts, House File 2739 (Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act) and required by the federal government, potentially risking more than $120.0 million in federal funding that supports Iowa Medicaid. — Page 19, Line 13

The Governor vetoed Division XIV of this Act stating that the Office of the Attorney General and the Iowa State Bar Association raised concerns that the policy was drafted without stakeholder input and could alter the State's legal liability exposure; that codifying a broad civil litigation abuse claim for private litigants deviates from the approach of other states, which generally limit such statutes to domestic relations contexts; and that the division introduces internal statutory conflicts by using contradictory terms like "mainly" and "primarily" to define an ulterior purpose, which would create conflicting standards for jury instructions. — Page 25, Line 3

ENACTMENT DATE

This Act was approved by the General Assembly on May 3, 2026, and item vetoed and signed by the Governor on June 2, 2026.

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House File 2800 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
4	12	7	Add	8.57I.3.c
4	29	8	Amend	84F.1.6.b
5	2	9	Amend	84F.2.7.b
5	14	10	Strike and Replace	257.35.2
5	33	11	Strike	257.35.3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20
12	7	35	Add	103.1.12A
12	14	36	New	103.1B
13	32	37	New	103.1C
14	31	41	Amend	43.111.1,3
15	19	42	Add	317.1A.1.a.(13)
15	25	43	Amend	483A.24.3
15	30	44	Add	483A.24.3.c
15	37	45	New	455B.241
16	8	46	New	455B.242
16	25	47	New	455B.243
17	30	48	New	455B.244
18	22	51	Amend	163.3C.1.f
18	26	52	Amend	165B.5.2.e
18	33	53	Amend	184.2.4
19	8	54	Amend	267.2.2.d
19	15	55	New	432.12P
22	20	64	Amend	331.752.5
22	32	65	Amend	602.1401.1,5
23	23	66	Strike	602.1502.1
23	31	68	Amend	602.9104.1.a
24	1	69	Amend	602.9204.1.a
24	33	73	Repeal	602.1501
25	5	76	New	611.24
26	17	78	Amend	232.71B.1.a
27	6	83	Add	8.9.3
27	25	84	New	602.1306
29	6	89	New	262.100
30	33	95	Amend	257.3.2.d
31	10	96	Amend	257.11.2.c
31	32	97	Amend	257.11A.1,2

DIVISION I
APPROPRIATIONS, DISTRIBUTIONS, TRANSFERS, AND EXPENDITURE AUTHORITY

Section 1. LIMITATIONS OF STANDING APPROPRIATIONS — FY 2026-2027. Notwithstanding the standing appropriation in the following designated section for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the amount appropriated from the general fund of the state pursuant to that section for the following designated purpose shall not exceed the following amount:

For payment of claims for nonpublic school pupil transportation under section 285.2:

..... $ 8,997,091

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

Limits the FY 2027 General Fund appropriation to the Department of Education (DE) for nonpublic school transportation to $8,997,091. Requires the appropriation to be prorated if total school district claims exceed the appropriation.

DETAIL: This is no change in funding compared to estimated net FY 2026. This also represents a decrease of $5,008,178 compared to the estimated standing unlimited appropriation of $14,005,269 based on current law.

Sec. 2. INSTRUCTIONAL SUPPORT STATE AID — FY 2026-2027. In lieu of the appropriation provided in section 257.20, subsection 2, the appropriation for the fiscal year beginning July 1, 2026, and ending June 30, 2027, for paying instructional support state aid under section 257.20 for the fiscal year is zero.

Suspends the General Fund standing appropriation of $14,800,000 for the Instructional Support Program for FY 2027.

DETAIL: Although no State funding will be provided for the Instructional Support Program, school districts may use local property tax and income surtax to fund their portion of the Program. In FY 2026, all 324 school districts implemented the Program and generated $275,258,952 in local taxes ($94,856,034 in income surtax and $180,402,918 in property taxes). This program has not been funded by the State since FY 2006.

Sec. 3. DEPARTMENT OF WORKFORCE DEVELOPMENT — USE OF FEDERAL INCENTIVE PAYMENTS — FY 2025-2026 — FY 2026-2027. For the fiscal year beginning July 1, 2025, and the fiscal year beginning July 1, 2026, the department of workforce development may use up to $12,000,000 from incentive payments made to the state pursuant to the federal Assistance for Unemployed Workers and Struggling Families Act, Pub.L. No.111-5, Div.B, Tit.II, pursuant to a special transfer under section 903 of the federal Social Security Act, for

Authorizes the use of up to $12,000,000 in FY 2026 and in FY 2027 by Iowa Workforce Development (IWD) from federal Assistance for Unemployed Workers and Struggling Families Act (Reed Act) funds for administration of the unemployment insurance program and for unemployment insurance systems modernization.

NOTE: As of April 30, 2026, there is $26,192,307 in federal Reed Act funding available to IWD.

administration of the unemployment compensation insurance program and for unemployment compensation insurance systems modernization.

Sec. 4. DEPARTMENT OF HEALTH AND HUMAN SERVICES INFORMATION TECHNOLOGY FUND — TRANSFERS. On July 1, 2026, all of the following shall be transferred to the information technology fund created in section 217.25:

1. The unencumbered and unobligated balance, including all interest and earnings thereon, of the Iowa coronavirus fiscal recovery fund created in section 8.57G.

2. The unencumbered and unobligated balance, including all interest and earnings thereon, of moneys available to the state pursuant to the federal Coronavirus Aid, Relief, and Economic Security Act, Pub.L.No.116-136.

VETOED

Transfers the unencumbered and unobligated balances, including all interest and earnings, from the Iowa Coronavirus Fiscal Recovery Fund and from the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act into the Department of Health and Human Services (HHS) Information Technology (IT) Fund.

NOTE: As of May 12, 2026, the Iowa Coronavirus Fiscal Recover Fund balance is $332,959,537 and the HHS Information Technology Fund balance is $33,676,702.

VETOED: The Governor vetoed Section 4 of this Act on June 2, 2026, stating that Section 4 is in conflict with federal law. This will result in no additional funding being transferred into the IT Fund.

Sec. 5. DEPARTMENT OF HEALTH AND HUMAN SERVICES INFORMATION TECHNOLOGY FUND — APPROPRIATIONS.

1. There is appropriated from the information technology fund created in section 217.25 to the department of health and human services for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

a. For the Medicaid management information system:
..... $ 31,000,000

b. For the eligibility determination for essential needs information technology modernization project:
..... $ 30,500,000

c. For information technology projects associated with child support services:
..... $ 34,000,000

d. (1) For information technology costs associated with implementation of 2023 Iowa Acts, chapter 104, and 2026 Iowa Acts, Senate File 2422, if enacted:
..... $ 5,000,000

VETOED

Appropriates the following amounts from the HHS IT Fund to the HHS:

- $31,000,000 for the Medicaid Management Information System (MMIS).
- $30,500,000 for the eligibility determination for essential needs (EDEN) IT modernization project.
- $34,000,000 for child support services IT projects.
- $5,000,000 for IT costs associated with 2023 Iowa Acts, chapter 104 (Public Assistance Program Oversight Act), and 2026 Iowa Acts, Senate File 2422 (Public Assistance, Verification and Eligibility Act).

VETOED: The Governor vetoed Section 5 of this Act on June 2, 2026, stating that this federal funding contains federal restrictions prohibiting the transfer of funds into a state general fund or any other fund without a qualifying, documented eligible use under program rules.

3 27 (2) The appropriation in this paragraph shall be used
3 28 to implement 2023 Iowa Acts, chapter 104, if 2026 Iowa Acts,
3 29 Senate File 2422, is not enacted.

Requires the appropriation to be used for IT costs associated with the Public Assistance Program Oversight Act, if SF 2422 (Public Assistance, Verification and Eligibility Act), is not enacted.

NOTE: Senate File 2422 was approved by the General Assembly on April 30, 2026, and signed by the Governor on June 2, 2026.

3 30 2. Following the appropriations in subsection 1, the
3 31 remaining balance of the information technology fund created in
3 32 section 217.25 is appropriated to the department of health and
3 33 human services for the fiscal year beginning July 1, 2026, and
3 34 ending June 30, 2027, to be used for the Medicaid management
3 35 information system.

Appropriates the remaining balance of the HHS IT Fund, following the appropriations made in this Act, to the HHS for FY 2027 for the MMIS.

3 36 3. Moneys appropriated in this section shall not be used
3 37 for maintenance, operations, staffing, or other corporate
3 38 technology needs of the department.

Prohibits the HHS from using the appropriations from the HHS IT Fund for maintenance, operations, staffing, or other corporate technology needs.

3 39 Sec. 6. SPECIAL FUNDS — SALARY ADJUSTMENTS — FY
4 1 2026-2027. For the fiscal year beginning July 1, 2026, and
4 2 ending June 30, 2027, salary adjustments otherwise provided
4 3 may be funded as determined by the department of management,
4 4 subject to any applicable constitutional limitation, using
4 5 unappropriated moneys remaining in the commerce revolving
4 6 fund, the gaming enforcement revolving fund, the gaming
4 7 regulatory revolving fund, the primary road fund, the road
4 8 use tax fund, the fish and game protection fund, and the Iowa
4 9 public employees' retirement fund, and in other departmental
4 10 revolving, trust, or special funds for which the general
4 11 assembly has not made an operating budget appropriation.

Permits salary adjustments to be funded from non-General Fund moneys remaining in various revolving, trust, or special funds for FY 2027 for which the General Assembly has not established an operating budget.

4 12 Sec. 7. Section 8.57I, subsection 3, Code 2026, is amended
4 13 by adding the following new paragraph:
4 14 NEW PARAGRAPH c. (1) For the fiscal year beginning July
4 15 1, 2026, and each fiscal year thereafter, there is appropriated
4 16 from the sports wagering receipts fund to the department of
4 17 health and human services one million dollars to provide a
4 18 grant to the Iowa healthiest state initiative to support

CODE: Creates a $1,000,000 standing appropriation from the Sports Wagering Receipts Fund (SWRF) beginning in FY 2027, to the HHS to provide a grant to support the Double Up Food Bucks program administered by the Iowa Healthiest State Initiative. A grant recipient that receives funding from the appropriation is required to provide at least a dollar-for-dollar match of the grant assistance. Exempts the

the double up food bucks program to make fresh fruits and vegetables sold at farmers markets, grocery stores, and other participating locations accessible to individuals and families who reside in this state and receive assistance through the federal supplemental nutrition assistance program.

(2) A grant recipient that receives funding pursuant to this paragraph shall provide at least a dollar-for-dollar match of the grant assistance.

(3) Subsections 5 and 6 do not apply to moneys appropriated under this paragraph.

$1,000,000 appropriation from the reporting requirements under Iowa Code sections 8.571(5) and (6).

DETAIL: This is a new appropriation beginning in FY 2027. The Double Up Food Bucks program makes fresh fruits and vegetables sold at farmers markets, grocery stores, and other participating locations accessible to individuals and families who reside in Iowa and receive assistance through the federal Supplemental Nutrition Assistance Program (SNAP).

Sec. 8. Section 84F.1, subsection 6, paragraph b, Code 2026, is amended to read as follows:

b. Notwithstanding section 8.33, moneys appropriated to the department by the general assembly for purposes of this section that remain unencumbered or unobligated at the ~~end~~ close of the fiscal year shall not revert ~~to the general fund~~ but shall remain available for expenditure ~~for the purposes designated~~ in subsequent fiscal years by the department to operate and manage the Iowa office of apprenticeship established in section 84D.3 or for other apprenticeship activities deemed appropriate by the department, not subject to the limitation set forth in paragraph "a".

CODE: Allows moneys appropriated to IWD for the Future Ready Iowa, Registered Apprenticeship Development Program that are unencumbered or unobligated at the close of a fiscal year to be used for the operation and maintenance of the Iowa Office of Apprenticeship or for other apprenticeship activities in future fiscal years.

DETAIL: The Registered Apprenticeship Development Program has received a General Fund appropriation of $760,000 in the annual Economic Development Appropriations Act since FY 2024.

Sec. 9. Section 84F.2, subsection 7, paragraph b, Code 2026, is amended to read as follows:

b. Notwithstanding section 8.33, moneys appropriated to the department by the general assembly for purposes of this section that remain unencumbered or unobligated at the ~~end~~ close of the fiscal year shall not revert ~~to the general fund~~ but shall remain available for expenditure ~~for the purposes designated~~ in subsequent fiscal years by the department to operate and manage the Iowa office of apprenticeship established in section 84D.3 or for other apprenticeship activities deemed appropriate by the department, not subject to the limitation set forth in paragraph "a".

CODE: Allows moneys appropriated to IWD for the Future Ready Iowa, Expanded Registered Apprenticeship Opportunities Program that are unencumbered or unobligated at the close of a fiscal year to be used for the operation and maintenance of the Iowa Office of Apprenticeship or for other apprenticeship activities in future fiscal years.

Sec. 10. Section 257.35, subsection 2, Code 2026, is amended by striking the subsection and inserting in lieu thereof the following:

2. The amounts specified for school districts in section 257.10, subsection 7, for the fiscal year beginning July

CODE: Beginning in FY 2027, requires the Department of Management (DOM) to reduce the annual General Fund standing unlimited school aid funding for State foundation aid by $32,500,000. The reductions for each school district

1, 2026, and each succeeding fiscal year, shall be reduced by the department of management by thirty-two million five hundred thousand dollars. The department of management shall calculate a state aid reduction such that such amounts shall be reduced proportionally to the amount that the district would otherwise have received under section 257.10, subsection 7. For the fiscal year beginning July 1, 2027, and each fiscal year thereafter, from the reduction under this subsection for that fiscal year there is appropriated ten million dollars to the department of education for division of special education general supervision, oversight, compliance, employee salaries, support, maintenance, and miscellaneous purposes within the area education agency regions and the department of education main office.

will be prorated based on the proportional amount the school district would otherwise have received.

Beginning in FY 2028, from the AEA reduction, $10,000,000 will be appropriated to the DE for the Division of Special Education.

DETAIL: Currently Iowa Code section 257.35 has an annual statutory reduction of $7,500,000. For FY 2026, the State aid reduction totaled $32,500,000.

NOTE: The DE received a $10,000,000 appropriation for the Special Education Division in 2026 Iowa Acts, House File 2783 (FY 2027 Education Appropriations Act).

Sec. 11. Section 257.35, subsections 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20, Code 2026, are amended by striking the subsections.

CODE: Strikes subsections 3 through 20 from Iowa Code section 257.35. These sections relate to Area Education Agency (AEA) reductions that occurred between FY 2004 and FY 2025.

DETAIL: The AEA reduction for each fiscal year has been between $2,500,000 and $25,000,000.

Sec. 12. EFFECTIVE DATE. The following, being deemed of immediate importance, takes effect upon enactment:

The section of this division of this Act providing for the use of federal incentive payments by the department of workforce development.

Specifies that the authorization of $12,000,000 for FY 2026 and for FY 2027 to IWD from federal Reed Act funds for administration of the unemployment insurance program and for unemployment insurance systems modernization takes effect upon enactment.

DIVISION II

CORRECTIVE PROVISIONS

Sec. 13. Section 135.61, subsection 16, paragraph a, subparagraph (1), subparagraph divisions (a) and (b), if enacted by 2026 Iowa Acts, House File 2635, section 14, are amended to read as follows:

(a) Beginning on or after January 1, 2027, and before ~~December 31, 2031,~~ January 1, 2032, four million dollars.

(b) Beginning on or after January 1, 2032, and before ~~December 31, 2036,~~ January 1, 2037, four million five hundred

Adopts corrective provisions related to 2026 Iowa Acts, House File 2635 (Health Insurance and Managed Care, Payment Practices Act), in Section 14 of the Act.

DETAIL: The Act was approved by the General Assembly on March 5, 2026, and signed by the Governor on May 13, 2026.

thousand dollars.

Sec. 14. Section 135.61, subsection 16, paragraph c, subparagraphs (1) and (2), if enacted by 2026 Iowa Acts, House File 2635, section 14, are amended to read as follows:
(1) Beginning on or after January 1, 2027, and before ~~December 31, 2031,~~ January 1, 2032, four million dollars.
(2) Beginning on or after January 1, 2032, and before ~~December 31, 2036,~~ January 1, 2037, four million five hundred thousand dollars.

Adopts corrective provisions related to 2026 Iowa Acts, House File 2635 (Health Insurance and Managed Care, Payment Practices Act), in Section 14 of the Act.

DETAIL: The Act was approved by the General Assembly on March 5, 2026, and signed by the Governor on May 13, 2026.

Sec. 15. Section 135.61, subsection 16, paragraph e, subparagraph (1), subparagraph divisions (a) and (b), if enacted by 2026 Iowa Acts, House File 2635, section 14, are amended to read as follows:
(a) Beginning on or after January 1, 2027, and before ~~December 31, 2031,~~ January 1, 2032, four million dollars.
(b) Beginning on or after January 1, 2032, and before ~~December 31, 2036,~~ January 1, 2037, four million five hundred thousand dollars.

Adopts corrective provisions related to 2026 Iowa Acts, House File 2635 (Health Insurance and Managed Care, Payment Practices Act), in Section 14 of the Act.

DETAIL: The Act was approved by the General Assembly on March 5, 2026, and signed by the Governor on May 13, 2026.

Sec. 16. Section 135.61, subsection 16, paragraph f, subparagraph (1), subparagraph divisions (a) and (b), if enacted by 2026 Iowa Acts, House File 2635, section 14, are amended to read as follows:
(a) Beginning on or after January 1, 2027, and before ~~December 31, 2031,~~ January 1, 2032, four million dollars.
(b) Beginning on or after January 1, 2032, and before ~~December 31, 2036,~~ January 1, 2037, four million five hundred thousand dollars.

Adopts corrective provisions related to 2026 Iowa Acts, House File 2635 (Health Insurance and Managed Care, Payment Practices Act), in Section 14 of the Act.

DETAIL: The Act was approved by the General Assembly on March 5, 2026, and signed by the Governor on May 13, 2026.

Sec. 17. Section 135C.6, subsection 1, paragraph b, as enacted by 2026 Iowa Acts, Senate File 572, section 2, is amended to read as follows:
b. A supported community living service, as defined in section ~~225C.21~~ 249A.38B, is not required to be licensed under this chapter, but is subject to approval under section ~~225C.21~~ 249A.38B in order to receive public funding.

Adopts corrective provisions related to 2026 Iowa Acts, Senate File 572 (Health Care Facilities, Prohibition of Chinese Ownership Act), in Section 2 of the Act.

DETAIL: The Act was approved by the General Assembly on March 23, 2026, and signed by the Governor on April 9, 2026.

Sec. 18. Section 135S.1, subsection 2, if enacted by 2026 Iowa Acts, House File 571, section 2, is amended to read as follows:

Adopts corrective provisions related to 2026 Iowa Acts, House File 571 (Health Care Providers, Facilities, and

2. "Discrimination" means an adverse action, including but not limited to any penalty, disciplinary, or retaliatory action taken against, or a threat of adverse action communicated to, a medical practitioner or health care institution as a result of the refusal of the medical practitioner or health care institution to participate in a health care service on the basis of conscience. "Discrimination" ~~not~~ does not include the negotiation or purchase of insurance or a health care service by a nongovernmental entity or individual, the refusal to use or purchase insurance or a health care service by a nongovernmental entity or individual, or a health care institution's good-faith effort to accommodate a medical practitioner's or health care institution's exercise of conscience.

Payers, Conscientious Exemptions Act), in Section 2 of the Act.

DETAIL: The Act was approved by the General Assembly on March 23, 2026, and signed by the Governor on May 19, 2026.

Sec. 19. Section 135S.2, subsection 1, paragraph a, if enacted by 2026 Iowa Acts, House File 571, section 3, is amended to read as follows:

a. A medical practitioner or health care institution has the right not to participate in or pay for a health care service that violates the medical practitioner's or health care institution's conscience. A medical practitioner shall inform the medical practitioner's employer of the nature of the ~~medical's~~ medical practitioner's objection based on the practitioner's conscience. This paragraph shall not be construed to waive or modify a duty a medical practitioner or health care institution may have to participate in a health care service that does not violate the medical practitioner's conscience.

Adopts corrective provisions related to 2026 Iowa Acts, House File 571 (Health Care Providers, Facilities, and Payers, Conscientious Exemptions Act), in Section 3 of the Act.

DETAIL: The Act was approved by the General Assembly on March 23, 2026, and signed by the Governor on May 19, 2026.

Sec. 20. 2026 Iowa Acts, House File 2562, section 10, if enacted, is amended by striking the section and inserting in lieu thereof the following:

SEC. 10. Section 144H.1, subsection 6, as enacted in section 1 of this Act, is amended by striking the subsection and inserting in lieu thereof the following:

6. "Person authorized to consent" means an individual, in the same order of priority prescribed in section 144A.7, subsection 1, paragraph "b", who shall be guided by the express or implied intentions of the patient and who is reasonably available, willing, and competent to consent, refuse to consent, or withdraw consent on a patient's behalf.

Adopts corrective provisions related to 2026 Iowa Acts, House File 2562 (Temporary Health Care Placement Decision Makers Act), in Section 10 of the Act.

DETAIL: The Act was approved by the General Assembly on April 22, 2026, and signed by the Governor on May 15, 2026.

Sec. 21. Section 148.11A, subsection 2, paragraph b, as enacted by 2026 Iowa Acts, Senate File 2184, section 3, is amended to read as follows:

b. The board shall adopt rules pursuant to chapter 17A to set the term of an administrative medicine license, but shall not require an administrative medicine license to be renewed more often than once every three years. An administrative medicine license shall expire on the licensee's birthday.

Adopts corrective provisions related to 2026 Iowa Acts, Senate File 2184 (Board of Medicine, Licensure, Renewals, and Continuing Education Act), in Section 3 of the Act.

DETAIL: The Act was approved by the General Assembly on April 6, 2026, and signed by the Governor on April 30, 2026.

Sec. 22. Section 256C.4, subsection 1A, paragraph b, if enacted by 2026 Iowa Acts, House File 2754, section 87, is amended to read as follows:

b. For the fiscal year beginning July 1, ~~2025~~ 2026, and each succeeding fiscal year, of the amount of state preschool funding received by a community-based provider approved to directly participate in the preschool program for a fiscal year, not more than five percent may be used by the community-based provider for administering the approved local program. Outreach activities and rent for facilities not owned by the community-based provider are permissive uses of the administrative funds.

Adopts corrective provisions related to 2026 Iowa Acts, House File 2754 (Private Schools and Charter Schools Act), in Section 87 of the Act.

DETAIL: The Act was approved by the General Assembly on April 27, 2026, and signed by the Governor on May 12, 2026.

Sec. 23. Section 280.37, subsection 3, if enacted by 2026 Iowa Acts, Senate File 2086, section 4, is amended to read as follows:

3. If the board of directors of a school district or the authorities in charge of an accredited nonpublic school offer the elective junior fire fighter program, then the board of directors of the school district or the authorities in charge of the accredited nonpublic school shall coordinate with a local fire department to ensure students are provided with the appropriate materials and training to successfully complete all components necessary for ~~fire fighter~~ firefighter I certification, including the written certification examination and the practical certification examination.

Adopts corrective provisions related to 2026 Iowa Acts, Senate File 2086 (Schools, Junior Fire Fighter Programs Act), in Section 4 of the Act.

DETAIL: The Act was approved by the General Assembly on March 24, 2026, and signed by the Governor on June 1, 2026.

Sec. 24. Section 280.37, subsection 4, paragraph a, if enacted by 2026 Iowa Acts, Senate File 2086, section 4, is amended to read as follows:

a. Be designed to prepare students to sit for certification testing from the fire service training bureau for ~~fire fighter~~

Adopts corrective provisions related to 2026 Iowa Acts, Senate File 2086 (Schools, Junior Fire Fighter Programs Act), in Section 4 of the Act.

PG LN	GA:91 HF2800	Explanation
9 10	firefighter I certification.	DETAIL: The Act was approved by the General Assembly on March 24, 2026, and signed by the Governor on June 1, 2026.
9 11	Sec. 25. Section 307.22A, subsection 6, if enacted by 2026	Adopts corrective provisions related to 2026 Iowa Acts, House File 2667 (Statewide Urban Design and Specifications Board Bill), in Section 2 of the Act.
9 12	Iowa Acts, House File 2667, section 2, is amended to read as	
9 13	follows:	
9 14	6. The statewide urban design and specifications board	DETAIL: The Bill was approved by the General Assembly on March 31, 2026, and vetoed by the Governor on June 2, 2026.
9 15	shall publish on the Iowa state university of science and	
9 16	technology's internet site an analysis of any changes made	
9 17	to the statewide urban design and specifications manuals and	
9 18	provide an estimate of expected cost variations that are likely	
9 19	to be incurred, if any, by implementing the changes.	
9 20	Sec. 26. Section 452A.33, subsection 1, paragraph c,	Adopts corrective provisions related to 2026 Iowa Acts, House File 2643 (Biofuel Tax Credits, Fuel Retailer Reports Act), in Section 5 of the Act.
9 21	subparagraph (2), Code 2026, as amended by 2026 Iowa Acts,	
9 22	House File 2643, section 5, is amended to read as follows:	
9 23	(2) (a) If a retail dealer fails to file a timely filed	DETAIL: The Act was approved by the General Assembly on March 23, 2026, and signed by the Governor on April 16, 2026.
9 24	report as required by this subsection or fails to maintain	
9 25	records required to file the report, the department may impose	
9 26	a civil penalty of not more than one hundred dollars per	
9 27	occurrence in addition to any other penalty provided by law.	
9 28	The penalty amount shall be deposited into the general fund of	
9 29	the state.	
9 30	(b) A retail dealer who fails to ~~timely~~ file a timely	
9 31	filed report as required by this subsection for the latest	
9 32	determination period ending on or before the last day of the	
9 33	retail dealer's tax year is also ineligible to claim any tax	
9 34	credit available under section 422.11O, 422.11P, or 422.11Y for	
9 35	the tax year.	
9 36	Sec. 27. Section 514F.8D, subsection 5, if enacted by 2026	Adopts corrective provisions related to 2026 Iowa Acts, House File 2635 (Health Insurance and Managed Care, Payment Practices Act), in Section 4 of the Act.
9 37	Iowa Acts, House File 2635, section 4, is amended to read as	
9 38	follows:	
9 39	5. The commissioner of insurance may adopt rules pursuant to	DETAIL: The Act was approved by the General Assembly on March 5, 2026, and signed by the Governor on May 13, 2026.
10 1	chapter 17A to administer and enforce this section.	

Sec. 28. Section 537C.9, as enacted by 2026 Iowa Acts, House File 2497, section 9, is amended to read as follows:

537C.9 PROGRAM AGREEMENT — APPROVED PARTIES.

1. A program shall only enter into a program agreement with the following persons:

~~1.~~ a. A resident of this state who holds a driver's license issued in this state that authorizes the person to operate a vehicle of the class of the shared vehicle that is the subject of the program agreement.

~~2.~~ b. A nonresident of this state who holds a driver's license issued by the state or country of the person's residence that authorizes the person to operate a vehicle of the class of the shared vehicle that is the subject of the program agreement, and is at least the minimum age required by this state to operate a vehicle of that class.

~~3.~~ c. A person who is specifically authorized by this state to operate a vehicle of the class of the shared vehicle that is the subject of the program agreement.

~~4.~~ 2. A program shall keep permanent records of all of the following:

a. The names and address of each shared vehicle driver.

b. The driver's license number and place of issuance of each shared vehicle driver, and any other person who may operate a shared vehicle under a program agreement.

Adopts corrective provisions related to 2026 Iowa Acts, House File 2497 (Peer-to-Peer Car Sharing, Insurance and Regulation Act), in Section 9 of the Act.

DETAIL: The Act was approved by the General Assembly on March 4, 2026, and signed by the Governor on April 9, 2026.

Sec. 29. Section 910.2, subsection 3, as enacted by 2026 Iowa Acts, House File 2697, section 1, is amended to read as follows:

3. Notwithstanding any other statute or rule of law, with the consent of the defendant and the prosecuting attorney, the court may order as part of the dismissal of a public offense or violation of an ordinance that the defendant pay pecuniary damages to the victim~~,~~ and category "B" restitution, which shall include court costs.

Adopts corrective provisions related to 2026 Iowa Acts, House File 2697 (Criminal Dismissals, Fees and Restitution Act), in Section 1 of the Act.

DETAIL: The Act was approved by the General Assembly on April 1, 2026, and signed by the Governor on April 16, 2026.

Sec. 30. 2026 Iowa Acts, House File 2739, section 13, is amended to read as follows:

SEC. 13. TEMPORARY PROVISIONS FOR THE HEALTH CARE-RELATED TAX AND PREPAYMENTS FOR CALENDAR YEAR 2026. Notwithstanding section 432B.2, subsection 1, if enacted by this division of this Act, each health ~~care~~ maintenance organization

Adopts corrective provisions related to 2026 Iowa Acts, House File 2739 (Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act), in Section 13 of the Act.

transacting business in this state shall be subject to a health care-related tax payable to the director of revenue in an amount equal to three and one-half percent of the applicable percentage of taxable funds as defined in section 432B.1, if enacted by this division of this Act, for the period in calendar year beginning January 1, 2026, and ending September 30, 2026. The difference between the amount of taxes collected pursuant to this section and the amount of tax that would be collected by imposing the rate under section 432B.2, subsection 1, if enacted by this division of this Act, shall not be subject to prepayment under section 432B.3, subsection ~~1~~ 2, if enacted by this division of this Act.

DETAIL: The Act was approved by the General Assembly on March 24, 2026, and signed by the Governor on March 25, 2026.

Sec. 31. 2026 Iowa Acts, House File 2757, sections 5 and 6, if enacted, are amended to read as follows:

SEC. 5. APPLICABILITY. Except as otherwise provided, this Act applies to tangible personal property or specified digital ~~projects~~ products sold to or of services furnished to a nuclear electric generation facility when permissible under section 423.3, subsection 111, paragraph "c", if enacted by this Act.

SEC. 6. RETROACTIVE APPLICABILITY. This Act applies retroactively to January 1, 2026, for tangible personal property or specified digital ~~projects~~ products sold to or of services furnished to a nuclear electric generation facility that is undertaking an activity described in section 423.3, subsection 111, paragraph "a", subparagraph (1), subparagraph subdivision (i), if enacted by this Act.

Adopts corrective provisions related to 2026 Iowa Acts, House File 2757 (Nuclear Electric Generation Facilities, Sales Tax Exemption Act), in Sections 5 and 6 of the Act.

DETAIL: The Act was approved by the General Assembly on April 30, 2026, and signed by the Governor on June 1, 2026.

Sec. 32. EFFECTIVE DATE. The following, being deemed of immediate importance, take effect upon enactment:

1. The section of this division of this Act amending section 256C.4, subsection 1A, paragraph "b".

2. The section of this division of this Act amending 2026 Iowa Acts, House File 2739, section 13.

Specifies that Section 22 of this Act, which adopts corrective provisions related to 2026 Iowa Acts, House File 2754 (Private Schools and Charter Schools Act), and Section 30 of this Act, which adopts corrective provisions related to 2026 Iowa Acts, House File 2739 (Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act), are effective on June 2, 2026.

DETAIL: House File 2754 was approved by the General Assembly on April 27, 2026, and signed by the Governor on May 12, 2026.

House File 2739 was approved by the General Assembly on March 24, 2026, and signed by the Governor on March 25, 2026.

Sec. 33. RETROACTIVE APPLICABILITY. The following applies retroactively to the effective date of 2026 Iowa Acts, House File 2754, if enacted:

The section of this division of this Act amending section 256C.4, subsection 1A, paragraph "b".

Specifies that Section 22 of the Act, which adopts corrective provisions to 2026 Iowa Acts, House File 2754 (Private Schools and Charter Schools Act), Section 87, applies retroactively to the effective date of House File 2754.

DETAIL: House File 2754 was approved by the General Assembly on April 27, 2026, and signed by the Governor on May 12, 2026. The Act was effective on May 12, 2026.

Sec. 34. RETROACTIVE APPLICABILITY. The following applies retroactively to January 1, 2026, for tax years beginning on or after that date:

The section of this division of this Act amending 2026 Iowa Acts, House File 2739, section 13.

Specifies that Section 30 of the Act, which adopts corrective provisions to 2026 Iowa Acts, House File 2739 (Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act), Section 13, applies retroactively to tax years beginning on or after January 1, 2026.

DETAIL: House File 2739 was approved by the General Assembly on March 24, 2026, and signed by the Governor on March 25, 2026.

DIVISION III

NATIONAL ELECTRICAL CODE

Sec. 35. Section 103.1, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 12A. "National electrical code" means the national electrical code, 2023 edition, published by the national fire protection association, as modified by section 103.1B, and excluding sections 210.52(C)(3), 230.67, and 406.4(D)(4) of the national electrical code, 2023 edition.

CODE: Adds definition for "National Electrical Code" to Iowa Code section 103.1.

Sec. 36. NEW SECTION 103.1B NATIONAL ELECTRICAL CODE — ALTERATIONS.

For purposes of the national electrical code:

1. DWELLING UNITS. Section 210.8(A) of the national electrical code, 2023 edition, is amended by requiring that

CODE: Amends sections of the National Electrical Code, making changes to dwelling units, arc-fault circuit interrupters, kitchen receptacles on islands and peninsulas, load calculations, ceiling outlets, boxes at ceiling-suspended

one hundred twenty-five volt through two hundred fifty volt receptacles supplied by single-phase branch circuits rated one hundred fifty volts or less to ground installed in a kitchen only require ground-fault circuit interrupter protection for personnel where receptacles are installed to serve the countertop surfaces and by striking section 210.8(A)(7) of the national electrical code, 2023 edition. In lieu of basements, section 210.8(A) of the national electrical code, 2023 edition, shall apply to unfinished portions or areas of the basement not intended as habitable rooms.

2. ARC-FAULT CIRCUIT INTERRUPTERS. Notwithstanding section 210.12(B) of the national electrical code, 2023 edition, arc-fault circuit interrupters shall not be required for one-family and two-family dwellings and townhouses, and section 210.12(B) of the national electrical code, 2023 edition, shall not apply to kitchens or laundry areas.

3. KITCHEN RECEPTACLES ON ISLANDS AND PENINSULAS. In lieu of the requirements of section 210.52(C)(2) of the national electrical code, 2023 edition, an electrical provision or at least one receptacle shall be installed at each island and peninsular countertop space with a long dimension of six hundred millimeters, or twenty-four inches, or greater and a short dimension of three hundred millimeters, or twelve inches, or greater, with a peninsular countertop being measured from the connected perpendicular wall.

4. LOAD CALCULATIONS. With respect to section 220.5(C) of the national electrical code, 2023 edition, the calculated floor area of a dwelling unit shall additionally exclude garages.

5. CEILING OUTLETS. In addition to the requirements of section 314.27(A)(2) of the national electrical code, 2023 edition, outlet boxes mounted in the ceilings of family rooms, living rooms, parlors, libraries, dens, bedrooms, sunrooms, recreation rooms, and similar areas of dwelling occupancies, and located in an area of the ceiling typical for the installation of a ceiling-suspended paddle fan shall be installed to accommodate a ceiling-suspended paddle fan in accordance with section 314.27(C) of the national electrical code, 2023 edition.

6. BOXES AT CEILING-SUSPENDED PADDLE FAN OUTLETS. In lieu of the second paragraph of section 314.27(C) of the national electrical code, 2023 edition, where a ceiling-suspended paddle

paddle fan outlets, receptacles near bathtub and shower spaces, and ground-fault circuit interrupters.

fan is not installed, the outlet box shall comply with either section 314.27(C)(1) or 314.27(C)(2) of the national electrical code, 2023 edition.

7. RECEPTACLES NEAR BATHTUB AND SHOWER SPACES. In lieu of the requirements of and exceptions to section 406.9(C) of the national electrical code, 2023 edition, receptacles shall not be installed within or directly over a bathtub or shower stall.

8. GROUND-FAULT CIRCUIT INTERRUPTERS. Ground-fault circuit interrupter protection is not required for receptacles that serve sump pumps or refrigerators.

Sec. 37. NEW SECTION 103.1C ELECTRICAL CODE — AMENDMENTS — LIMITATIONS.

1. A political subdivision shall not adopt a local electrical code that is more restrictive than the national electrical code.

CODE: Prohibits a political subdivision from adopting a local electrical code that is more restrictive than the National Electrical Code.

2. Prior to adopting any changes to the national electrical code pursuant to section 103.6, including but not limited to by adopting the national electrical code, 2026 edition, published by the national fire protection association, the board shall conduct an analysis of the cost to consumers of any significant changes to the national electrical code. The analysis shall be submitted to the administrative rules coordinator and the administrative code editor for publication in the Iowa administrative bulletin along with the notice of intended action.

CODE: Requires the Electrical Examining Board to conduct an analysis of the cost to consumers of any significant changes to the National Electrical Code. The analysis is to be submitted to the Administrative Rules Coordinator and the Administrative Code Editor for publication in the Iowa Administrative Bulletin along with the Notice Of Intended Action.

Sec. 38. FUTURE REPEAL. Section 103.1, subsection 12A, and section 103.1B, as enacted by this division of this Act, are repealed effective upon the adoption of the national electrical code, 2026 edition, published by the national fire protection association, by the electrical examining board. The electrical examining board shall inform the Iowa Code editor upon the adoption of the national electrical code, 2026 edition.

CODE: Repeals Iowa Code sections 103.1, subsection 12A, and section 103.1B, as amended by this division of this Act, upon the adoption of the 2026 National Electrical Code by the Electrical Examining Board. The Board must inform the Iowa Code editor upon the adoption of the 2026 National Electrical Code.

Sec. 39. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Specifies that Division III of this Act, related to the National Electrical Code, takes effect on June 2, 2026.

DIVISION IV

LOCAL LAWS — CIVIL RIGHTS

Sec. 40. Section 216.19, subsection 1, unnumbered paragraph 1, Code 2026, as amended by 2026 Iowa Acts, Senate File 579, section 1, is amended to read as follows:

All cities shall, to the extent possible, protect the rights of the citizens of this state secured by the Iowa civil rights Act. A city or local government shall not enact or enforce any ordinance or other law which is broader or has different categories of unfair or discriminatory practices than those provided in this chapter. Nothing in this chapter shall be construed as indicating any of the following:

CODE: Prohibits cities from enforcing any ordinance or other law that is broader or has different categories of unfair discriminatory practices than those provided in Iowa Code chapter 216.

DIVISION V

POLITICAL PARTY STATE CENTRAL COMMITTEES

Sec. 41. Section 43.111, subsections 1 and 3, Code 2026, are amended to read as follows:

1. a. The state convention held by each political party pursuant to section 43.107 shall adopt a state platform, adopt or amend a state party constitution, and bylaws if desired, and transact other business which may properly be brought before it. A copy of the constitution and any bylaws so adopted or amended shall be kept on file in the office of the state commissioner.

b. A state party constitution or bylaws shall not prohibit an elected official from serving on a state party central committee.

CODE: Specifies that a State party constitution or bylaws cannot prohibit an elected official from serving on a State party central committee.

3. a. The state central committee so selected may organize at pleasure for political work as is usual and customary with such committees, adopt bylaws, provide for the governing of party auxiliary bodies, and shall continue to act until succeeded by another central committee selected as required by this section. The receipts and disbursements of each political party's state party central committee shall be audited annually by a certified public accountant selected by the state party central committee and the audit report shall be filed with the state commissioner.

b. Each political party's state central committee shall elect a chairperson, co-chairperson or vice chairperson, treasurer, and secretary.

CODE: Specifies that a political party's State central committee is required to elect a chairperson, co-chairperson or vice-chairperson, treasurer, and secretary.

DIVISION VI
NOXIOUS WEEDS

Sec. 42. Section 317.1A, subsection 1, paragraph a, Code 2026, is amended by adding the following new subparagraph:
NEW SUBPARAGRAPH (13) Japanese knotweed (Fallopia japonica).

CODE: Adds Japanese knotweed (Fallopia japonica) as an identified noxious weed.

DIVISION VII
IOWA STATE FAIR FOUNDATION — NONRESIDENT DEER HUNTING LICENSE

Sec. 43. Section 483A.24, subsection 3, unnumbered paragraph 1, Code 2026, is amended to read as follows:
The director shall provide up to one hundred ~~twenty-five~~ twenty-six nonresident deer hunting licenses for allocation as provided in this subsection.

CODE: Increases the number of nonresident deer hunting licenses that can be allocated by the Director of the Department of Natural Resources (DNR) from 25 to 26.

Sec. 44. Section 483A.24, subsection 3, Code 2026, is amended by adding the following new paragraph:
NEW PARAGRAPH c. One nonresident deer hunting license shall be allocated as determined by the Iowa state fair foundation established pursuant to section 173.22.

CODE: Allocates one deer hunting license as determined by the Iowa State Fair Foundation.

DIVISION VIII
PROPRIETARY TREATMENT SYSTEMS

Sec. 45. NEW SECTION 455B.241 DEFINITIONS.
As used in this part 3 of subchapter III, unless the context otherwise requires:
1. "Certified technician" means a person who is certified in accordance with the manufacturer to monitor, maintain, and inspect a proprietary treatment system.
2. "Proprietary treatment system" means a system that is certified by an ANSI-accredited third-party certifier, including certification meeting standard NSF/ANSI40 for effluent from class I systems.

CODE: Adds definitions for "certified technician" and "proprietary treatment system" to Iowa Code section 455B.241.

Sec. 46. NEW SECTION 455B.242 MONITORING AND MAINTENANCE REQUIREMENTS.
1. A proprietary treatment system shall be inspected, monitored, and maintained by the certified technician in accordance with the manufacturer's specifications.

CODE: Requires a proprietary treatment system to be inspected, monitored, and maintained by a certified technician in accordance with the manufacturer's specifications. Requires all maintenance and visual inspections of a proprietary treatment system to be

2. All maintenance and visual inspections of a proprietary treatment system shall be performed by a certified technician. A manufacturer-certified technician shall report results, as provided in section 455B.243, to the system owner and to the applicable administrative authority within thirty days following the inspection. The certified technician shall also report any discontinuance or proprietary treatment system maintenance to the applicable administrative authority. If the applicable administrative authority is not the department, the administrative authority must also submit the information to the department in the form and manner prescribed by the department.

performed by a certified technician. Requires the technician to report their results to a system owner and the applicable administrative authority within 30 days following the inspection.

Sec. 47. NEW SECTION 455B.243 REPORTING.

1. A maintenance and visual inspection report for a proprietary treatment system, as required under section 455B.242, that was installed on or after January 1, 2018, shall record at least all of the following information:

a. The date of the inspection.

b. The manufacturer and model of the proprietary treatment system.

c. Any sign of equipment malfunction, the cause or potential cause of the malfunction, and any corrective action taken.

d. Results of effluent testing if the proprietary treatment system is subject to national pollution discharge elimination system general permit number four for private sewage disposal systems.

e. If the proprietary treatment system appears to be functioning incorrectly, the primary cause or causes for the deficiency, including but not limited to any of the following:

(1) Improper design.

(2) Improper installation.

(3) Lack of required maintenance.

(4) Improper operation or malfunction.

(5) Other damages or conditions contributing to the malfunction that require a repair or replacement.

f. Whether the proprietary treatment system required repair outside of scheduled maintenance intervals, including the reason for the repair and whether the system was in a failed state at the time of repair.

g. Any action taken to bring the proprietary treatment system back into operation as designed.

CODE: Requires a maintenance and visual inspection report to record the following information:

- The date of inspection.
- The manufacturer and model of the proprietary treatment system.
- Any sign of equipment malfunction, its cause, and any corrective action taken.
- The results of effluent testing if the proprietary treatment system is subject to a national pollution discharge elimination system general permit number 4.
- The primary cause or causes for a proprietary treatment system to be functioning incorrectly.
- Whether the proprietary treatment system required repair outside of scheduled maintenance intervals, as well as the reason for repair and whether the system was in a failed state at the time of repair.
- Any action taken to bring the proprietary treatment system back into operation.
- Maintenance records required by the manufacturer's warranty.

h. Maintenance records as required by the manufacturer's warranty for the proprietary treatment system.

2. The completed report shall be submitted to the department by the certified technician in the form and manner prescribed by the department.

CODE: Requires a completed report to be submitted to the DNR by the certified technician in the manner prescribed by the DNR.

3. The department shall compile the information submitted pursuant to this section and shall maintain a publicly accessible database summarizing inspection outcomes and unscheduled failures or repairs. The information in the database shall include the name of the proprietary treatment system, product name, and model design. The database shall not include personally identifiable information.

CODE: Requires the DNR to maintain a publicly accessible database summarizing inspection outcomes for unscheduled failures or repairs. The database is required to include the name of the proprietary treatment system, product name, and model design but not any personally identifiable information.

4. The department shall not assess any fees associated with the receipt or collection of reports required under this section.

CODE: Prohibits the DNR from assessing any fees associated with the receipt or collection of required reports.

Sec. 48. NEW SECTION 455B.244 RULEMAKING AUTHORITY.
The department may adopt rules as necessary to administer this part.

CODE: Allows the DNR to adopt administrative rules to administer Division VIII of this Act related to proprietary treatment systems.

Sec. 49. DEPARTMENT OF NATURAL RESOURCES — PROPRIETARY TREATMENT SYSTEM REVIEW AND REPORT.

1. The department of natural resources shall review the information regarding proprietary treatment systems, as defined in section 455B.241, as enacted by this division of this Act, reported to the department pursuant to section 455B.243, as enacted by this division of this Act.

2. The department shall review the information submitted in annual inspection and maintenance reports, including proprietary treatment system functionality, causes of deficiencies, and maintenance practices. The department shall also review any other data the department determines relevant to evaluating system performance.

3. The review shall include analysis of inspection, monitoring, and maintenance data collected from July 1, 2026, to December 1, 2028, for purposes of evaluating the performance, reliability, maintenance needs, and common causes of malfunction of proprietary treatment systems.

Requires the DNR to review the information regarding the annual inspection and maintenance reports of proprietary treatment systems, which must include an analysis of inspection, monitoring, and maintenance data collected from July 1, 2026, to December 1, 2028, and submit a report to the General Assembly on or before January 10, 2029, detailing the DNR's findings.

4. The department shall submit to the general assembly on or before January 10, 2029, a report detailing the department's findings and recommendations.

Sec. 50. APPLICABILITY. This division of this Act applies to the inspection, monitoring, and maintenance of proprietary treatment systems, as defined in section 455B.241, as enacted by this division of this Act, performed on or after July 1, 2026.

Specifies that Division VIII of this Act, related to proprietary treatment systems, applies to the inspection, monitoring, and maintenance of proprietary treatment systems performed on or after July 1, 2026.

DIVISION IX
POULTRY ASSOCIATION

Sec. 51. Section 163.3C, subsection 1, paragraph f, Code 2026, is amended to read as follows:

f. The ~~Iowa~~ north central poultry association or its successor organization.

Sec. 52. Section 165B.5, subsection 2, paragraph e, Code 2026, is amended to read as follows:

e. An event sponsored or sanctioned by the Iowa turkey marketing council, the Iowa turkey federation, the national turkey federation, the ~~Iowa~~ north central poultry association or its successor organization, the Iowa egg council, the American egg board, or the American poultry association.

Sec. 53. Section 184.2, subsection 4, Code 2026, is amended to read as follows:

4. Immediately after passage of the question at the referendum, the secretary shall appoint seven members to the council in accordance with section 184.6 based on nominations made by the ~~Iowa~~ north central poultry association or its successor organization. The association shall nominate and the secretary shall appoint two members representing large producers, two members representing medium producers, and three members representing small producers. The department, in consultation with the association, shall determine initial classifications for small, medium, and large producers. The secretary shall complete the appointments within thirty days following passage of the question at the referendum.

Sec. 54. Section 267.2, subsection 2, paragraph d, Code 2026, is amended to read as follows:

d. One poultry producer appointed by the north central poultry association, or its successor organization, who shall

CODE: Changes references to the Iowa Poultry Association to the North Central Poultry Association or its successor organization in the Iowa Code.

serve an initial term of two years.

DIVISION X
HEALTH CARE ACCESS AND INNOVATION TAX CREDIT

Sec. 55. NEW SECTION 432.12P HEALTH CARE ACCESS AND INNOVATION TAX CREDIT.

1. As used in this section:

a. "Department" means the department of revenue.

b. "Domestic insurer" means the same as defined in section 521A.1.

c. "Eligible taxpayer" means a domestic insurer that files an annual statement pursuant to section 508.11, completes the national association of insurance commissioner's health statement test, and has policies in force issued pursuant to chapter 513B.

d. "Expenditures" includes programs, payments, or grants.

e. "Health care access and innovation" means expenditures that support one or more of the following:

(1) Improving access to health care services in rural areas in this state.

(2) Value-based payments to a health care provider that provides additional compensation to the health care provider based on evidence-based metrics of the health care provider's patient care or outcomes.

(3) Increasing the interoperability or transparency of health care information to benefit health care consumers and health care providers.

VETOED

CODE: Establishes definitions for the new Health Care Access and Innovation (HCAI) Tax Credit created in Division X of this Act.

VETOED: The Governor vetoed Division X of this Act stating that the tax credit undermined the Managed Care Organization (MCO) tax structure adopted by the General Assembly in 2026 Iowa Acts, House File 2739 (Health Maintenance Organization Taxes, Supplemental Appropriations, and Transfers Act) and required by the federal government, potentially risking more than $120,000,000 in federal funding that supports Iowa Medicaid.

2. The tax imposed under this chapter shall be reduced by a health care access and innovation tax credit authorized in this section for tax years beginning on or after January 1, 2026, but before January 1, 2034.

CODE: Specifies that the insurance premium tax is reduced by the HCAI Tax Credit for tax years beginning on or after January 1, 2026, but before January 1, 2034.

3. The amount of the health care access and innovation tax credit shall equal twenty-five percent of the expenditures that support health care access and innovation made by an eligible taxpayer.

CODE: Specifies that the HCAI tax credits shall equal 25.00% of the expenditures that support health care access and innovation made by an eligible taxpayer.

4. In order to claim the tax credit for a tax year, an eligible taxpayer shall apply to the department in a manner approved by the department, and shall provide any other information related to the tax credit requested. The

CODE: Limits the total HACI tax credits across applicants to $3,000,000 each tax year.

cumulative value of tax credits claimed in each tax year by applicants shall not exceed three million dollars.

FISCAL IMPACT: The HCAI Tax Credit is expected to decrease General Fund revenue by a maximum of $3.0 million annually beginning in FY 2027.

5. The department, in consultation with the department of insurance and financial services, may adopt rules pursuant to chapter 17A to administer this section.

CODE: Authorizes the Iowa Department of Revenue (IDR) in consultation with the Iowa Department of Insurance and Financial Services to adopt administrative rules to administer the HCAI Tax Credit.

Sec. 56. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to January 1, 2026, for tax years beginning on or after that date.

Specifies that the HCAI Tax Credit applies retroactively to January 1, 2026, for tax years beginning on or after that date.

DIVISION XI

ALTERNATIVE NICOTINE AND VAPOR PRODUCTS — PEDIATRIC CANCER RESEARCH

Sec. 57. Section 453A.35A, subsection 1, paragraph b, subparagraph (1), if enacted by 2026 Iowa Acts, Senate File 2480, section 3, is amended to read as follows:

(1) For the fiscal year beginning July 1, 2027, and each fiscal year thereafter, the first three million dollars from the amount of tax collected that is attributable to the additional taxes on alternative nicotine products and vapor products pursuant to section 453A.43A is appropriated from the health care trust fund to the state board of regents for the purpose of conducting pediatric cancer research~~,~~ and clinical therapy access~~, and providing physician-scientist leadership~~ at the state university of Iowa stead family children's hospital. Moneys appropriated in this subparagraph shall not be used for administrative or overhead costs, or activities not directly related to the purposes designated in this subparagraph.

CODE: Contingent upon the enactment of Senate File 2480 (Taxation of Vapor Products, Appropriations Act), amends new Iowa Code section 453A.35A(1)(b)(1). Provides that moneys appropriated from the Health Care Trust Fund (HCTF) of the amount attributable to the alternative nicotine and vapor products taxes to the BOR for pediatric cancer research and clinical therapy access at the State University of Iowa (SUI) Stead Family Children's Hospital cannot be used for administrative expenses, overhead costs, or other activities not directly related to the purpose of the appropriation. Removes physician scientist leadership as an eligible use of the appropriation.

DETAIL: Senate File 2480 was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 26, 2026.

Sec. 58. Section 453A.45, subsection 5, paragraph c, unnumbered paragraph 1, Code 2026, as amended by 2026 Iowa Acts, Senate File 2480, section 8, if enacted, is amended to read as follows:

c. Common carriers knowingly transporting tobacco products, alternative nicotine products, or vapor products into this

CODE: Contingent upon the enactment of Senate File 2480 (Taxation of Vapor Products, Appropriations Act), amends new Iowa Code section 453A.45(5)(c). Provides that common carriers must file reports with the Director of the Department of Revenue related to shipments of tobacco products, alternative nicotine products, or vapor products

21 4 state shall file with the director reports of all such
21 5 shipments other than those which are delivered to public
21 6 warehouses of first destination in this state which are
21 7 licensed under the provisions of chapter 554. Such reports
21 8 shall be filed electronically with the department on or before
21 9 the tenth day of each month and shall show with respect to
21 10 deliveries made in the preceding month all of the following:

that are knowingly transported into the State. This Section is contingent upon the enactment of Senate File 2480 (Taxation of Vapor Products, Appropriations Act).

DETAIL: Senate File 2480 was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 26, 2026.

21 11 Sec. 59. SPORTS WAGERING RECEIPTS FUND — PEDIATRIC CANCER
21 12 RESEARCH — FY 2026-2027.
21 13 1. There is appropriated from the sports wagering receipts
21 14 fund created in section 8.57I to the state board of regents for
21 15 the fiscal year beginning July 1, 2026, and ending June 30,
21 16 2027, the following amount, or so much thereof as is necessary,
21 17 to be used for the purposes designated:
21 18 For pediatric cancer research including but not limited to
21 19 laboratory research and clinical trials at the university of
21 20 Iowa hospitals and clinics, and for providing therapy access at
21 21 the state university of Iowa stead family children's hospital:
21 22 ..... $ 3,000,000

Appropriates $3,000,000 from the SWRF to the BOR in FY 2027 to be used for pediatric cancer research conducted at the University of Iowa Hospitals and Clinics, including both laboratory research and clinical trials, and for providing therapy access at the SUI Stead Family Children's Hospital.

NOTE: This appropriation is contingent upon the passage of Senate File 2480 (Taxation of Vapor Products, Appropriations Act), which was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 26, 2026.

NOTE: Senate File 2480 enacted a standing appropriation of $3,000,000 for the same purpose, but beginning in FY 2028.

21 23 2. Moneys appropriated in this section shall not be used for
21 24 administrative or overhead costs, or activities not directly
21 25 related to the purposes designated in this section.

Prohibits use of the appropriation for administrative, overhead, or unrelated expenses.

21 26 3. The state board of regents shall submit a report to the
21 27 governor and the general assembly by October 1, 2027, detailing
21 28 how the appropriated moneys were used.

Requires the BOR to submit an annual report to the Governor and the General Assembly by October 1 detailing the use of the appropriated moneys.

21 29 4. Section 8.57I, subsections 5 and 6, do not apply to
21 30 moneys appropriated in this section.

Specifies that the SWRF reporting requirements do not apply to this appropriation.

21 31 Sec. 60. CONTINGENT EFFECTIVE DATE. The following take
21 32 effect January 1, 2027, if 2026 Iowa Acts, Senate File 2480,
21 33 is enacted:
21 34 1. The section of this division of this Act amending section
21 35 453A.35A.

Specifies that Sections 57 and 58 of this Act amending Iowa Code sections 453A.35A and 453A.45 are effective January 1, 2027, contingent on the enactment of Senate File 2480 (Taxation of Vapor Products, Appropriations Act).

2. The section of this division of this Act amending section 453A.45.

DETAIL: Senate File 2480 was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 26, 2026.

Sec. 61. CONTINGENT EFFECTIVE DATE. The following takes effect July 1, 2026, if 2026 Iowa Acts, Senate File 2480, is enacted:

The section of this division of this Act appropriating moneys from the sports wagering receipts fund.

Specifies that Section 59 of this Act appropriating moneys from the SWRF in FY 2027 to the BOR for pediatric cancer research is contingent upon the enactment of Senate File 2480 (Taxation of Vapor Products, Appropriations Act).

DETAIL: Senate File 2480 was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 26, 2026.

DIVISION XII
PUBLIC ASSISTANCE PROGRAMS

Sec. 62. 2026 Iowa Acts, Senate File 2422, if enacted, is amended by adding the following new section:

NEW SECTION SEC. 2A. CONTINGENT EFFECTIVE DATE. This division of this Act takes effect on the date the department of health and human services implements the supplemental nutrition assistance program and cash assistance eligibility system known as the eligibility determination for essential needs system. The department of health and human services shall notify the Iowa Code editor of the date of implementation on or before that date.

CODE: Amends 2026 Iowa Acts, Senate File 2422 (Public Assistance, Verification and Eligibility Act), to provide that Division I of the Act related to public assistance program eligibility takes effect on the date the HHS implements the SNAP and cash assistance eligibility system known as the EDEN system. Requires the HHS to notify the Iowa Code Editor of the date of implementation on or before that date.

Sec. 63. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Specifies that Division XII of this Act amending Senate File 2422 (Public Assistance, Verification, and Eligibility Act) takes effect on June 2, 2026.

DIVISION XIII
JUDICIAL BRANCH AND COUNTY ATTORNEY SALARIES

Sec. 64. Section 331.752, subsection 5, Code 2026, is amended to read as follows:

5. The resolution changing the status of a county attorney shall state the initial annual salary to be paid to the county attorney when the full-time or part-time status is effective. The annual salary specified in the resolution shall remain effective until changed as provided in section 331.907. ~~Except~~

CODE: Removes the requirement that the annual salary of a full-time county attorney be between 45.00% and 100.00% of the annual salary of a district court judge in counties with population of 200,000 or less.

~~in counties having a population of more than two hundred thousand, the annual salary of a full-time county attorney shall be an amount which is between forty-five percent and one hundred percent of the annual salary received by a district court judge.~~

Sec. 65. Section 602.1401, subsections 1 and 5, Code 2026, are amended to read as follows:

CODE: Adds judicial officers and the State Court Administrator to the personnel system of the Judicial Branch.

1. The supreme court shall establish, and may amend, a personnel system and a pay and benefits plan for judicial officers, the state court administrator, and court employees. The personnel system shall include a designation by position title, classification, and function of each position or class of positions within the judicial branch. Reasonable efforts shall be made to accommodate the individual staffing and management practices of the respective clerks of the district court. The personnel system, in the employment of court employees, shall not discriminate on the basis of race, creed, color, sex, national origin, religion, physical disability, or political party preference. The supreme court, in establishing the personnel system, shall implement the comparable worth directives issued by the state court administrator under section 602.1204, subsection 2. The personnel system shall include the prohibitions against sexual harassment of full-time, part-time, and temporary employees set out in section 19B.12, and shall include a grievance procedure for discriminatory harassment. The personnel system shall develop and distribute at the time of hiring or orientation, a guide that describes ~~for employees~~ the applicable sexual harassment prohibitions and grievance, violation, and disposition procedures. This subsection does not supersede the remedies provided under chapter 216.

5. The pay and benefits plan shall set the compensation and benefits of judicial officers, the state court administrator, and court employees within the funds appropriated by the general assembly.

CODE: Adds judicial officers and the State Court Administrator to the list of employees to be paid from funds appropriated by the General Assembly.

Sec. 66. Section 602.1502, subsection 1, Code 2026, is amended by striking the subsection.

CODE: Removes statutory language related to compensation set by the Judicial Branch's pay plan under Iowa Code section 602.1401.

23 25 Sec. 67. Section 602.6808, subsection 1, if enacted by 2026
23 26 Iowa Acts, Senate File 639, section 8, is amended to read as
23 27 follows:
23 28 1. A judge of the business court shall receive the annual
23 29 salary set for a district judge under section ~~602.1501~~
23 30 602.1401.

CODE: Contingent upon the enactment of 2026 Iowa Acts, Senate File 639 (Business Court Act), amends new Iowa Code section 602.6808(1) to provide that a business court judge salary is that of a district court judge under Iowa Code section 602.1401 rather than salaries set by the General Assembly under Iowa Code section 602.1501.

DETAIL: Senate File 639 was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 1, 2026.

23 31 Sec. 68. Section 602.9104, subsection 1, paragraph a, Code
23 32 2026, is amended to read as follows:
23 33 a. A judge to whom this article applies shall be paid an
23 34 amount equal to the basic salary of the judge as set ~~by the~~
23 35 ~~general assembly~~ pursuant to section 602.1401 reduced by an
23 36 amount designated as the judge's required contribution to the
23 37 judicial retirement fund. The amount designated as the judge's
23 38 required contribution shall be paid by the state in the manner
23 39 provided in subsection 2.

CODE: Provides that judicial salaries are established under Iowa Code section 602.1401 rather than salaries set by the General Assembly. Maintains the existing retirement and compensation structures.

24 1 Sec. 69. Section 602.9204, subsection 1, paragraph a, Code
24 2 2026, is amended to read as follows:
24 3 a. A judge who retires on or after July 1, 1994, and who
24 4 is appointed a senior judge under section 602.9203 shall be
24 5 paid a salary ~~as~~ determined ~~by the general assembly~~ pursuant to
24 6 section 602.1401.

CODE: Provides that a senior judge salary is established under Iowa Code section 602.1401 rather than salaries set by the General Assembly.

24 7 Sec. 70. Section 602.9303, subsection 1, as enacted by 2026
24 8 Iowa Acts, House File 2706, section 30, is amended to read as
24 9 follows:
24 10 1. A magistrate who retires on or after the effective date
24 11 of this division of this Act, and who is appointed a senior
24 12 magistrate under section 602.9302, shall be paid a salary
24 13 as determined ~~by the general assembly~~ pursuant to section
24 14 602.1401.

CODE: Amends new Iowa Code section 602.9303(1) enacted by 2026 Iowa Acts, House File 2706 (Magistrates and Judicial Officer Compensation Act). Provides that a senior magistrate salary is established under Iowa Code section 602.1401 rather than salaries set by the General Assembly.

DETAIL: House File 2706 was approved by the General Assembly on April 7, 2026, and signed by the Governor on April 30, 2026.

Sec. 71. 2026 Iowa Acts, House File 2769, section 4, if enacted, is amended to read as follows:

SEC. 4. JUDICIAL OFFICER — UNPAID LEAVE. Notwithstanding the annual salary rates for judicial officers established ~~by 2025 Iowa Acts, chapter 158, section 6,~~ pursuant to section 602.1401 for the fiscal year beginning July 1, 2026, and ending June 30, 2027, the supreme court may by order place all judicial officers on unpaid leave status on any day employees of the judicial branch are placed on temporary layoff status. The biweekly pay of the judicial officers shall be reduced accordingly for the pay period in which the unpaid leave date occurred in the same manner as for noncontract employees of the judicial branch. Through the course of the fiscal year, the judicial branch may use an amount equal to the aggregate amount of salary reductions due to the judicial officer unpaid leave days for any purpose other than for judicial salaries.

CODE: Amends Section 4 of 2026 Iowa Acts, House File 2769 (FY 2027 Judicial Branch Appropriations Act), to state judicial salary is established under Iowa Code section 602.1401 rather than 2025 Iowa Acts, chapter 158 (FY 2026 Judicial Branch Appropriations Act), Section 6.

DETAIL: The Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 2, 2026.

Sec. 72. REPEAL. 2026 Iowa Acts, House File 2706, sections 35, 36, and 37, are repealed.

CODE: Repeals Sections 35 through 37 of 2026 Iowa Acts, House File 2706 (Magistrates and Judicial Officer Compensation Act), constituting judicial officer salaries.

Sec. 73. REPEAL. Section 602.1501, Code 2026, is repealed.

CODE: Repeals statutory language related to judicial compensation set by the General Assembly.

Sec. 74. JUDICIAL OFFICERS — CURRENT SALARY RATES SUPERSEDED. For purposes of 2025 Iowa Acts, chapter 158, section 6, subsection 1, this division of this Act shall be deemed as the provision of salary rates for judicial officers by the general assembly for fiscal years subsequent to the fiscal year beginning July 1, 2025.

Provides that Division XIII of this Act supersedes the judicial salary provisions in 2025 Iowa Acts, chapter 158 (FY 2026 Judicial Branch Appropriations Act).

Sec. 75. EFFECTIVE DATE. This division of this Act takes effect June 19, 2026.

Establishes that the effective date of Division XIII of this Act is June 19, 2026.

DIVISION XIV
CIVIL LITIGATION ABUSE

Sec. 76. NEW SECTION 611.24 CIVIL LITIGATION ABUSE — CAUSE OF ACTION.

1. As used in this section:

VETOED

CODE: Establishes definitions for a new Iowa Code section establishing a statutory cause of action for civil litigation abuse.

a. "Civil legal process" means a procedure used in a civil action, including but not limited to filing a petition, issuing a subpoena, noticing a deposition, or seeking an injunction, attachment, or similar relief.

b. "Private party" means an individual, corporation, partnership, or other legal entity that is not acting on behalf of a governmental body.

c. "Ulterior purpose" means using a civil legal process mainly to obtain a result the civil legal process was not intended to achieve, including but not limited to coercing action on an unrelated matter, interfering with employment or business relationships, or causing financial harm through harassment.

VETOED: The Governor vetoed Division XIV of this Act stating that the Office of the Attorney General and the Iowa State Bar Association raised concerns that the policy was drafted without stakeholder input and could alter the State's legal liability exposure; that codifying a broad civil litigation abuse claim for private litigants deviates from the approach of other states, which generally limit such statutes to domestic relations contexts; and that the division introduces internal statutory conflicts by using contradictory terms like "mainly" and "primarily" to define an ulterior purpose, which would create conflicting standards for jury instructions.

2. a. This section applies to the use of civil legal processes by a private party against another private party.

b. This section abrogates the common law cause of action for abuse of process for actions between private parties.

c. This section does not apply to criminal proceedings or to actions involving the state, a political subdivision, or an officer or employee of the state or a political subdivision acting in an official capacity.

CODE: Specifies that this new Iowa Code section applies to the use of civil legal processes by a private party against another private party. Eliminates the existing common law tort of abuse of process in private-party cases and replaces it with this statutory cause of action.

3. A private party may bring a civil action for civil litigation abuse against another private party who initiated or caused to be initiated a civil legal process for an ulterior purpose.

CODE: Authorizes a civil cause of action when a private party initiates or causes a legal process to be used for an improper purpose.

4. To prevail in a civil action brought under this section, the plaintiff must prove all of the following:

a. The defendant used a civil legal process against the plaintiff.

b. The civil legal process was used primarily for an ulterior purpose.

c. The defendant engaged in a specific, willful act in use of the civil legal process that was not proper in the regular course of the proceeding.

d. The underlying civil action or proceeding was resolved in favor of the plaintiff bringing the claim under this section.

CODE: Provides that to prevail in a civil action brought under this Section, the plaintiff must prove the following:

- The defendant used a civil legal process against the plaintiff.
- The civil legal process was used primarily for an ulterior purpose.
- The defendant engaged in a specific, willful act in use of the civil legal process that was not proper in the regular course of the proceeding.
- The underlying civil action or proceeding was resolved in favor of the plaintiff bringing the claim under this Section.

5. A private party may bring a civil action under this section without showing a special or extraordinary injury. Attorney fees and costs incurred in responding to the misuse of the civil legal process are sufficient to establish injury.

CODE: Eliminates the special injury requirement and establishes that attorney fees and litigation costs alone satisfy the injury element.

6. A private party found liable under this section is liable for actual damages, as defined in section 714H.2, including reasonable attorney fees and costs.

CODE: Provides for recovery of actual damages, including attorney fees and costs, for a prevailing plaintiff.

Sec. 77. APPLICABILITY. This division of this Act applies to civil actions or proceedings that are resolved on or after the effective date of this division of this Act.

Specifies that Division XIV of this Act related to civil litigation abuse applies to cases resolved on or after the effective date of this Act.

DIVISION XV
HUMAN TRAFFICKING

Sec. 78. Section 232.71B, subsection 1, paragraph a, unnumbered paragraph 1, Code 2026, is amended to read as follows:

If the department determines a report constitutes a child abuse allegation, the department shall promptly commence either a child abuse assessment within twenty-four hours of receiving the report or a family assessment within seventy-two hours of receiving the report. During a child abuse assessment, if the department identifies known risk factors for commercial sexual exploitation, a screening shall be conducted by a trained child protection worker, considering the child's age, cognitive and emotional functioning, and the specific circumstances of the case.

CODE: Requires the HHS to conduct a screening by a trained child protection worker with certain considerations if the HHS identifies known risk factors for commercial sexual exploitation during a child abuse assessment.

Sec. 79. 2026 Iowa Acts, House File 1036, section 11, if enacted, is amended to read as follows:

SEC. 11. EFFECTIVE DATE. The following takes effect July 1, ~~2026~~ 2027:

The section of this Act amending section 910.1.

CODE: Amends 2026 Iowa Acts, House File 1036 (Human Trafficking, Omnibus Act), Section 11, to make the effective date of Section 9 of the Act July 1, 2027.

Sec. 80. REPEAL. 2026 Iowa Acts, House File 1036, sections 1 and 4, if enacted, are repealed.

CODE: Repeals Sections 1 and 4 of 2026 Iowa Acts, House File 1036 (Human Trafficking, Omnibus Act).

DETAIL: The Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 15, 2026.

Sec. 81. REPORT. Notwithstanding 2026 Iowa Acts, House File 1036, section 10, if enacted, the report described in that section is due by December 15, 2026.

CODE: Amends the date the report is required by Section 10 of 2026 Iowa Acts, House File 1036 (Human Trafficking, Omnibus Act), to be presented to the Governor and the General Assembly to December 15, 2026.

Sec. 82. CONTINGENT EFFECTIVE DATE. This division of this Act takes effect July 1, 2026, if 2026 Iowa Acts, House File 1036, is enacted.

Specifies that Division XV of this Act takes effect on July 1, 2026, upon enactment of House File 1036 (Human Trafficking, Omnibus Act).

DETAIL: House File 1036 was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 15, 2026.

DIVISION XVI
FEDERAL GRANTS AND LOANS — NOTIFICATION

Sec. 83. Section 8.9, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION 3. a. Once per month, the office of grants enterprise management shall notify by electronic mail the chairpersons and ranking members of the standing committees on appropriations of the senate and house of representatives, the chairperson and ranking member of the house of representatives appropriations subcommittee on federal and other funds, and the legislative services agency of all of the following:

(1) Each federal grant or loan of five million dollars or more that a department or establishment has applied for or received in the prior month. This subparagraph does not apply to the department of public defense or the state board of regents or its institutions.

(2) Each federal grant or loan requiring state matching moneys that a department or establishment has applied for or received in the prior month.

b. This subsection does not apply to block grants described in section 8.41.

CODE: Requires the Office of Grants Enterprise Management within the DOM, once per month, to notify by email the chairpersons and ranking members of the House and Senate Appropriations Committees, the chairperson and ranking member of the House Federal and Other Funds Appropriations Subcommittee, and the Legislative Services Agency of each federal grant or loan of at least $5,000,000 that a State department or establishment, not including the Department of Public Defense or the BOR or BOR institutions, has applied for or received in the prior month, and each federal grant or loan requiring State matching moneys that a State department or establishment has applied for or received in the prior month. This requirement does not apply to block grants described in Iowa Code section 8.41.

Sec. 84. NEW SECTION 602.1306 FEDERAL GRANTS AND LOANS — NOTIFICATION OF GENERAL ASSEMBLY.
Within thirty days of applying for or receiving a federal grant or loan of five million dollars or more, or a federal grant or loan requiring state matching moneys, the judicial branch shall notify by electronic mail the chairpersons and ranking members of the standing committees on appropriations of the senate and house of representatives, the chairperson and ranking member of the house of representatives appropriations subcommittee on federal and other funds, and the legislative services agency.

CODE: Requires the Judicial Branch, within 30 days of applying for or receiving a federal grant or loan of at least $5,000,000 or a federal grant or loan requiring State matching moneys, to notify by email the chairpersons and ranking members of the House and Senate Appropriations Committees, the chairperson and ranking member of the House Federal and Other Funds Appropriations Subcommittee, and the Legislative Services Agency.

DIVISION XVII
AREA EDUCATION AGENCIES — QUARTERLY PAYMENTS — FY 2026-2027

Sec. 85. Section 257.35, subsection 1, paragraph a, subparagraph (3), unnumbered paragraph 1, Code 2026, as amended by 2026 Iowa Acts, Senate File 2201, section 17, is amended to read as follows:
For the fiscal year beginning July 1, 2025, ~~and the fiscal year beginning July 1, 2026,~~ the department of management shall deduct the following from the state aid due to each school district pursuant to this chapter and shall pay the amounts to the respective area education agencies on a monthly basis from September 15 through June 15 during each school year:

CODE: Aligns a date reference in 2026 Iowa Acts, Senate File 2201 (Supplemental State Aid Act).

DETAIL: The Act was approved by the General Assembly on February 23, 2026, and signed by the Governor on February 26, 2026.

Sec. 86. Section 257.35, subsection 1, paragraph a, subparagraph (4), unnumbered paragraph 1, as enacted by 2026 Iowa Acts, Senate File 2201, section 18, is amended to read as follows:
For the fiscal year beginning July 1, ~~2027~~ 2026, and each fiscal year thereafter, the department of management shall deduct the following from the state aid due to each school district pursuant to this chapter and shall pay the amounts to the respective area education agencies on a quarterly basis from July 15 to April 15 during each school year:

CODE: Aligns a date reference in 2026 Iowa Acts, Senate File 2201 (Supplemental State Aid Act).

DETAIL: The Act was approved by the General Assembly on February 23, 2026, and signed by the Governor on February 26, 2026.

Sec. 87. Section 257.35, subsection 21, unnumbered paragraph 1, Code 2026, as amended by 2026 Iowa Acts, Senate File 2201, section 19, is amended to read as follows:
For the fiscal year beginning July 1, 2025, ~~and the fiscal year beginning July 1, 2026,~~ the director of the department of

CODE: Aligns a date reference in 2026 Iowa Acts, Senate File 2201 (Supplemental State Aid Act).

management may deduct the following from the state aid due to each school district pursuant to this chapter and shall pay the amounts to the respective area education agencies on a monthly basis from September 15 through June 15 during each school year for purposes of providing services to students enrolled in nonpublic schools within the boundaries of the area education agency:

DETAIL: The Act was approved by the General Assembly on February 23, 2026, and signed by the Governor on February 26, 2026.

Sec. 88. Section 257.35, subsection 21A, unnumbered paragraph 1, as enacted by 2026 Iowa Acts, Senate File 2201, section 20, is amended to read as follows:

CODE: Aligns a date reference in 2026 Iowa Acts, Senate File 2201 (Supplemental State Aid Act).

For the fiscal year beginning July 1, ~~2027~~ 2026, and each fiscal year thereafter, the director of the department of management may deduct the following from the state aid due to each school district pursuant to this chapter and shall pay the amounts to the respective area education agencies on a quarterly basis from July 15 through April 15 during each school year for the purposes of providing services to students enrolled in nonpublic schools within the boundaries of the area education agency:

DETAIL: The Act was approved by the General Assembly on February 23, 2026, and signed by the Governor on February 26, 2026.

DIVISION XVIII

HIGHER EDUCATION — CIVIC PROFICIENCY

Sec. 89. NEW SECTION 262.100 GENERAL EDUCATION REQUIREMENTS AND CORE CURRICULA — COURSES ON AMERICAN HISTORY AND AMERICAN GOVERNMENT.

CODE: Establishes new general education and core curriculum requirements for the BOR in American History and American Government. Requirements include:

- Expanding each Regents institution's undergraduate general education and core curriculum to include one three-credit introductory American history survey course and one three-credit introductory American government survey course. Applicable courses are required to be a comprehensive survey of all American history and American government.
- Required courses will fulfill the general education or core curriculum requirements for social sciences or humanities.
- Transfer students must receive equivalent credit for similar coursework.
- This requirement does not apply to students pursuing a degree program of three years or less in duration.

1. The state board of regents shall require each institution of higher education governed by the board to establish as a requirement for the completion of any general education requirements or core curricula that an undergraduate student complete an introductory survey course in American history and an introductory survey course in American government. An institution shall assign a value of at least three semester hours of credit to each course. A course required by this section shall be a comprehensive survey of all American history and American government.

2. A course required by this section shall fulfill the general education or core curriculum requirement for social sciences or humanities, as designated by the institution, that a student is required to complete as a condition of graduation.

3. An institution shall provide equivalent credit toward

the courses required by this section to a student transferring to the institution for previous coursework completed by the student that is substantially similar to a required course.

4. This section does not apply to a student completing a degree program designated by an institution as a degree program of three years or less in duration.

5. a. Annually, the center for cyclone civics at the Iowa state university of science and technology and the center for civic education at the university of northern Iowa shall designate courses at their respective institutions that satisfy the requirements of this section.

b. The center for intellectual freedom at the state university of Iowa shall be the sole academic unit at the state university of Iowa responsible for offering courses that satisfy the requirements of this section.

- The Iowa State University (ISU) Center for Cyclone Civics, and the University of Northern Iowa (UNI) Center for Civics Education must annually designate courses that satisfy the requirement.
- The SUI Center for Intellectual Freedom will be the sole academic unit responsible for offering courses that satisfy the requirement.

FISCAL IMPACT: The estimated cost to establish new general education and core curriculum requirements for the BOR in American History and American Government is estimated to be a minimum of $2,100,000 annually beginning in FY 2029.

Sec. 90. APPLICABILITY. This division of this Act applies to undergraduate students beginning enrollment at institutions of higher education governed by the board of regents in academic years beginning on or after July 1, 2028.

Specifies that Division XVIII of this Act applies to undergraduate students beginning enrollment at BOR institutions in academic years beginning on or after July 1, 2028.

DIVISION XIX
CHARTER SCHOOLS — IPERS

Sec. 91. Section 97B.1A, subsection 8, paragraph a, subparagraph (13), if enacted by 2026 Iowa Acts, House File 2754, section 69, is amended to read as follows:

(13) Persons employed by a charter school established pursuant to chapter 256E~~, subchapter I,~~ that satisfies all applicable requirements under federal law for participation in the retirement system.

CODE: Amends new Iowa Code section 97B.1A(8)(a)(13) created by 2026 Iowa Acts, House File 2754 (Private Schools and Charter Schools Act), to allow for continued Iowa Public Employees' Retirement System (IPERS) eligibility for all charter school employees if certain requirements are met by the charter school.

DETAIL: House File 2754 consolidates current charter school Iowa Code chapters. The Act was approved by the General Assembly on April 27, 2026, and signed by the Governor on May 12, 2026.

Sec. 92. Section 97B.1A, subsection 9, paragraph a, Code 2026, as amended by 2026 Iowa Acts, House File 2754, section 70, if enacted, is amended to read as follows:

a. "Employer" means the state of Iowa, the counties, municipalities, agencies, public school districts, charter

CODE: Amends new Iowa Code section 97B.1A(9)(a) created by 2026 Iowa Acts, House File 2754 (Private Schools and Charter Schools Act), to allow for continued Iowa Public Employees' Retirement System (IPERS)

schools established pursuant to chapter 256E~~, subchapter I,~~ that satisfy all applicable requirements under federal law for participation in the retirement system, all political subdivisions, and all of their departments and instrumentalities, including area agencies on aging, other than those employing persons as specified in subsection 8, paragraph "b", subparagraph (7), and joint planning commissions created under chapter 28E or 28I.

eligibility for all charter school employees if certain requirements are met by the charter school.

DETAIL: House File 2754 consolidates current charter school Iowa Code chapters. The Act was approved by the General Assembly on April 27, 2026, and signed by the Governor on May 12, 2026.

Sec. 93. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Specifies that Division XIX of this Act, which adopts corrective provisions to 2026 Iowa Acts, House File 2754 (Private Schools and Charter Schools Act), is effective on June 2, 2026.

Sec. 94. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to the effective date of 2026 Iowa Acts, House File 2754, if enacted.

Specifies that Division XIX of this Act, which adopts corrective provisions to 2026 Iowa Acts, House File 2754 (Private Schools and Charter Schools Act), applies retroactively to May 12, 2026.

DIVISION XX

INCENTIVES — SCHOOL DISTRICTS

Sec. 95. Section 257.3, subsection 2, paragraph d, Code 2026, is amended to read as follows:

d. For purposes of this section, a reorganized school district is one which absorbs at least thirty percent of the enrollment of the school district affected by a reorganization or dissolved during a dissolution and in which action to bring about a reorganization or dissolution is initiated by a vote of the board of directors or jointly by the affected boards of directors to take effect on or after July 1, 2007, and on or before July 1, ~~2024~~ 2035. Each district which initiated, by a vote of the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution to take effect on or after July 1, 2007, and on or before July 1, ~~2024~~ 2035, shall certify the date and the nature of the action taken to the department of education by January 1 of the year in which the reorganization or dissolution takes effect.

CODE: Defines a reorganized school district that will qualify for school district reorganization incentives and extends the incentives to July 1, 2035.

Sec. 96. Section 257.11, subsection 2, paragraph c, Code 2026, is amended to read as follows:

CODE: Provides that pupils that are included in a whole grade sharing agreement, as defined, are eligible for

c. Pupils attending class for all or a substantial portion of a school day pursuant to a whole grade sharing agreement executed under sections 282.10 through 282.12 shall be eligible for supplementary weighting pursuant to this subsection. A school district which executes a whole grade sharing agreement and which adopts a resolution jointly with other affected boards to study the question of undergoing a reorganization or dissolution to take effect on or before July 1, ~~2024~~ 2035, shall receive a weighting of one-tenth of the percentage of the pupil's school day during which the pupil attends classes in another district, attends classes taught by a teacher who is jointly employed under section 280.15, or attends classes taught by a teacher who is employed by another school district. A district shall be eligible for supplementary weighting pursuant to this paragraph for a maximum of three years. Receipt of supplementary weighting for a second and third year shall be conditioned upon submission of information resulting from the study to the school budget review committee indicating progress toward the objective of reorganization on or before July 1, ~~2024~~ 2035.

supplementary weighting and extends the incentives to July 1, 2035.

Sec. 97. Section 257.11A, subsections 1 and 2, Code 2026, are amended to read as follows:

1. In determining weighted enrollment under section 257.6, if the board of directors of a school district has approved a contract for sharing pursuant to section 257.11 and the school district has approved an action to bring about a reorganization to take effect on and after July 1, 2007, and on or before July 1, ~~2024~~ 2035, the reorganized school district shall include, for a period of three years following the effective date of the reorganization, additional pupils added by the application of the supplementary weighting plan, equal to the pupils added by the application of the supplementary weighting plan in the year preceding the reorganization. For the purposes of this subsection, the weighted enrollment for the period of three years following the effective date of reorganization shall include the supplementary weighting in the base year used for determining the combined district cost for the first year of the reorganization. However, the weighting shall be reduced by the supplementary weighting added for a pupil whose residency is not within the reorganized district.

CODE: Provides that a school district is eligible for supplementary weighting if the school district meets reorganization guidelines and extends the incentives to July 1, 2035.

2. For purposes of this section, a reorganized district is one in which the reorganization was approved in an election pursuant to sections 275.18 and 275.20 and takes effect on or after July 1, 2007, and on or before July 1, ~~2024~~ 2035. Each district which initiates, by a vote of the board of directors or jointly by the affected boards, action to bring about a reorganization or dissolution to take effect on or after July 1, 2007, and on or before July 1, ~~2024~~ 2035, shall certify the date and the nature of the action taken to the department of education by January 1 of the year in which the reorganization or dissolution takes effect.

CODE: Defines the eligibility of a reorganized district and extends the availability of reorganization incentives to July 1, 2035.

FISCAL IMPACT: The estimated fiscal impact of the reorganization incentives is currently unknown and will depend on the number of districts eligible to receive supplementary weighting for whole grade sharing and joint employment, as well as the number of districts that start or continue to make progress toward reorganization. All reorganization incentives will be calculated and distributed through the school aid formula. A total of $2,500,000 was appropriated in 2026 Iowa Acts, House File 2783 (FY 2027 Education Appropriations Act).

DIVISION XXI
EXTRACURRICULAR INTERSCHOLASTIC ELIGIBILITY

Sec. 98. 2026 Iowa Acts, House File 2591, sections 4, 5, and 6, if enacted, are amended to read as follows:

SEC. 4. EMERGENCY RULES. The state board of education shall adopt emergency rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph "b", to implement the section of this Act amending section 256.7. The rules shall be effective ~~no later than~~ August 1, 2026. Any rules adopted in accordance with this section shall also be published as a notice of intended action as provided in section 17A.4.

SEC. 5. EFFECTIVE DATE. The following take effect August 1, 2026:

1. The section of this Act amending section 256.7.

~~1.~~ 2. The section of this Act amending section 256.46.

~~2.~~ 3. The section of this Act amending section 282.18.

SEC. 6. EFFECTIVE DATE. The following, being deemed of immediate importance, ~~take~~ takes effect upon enactment:

~~1. The section of this Act amending section 256.7.~~

~~2.~~ The section of this Act requiring emergency rulemaking.

CODE: Modifies the effective date of Section 1 in 2026 Iowa Acts, House File 2591 (Extracurricular Athletics, Open Enrollment and Eligibility Act), from upon enactment to August 1, 2026.

DETAIL: Section 1 of House File 2591 requires the State Board of Education to adopt rules allowing students enrolled in grade eight to participate in any extracurricular interscholastic athletic contest or competition provided by a school district, nonpublic school, or charter school on the same basis as students enrolled in grades nine through 12.

NOTE: 2026 Iowa Acts, House File 2591, was approved by the General Assembly on April 14, 2026, and signed by the Governor on June 2, 2026.

Sec. 99. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Specifies that Division XXI of this Act, related to extracurricular interscholastic eligibility is effective on June 2, 2026.

Sec. 100. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to the enactment date of 2026 Iowa Acts, House File 2591, if enacted.

Specifies that Division XXI of this Act related to extracurricular interscholastic eligibility applies retroactively to the enactment of 2026 Iowa Acts, House File 2591 (Extracurricular Athletics, Open Enrollment and Eligibility Act).

DETAIL: House File 2591 was approved by the General Assembly on April 14, 2026, and signed by the Governor on June 2, 2026.

DIVISION XXII
LEVY INCREASE

Sec. 101. SCHOOL DISTRICT CASH RESERVE LEVY INCREASE — SCHOOL BUDGET YEAR 2026-2027.

1. For the school budget year beginning July 1, 2026, a school district for which the taxable value used to calculate school district property taxes for the school budget year beginning July 1, 2025, was reduced by one hundred million dollars or more due to a correction to the taxable value of a single property within the school district made during the school budget year beginning July 1, 2025, may increase the school district's proposed cash reserve levy under section 298.10 to an amount that exceeds the limitations of section 298.10, if the district complies with subsection 2.

2. A school district that increases its cash reserve levy pursuant to this section shall also reduce one or more other property tax levies of the school district, including the district management levy under section 298.4, by a total amount equal to or greater than the increase in the cash reserve levy so that the total property tax dollars for all property tax levies of the school district does not exceed the school district's combined amount of property tax dollars determined under section 24.2A, subsection 2, paragraph "b", subparagraph (3).

3. A school district that wishes to adjust its levy rates pursuant to this section shall notify the department of management in a manner prescribed by the department. Following receipt of the notice from the school district, the department of management shall adjust the school district's property tax levy rates as necessary to implement this section.

CODE: Allows a defined school district, for the school budget year beginning July 1, 2026 (FY 2027), and subject to defined circumstances in this Act, to adjust its levy rates.

PG LN	GA:91 HF2800	Explanation
34 1 34 2	Sec. 102. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.	Specifies that Division XXII of this Act related to a school district cash reserve levy increase is effective on June 2, 2026.

Unassigned Standings
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Current Law FY 2027 (3)	Final Action FY 2027 (4)	Net Total FY 2027 (5)
Administrative Services, Department of					
Administrative Services					
Volunteer EMS Provider Death Benefit	$ 100,000	$ 0	$ 0	$ 0	$ 0
State Accounting Trust Accounts					
Federal Cash Management - Standing	$ 2,963,156	$ 54,182	$ 54,182	$ 0	$ 54,182
Unemployment Compensation - Standing	903,501	421,655	421,655	0	421,655
State Accounting Trust Accounts	$ 3,866,657	$ 475,837	$ 475,837	$ 0	$ 475,837
Total Administrative Services, Department of	$ 3,966,657	$ 475,837	$ 475,837	$ 0	$ 475,837
Agriculture and Land Stewardship, Dept of					
Agriculture and Land Stewardship					
Renewable Fuels Infrastructure Fund*	$ 0	$ 0	$ 5,000,000	$ -5,000,000	$ 0
Total Agriculture and Land Stewardship, Dept of	$ 0	$ 0	$ 5,000,000	$ -5,000,000	$ 0
Education, Department of					
Education, Dept. of					
State Foundation School Aid	$ 3,785,535,412	$ 3,882,825,461	$ 3,981,681,713	$ -25,000,000	$ 3,956,681,713
Nonpublic School Transportation	8,992,865	8,997,091	14,005,269	-5,008,178	8,997,091
Sac and Fox Settlement Education	100,000	100,000	100,000	0	100,000
Instructional Support	0	0	14,800,000	-14,800,000	0
Education Savings Accounts - Standing	218,048,012	327,859,472	349,646,976	0	349,646,976
Charter Schools - Standing	6,477,202	12,290,760	19,103,710	0	19,103,710
HF 2754 - Charter Schools	0	0	1,300,000	0	1,300,000
Education Support Personnel Salary Supplement	14,000,000	0	7,000,000	0	7,000,000
Total Education, Department of	$ 4,033,153,491	$ 4,232,072,784	$ 4,387,637,668	$ -44,808,178	$ 4,342,829,490
Executive Council					
Executive Council					
Court Costs	$ 418,290	$ 56,455	$ 56,455	$ 0	$ 56,455
Public Improvements	0	9,575	9,575	0	9,575
Drainage Assessment	153,870	19,367	19,367	0	19,367
Total Executive Council	$ 572,160	$ 85,397	$ 85,397	$ 0	$ 85,397

Unassigned Standings
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Current Law FY 2027 (3)	Final Action FY 2027 (4)	Net Total FY 2027 (5)
Legislative Branch					
Legislative Branch					
Legislative Branch	$ 39,278,474	$ 42,070,813	$ 42,000,000	$ 0	$ 42,000,000
Total Legislative Branch	$ 39,278,474	$ 42,070,813	$ 42,000,000	$ 0	$ 42,000,000
Health and Human Services, Department of					
Health and Human Services					
MHDS Regional Services Fund	$ 134,421,714	$ 134,694,168	$ 0	$ 0	$ 0
Rent Reimbursement	11,310,164	13,320,000	13,320,000	0	13,320,000
Behavioral Health Fund - Standing	0	0	136,823,208	0	136,823,208
Total Health and Human Services, Department of	$ 145,731,878	$ 148,014,168	$ 150,143,208	$ 0	$ 150,143,208
Management, Department of					
Management, Dept. of					
Technology Reinvestment Fund**	$ 0	$ 0	$ 17,500,000	$ -17,500,000	$ 0
State Appeal Board Claims	24,751,878	4,504,630	4,504,630	0	4,504,630
Special Olympics Fund	100,000	100,000	100,000	0	100,000
Transportation Equity Fund	31,098,570	32,653,499	33,306,569	0	33,306,569
Total Management, Department of	$ 55,950,448	$ 37,258,129	$ 55,411,199	$ -17,500,000	$ 37,911,199
Public Defense, Department of					
Public Defense, Dept. of					
Compensation and Expense	$ 186,475	$ 342,556	$ 342,556	$ 0	$ 342,556
Total Public Defense, Department of	$ 186,475	$ 342,556	$ 342,556	$ 0	$ 342,556
Public Safety, Department of					
Public Safety, Dept. of					
DPS - POR Unfunded Liabilities	$ 5,000,000	$ 5,000,000	$ 5,000,000	$ 0	$ 5,000,000
Total Public Safety, Department of	$ 5,000,000	$ 5,000,000	$ 5,000,000	$ 0	$ 5,000,000

Unassigned Standings
General Fund

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Current Law FY 2027 (3)	Final Action FY 2027 (4)	Net Total FY 2027 (5)
Revenue, Department of					
Revenue, Dept. of					
Homestead Tax Credit Aid	$ 162,196,053	$ 162,524,423	$ 174,100,000	$ 0	$ 174,100,000
Elderly & Disabled Tax Credit	3,540,013	4,327,772	3,500,000	0	3,500,000
Ag Land Tax Credit	38,988,014	39,100,000	39,100,000	0	39,100,000
Comm & Industrial Prop Tax Replacement	50,770,795	36,667,901	22,561,071	0	22,561,071
Business Property Tax Credit	119,515,656	125,000,000	125,000,000	0	125,000,000
Barrel Tax Refunds	2,885,487	2,000,000	2,000,000	0	2,000,000
Total Revenue, Department of	$ 377,896,019	$ 369,620,096	$ 366,261,071	$ 0	$ 366,261,071
Total Unassigned Standings	$ 4,661,735,602	$ 4,834,939,780	$ 5,012,356,936	$ -67,308,178	$ 4,945,048,758

Note: *The Standing appropriation from the General Fund to the Renewable Fuels Infrastructure Fund was suspended in SF 2484 (FY 2027 Infrastructure Appropriations Act). **The Standing appropriation from the General Fund to the Technology Reinvestment Fund was repealed in HF 1028 (Department of Management, Records, Funds, and Contracts Act).

Unassigned Standings
Other Funds

	Actual FY 2025 (1)	Estimated Net FY 2026 (2)	Final Action FY 2027 (3)	Item Veto FY 2027 (4)	Net Final Action FY 2027 (5)	Net Final Action FY 2027 vs Est Net FY 2026 (6)	Page and Line # (7)
Health and Human Services, Department of							
Health and Human Services							
Medicaid Mgmt Info. Sys. - HHS IT	$ 0	$ 0	$ 31,000,000	$ -31,000,000	$ 0	$ 0	PG 3 LN 8
Info Tech Modernization Proj. - HHS IT	0	0	30,500,000	-30,500,000	0	0	PG 3 LN 8
Child Support Services IT - HHS IT	0	0	34,000,000	-34,000,000	0	0	PG 3 LN 8
Public Assistance IT Costs - HHS IT	0	0	5,000,000	-5,000,000	0	0	PG 3 LN 8
Double-up Food Bucks - SWRF	0	0	1,000,000	0	1,000,000	1,000,000	PG 4 LN 12
Total Health and Human Services, Department of	$ 0	$ 0	$ 101,500,000	$ -100,500,000	$ 1,000,000	$ 1,000,000	
Regents, Board of							
Regents, Board of							
Pediatric Cancer Research - SWRF	$ 0	$ 0	$ 3,000,000	$ 0	$ 3,000,000	$ 3,000,000	PG 20 LN 20
Total Regents, Board of	$ 0	$ 0	$ 3,000,000	$ 0	$ 3,000,000	$ 3,000,000	
Total Unassigned Standings	$ 0	$ 0	$ 104,500,000	$ -100,500,000	$ 4,000,000	$ 4,000,000	

Ways and Means Acts – Fiscal Notes

HF 960 – Communications Network Equipment Sales Tax Exemption (LSB1629HV.4)
Staff Contact: Evan Johnson (515.281.6301) evan.johnson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 960 expands the sales and use tax exemption in Iowa Code section 423.3(47A)(a) by making all purchases of central office equipment or transmission equipment used by certain entities in the furnishing of telecommunications services and internet access services on a commercial basis exempt from sales and use tax.

Background

Under current law, a sales tax exemption is available only for central office equipment or transmission equipment primarily used by local exchange carriers and competitive local exchange service providers; by franchised cable television operators, mutual companies, municipal utilities, cooperatives, and certain communications services companies; by long distance companies; or for a commercial mobile radio service in the furnishing of telecommunications services on a commercial basis.

"Central office equipment" is defined as equipment utilized in the initiating, processing, amplifying, switching, or monitoring of telecommunications services. Central office equipment also includes ancillary equipment and apparatus that support, regulate, control, repair, test, or enable such equipment to accomplish its function.

"Transmission equipment" is defined as equipment utilized in the process of sending information from one location to another location. Transmission equipment also includes ancillary equipment and apparatus that support, regulate, control, repair, test, or enable such equipment to accomplish its function.

Assumptions

- This Act is effective July 1, 2026 (FY 2027).
- There are 116 telecommunications providers affected by this Act.
- Estimated taxable expenditures made exempt by this Act are based on appeals information filed with the Iowa Department of Revenue related to the sales tax exemption in Iowa Code section 423.3(47A)(a) and scaled to include all telecommunications and internet access providers in the State.
- The amount of taxable sales for FY 2025 that would be made exempt under this Act is $16.4 million.
- The estimated value of purchases made exempt under this Act will increase by 2.4% annually.
- Secure an Advanced Vision for Education (SAVE) refunds are 1.0% of taxable expenditures. Local option sales tax (LOST) distributions are estimated to be 0.95% of taxable expenditures.

Fiscal Impact

House File 960 is estimated to decrease annual revenue to the General Fund, the SAVE Fund, and the LOST by the amounts in **Figure 1**.

Figure 1 — Fiscal Impact of House File 960 (in Millions)

	General Fund	SAVE	LOST
FY 2027	$ -0.9	$ -0.2	$ -0.2
FY 2028	-0.9	-0.2	-0.2
FY 2029	-0.9	-0.2	-0.2
FY 2030	-0.9	-0.2	-0.2
FY 2031	-0.9	-0.2	-0.2

Effective Date

This Act is effective on July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on April 22, 2026, and signed by the Governor on May 19, 2026.

Sources

Iowa Department of Revenue
Iowa Communications Alliance
Legislative Services Agency calculations

HF 1023 – IPERS Protection Occupations, Credit and Annual Adjustments (LSB2794HZ.4)
Staff Contact: Xavier Leonard (515.725.0509) xavier.leonard@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 1023 relates to benefits and contributions for members of the Iowa Public Employees' Retirement System (IPERS) who are employed in a protection occupation.

This Act adjusts the required contribution rate for Protection Occupation members of the IPERS from a 60.0% employer/40.0% employee split to an even split between the employer and the employees beginning July 1, 2026, with 50.0% of the required contribution rate to be paid by the employer and 50.0% of the required contribution rate to be paid by the employee. The contribution rates for employers and employees have additional existing modifiers that occur after the percentage split and will continue after the adjustments of this Act become effective.

House File 1023 increases the applicable percentage for retirement benefit payments of Protection Occupation members of the IPERS retiring on or after July 1, 2026, for each calendar quarter of service beyond 22 years of service from 0.375% to 0.625%, which increases the maximum accumulation of retirement benefit payments from 72.0% to 80.0% of the average of the highest three years of compensation received by the member.

This Act establishes an annual adjustment to the monthly allowance for members who retire from IPERS Protection Occupation employment, and to any beneficiaries or contingent annuitants, for retirements occurring on or after July 1, 2026. Beginning on July 1, 2027, and each July 1 thereafter, the monthly retirement allowance will be increased by 1.5% of the monthly retirement allowance payable on that date. Protection Occupation members of the IPERS who retire after July 1, 2026, will not be eligible to receive a retirement dividend under Iowa Code section 97B.49F.

Background

The Protection Occupation membership group of the IPERS is comprised of a range of occupations, including fire fighters and police officers not covered by Iowa Code chapter 411, correctional officers, conservation officers, county attorney investigators, emergency medical service (EMS) providers, high-risk unit officers, insurance fraud investigators, and, dependent on their years of service, select Department of Transportation (DOT) peace officers.

Based on the June 30, 2025, actuarial valuation, the IPERS Protection Occupation membership group covers approximately 8,032 active members and 4,361 retired members. The current funded ratio is 104.47%. The current actuarial accrued liability is $2.386 billion, the actuarial value of assets is $2.493 billion, and the unfunded actuarial liability (UAL) is $-106.7 million.

For FY 2027, the IPERS Protection Occupation membership group's estimated contributions at the current rate of 6.335% of payroll total $34.8 million, and the employer group's estimated contributions at the current rate of 9.185% of payroll total $50.4 million. Contributions are first split 60.0% for the employer and 40.0% for the members and then, after the split, the employer contribution rate is decreased 0.125% and the employee contribution rate is increased 0.125% (2025 Iowa Acts, House File 969 (411 Retirement System, Cancer Presumptions Act)).

Figure 1 displays the contribution rates for FY 2023 through FY 2027.

Figure 1 — Contribution Rates for the IPERS Protection Occupation Membership Group Under Current Law, FY 2023 – FY 2027

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Employer Contribution Rate	9.310%	9.310%	9.310%	9.310%	9.185%
Employee Contribution Rate	6.210%	6.210%	6.210%	6.210%	6.335%
Total	15.520%	15.520%	15.520%	15.520%	15.520%

Currently, a vested member of the IPERS Protection Occupation membership group is eligible to receive one of two retirement dividends under Iowa Code section 97B.49F, depending on when the member retired. A member who retired before July 1, 1990, is eligible to receive annual dividend payments in November of each year. A member who retired on or after July 1, 1990, is eligible to receive a favorable experience dividend (FED) when a favorable experience on the actuarial liabilities and assets occurs and the IPERS Fund is fully funded. Due to the funding status of the IPERS Trust Fund, the IPERS has not made any FED payments since 2014.

Protection Occupation members of the IPERS receive a retirement benefit based on the average of the highest three years of compensation times a multiplier that is determined by the member's length of service. The first 22 years of service earn the member a retirement benefit payment multiplier of 60.0%. Under current law, the applicable percentage used to calculate a retiree's monthly retirement benefit is increased by 0.375% for each calendar quarter of service beyond 22 years of service. The current maximum retirement benefit is 72.0%. This Act increases the maximum retirement benefit payment to 80.0%. **Figure 2** displays the applicable percentage for the current law and the proposed law under House File 1023.

Figure 2 — Applicable Percentage, Current and Proposed Law

Years of Service	Current Law	Proposed Law	Difference
22	60.00%	60.00%	0.00%
23	61.50%	62.50%	1.00%
24	63.00%	65.00%	2.00%
25	64.50%	67.50%	3.00%
26	66.00%	70.00%	4.00%
27	67.50%	72.50%	5.00%
28	69.00%	75.00%	6.00%
29	70.50%	77.50%	7.00%
30+	72.00%	80.00%	8.00%

Assumptions

- According to the actuarial cost study performed by Cavanaugh Macdonald Consulting in May 2025 using the FY 2023 valuation report, splitting the required contribution rate evenly between the employer and the employees, increasing the applicable percentage, and establishing a 1.5% annual adjustment to the monthly allowance for FY 2023 would have increased the IPERS Protection Occupation membership group's UAL from $-63.8 million to $151.8 million, a $215.6 million increase.
- While the results of the actuarial cost study cannot be directly applied to the FY 2025 valuation report to arrive at an updated fiscal impact, the cost study can be broadly applied to anticipate a similar impact.
- The IPERS will incur administrative costs, including costs to update software. The costs are unknown but are estimated to be nominal.
- The IPERS will issue an emergency administrative rule filing to change contribution rates for FY 2027 to reflect the 50/50 contribution rate split between employers and employees. The cost of this Act will be implemented in the FY 2028 contribution rates after the FY 2026 valuation report is published.

Fiscal Impact

The contribution rate split change from 60/40 to 50/50 for the Protection Occupation membership group of the IPERS would decrease the FY 2027 employer contribution rate by 1.55% and increase the FY 2027 employee contribution rate by 1.55%. The FY 2027 contribution rate change would reduce employer contributions by approximately $8.5 million and increase employee contributions by $8.5 million, or approximately $1,100 per employee.

Beginning in FY 2028, the full impact of this Act will take effect as detailed below.

The Cavanaugh Macdonald Consulting actuarial cost study performed in May 2025 using the FY 2023 valuation report estimated a $215.6 million increase in the UAL, a decrease in the funded ratio of 9.35%, and an increase in the required contribution rate of 5.44%. The

change in the contribution split from 60/40 to 50/50 results in an increase in the contribution rate of 1.17% for the employer and 4.27% for the employee for the IPERS Protection Occupation membership group.

According to the FY 2025 valuation report, the UAL was $-106.7 million, the funded ratio was 104.47%, and the required contribution rate was 15.52% (split 60/40 between the employer and employee, and then the rate was increased by 0.125% for employers and decreased by 0.125% for employers) for the IPERS Protection Occupation membership group.

A 5.44% increase to the required contribution rate changes it from 15.52% to 20.96%. The increase would be split between the employer (1.17%) and employee (4.27%) and is estimated to increase costs by approximately $6.4 million for the employer and $23.4 million for the employee group, or $2,900 per employee.

Administrative costs to the IPERS are unknown at this time but are estimated to be nominal. Any increased administrative costs to the IPERS will be paid from the IPERS Trust Fund.

Effective Date
This Act is effective on July 1, 2026.

Enactment Date
This Act was approved by the General Assembly on April 23, 2026, and signed by the Governor on June 2, 2026.

Sources
Iowa Public Employees' Retirement System
Iowa Public Employees' Retirement System FY 2023 Actuarial Analysis
Iowa Public Employees' Retirement System FY 2024 Actuarial Analysis
Iowa Public Employees' Retirement System FY 2025 Actuarial Analysis
Cavanaugh Macdonald Consulting Cost Study for Non-Retired Protection Occupation Members (August 2024)
Cavanaugh Macdonald Consulting Cost Study for Non-Retired Protection Occupation Members (May 2025)
Legislative Services Agency

HF 2757 – Nuclear Electric Generation Facilities, Sales Tax Exemption (LSB6140HV.4)
Staff Contact: Evan Johnson (515.281.6301) evan.johnson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2757 creates the Nuclear Energy Workforce Fund. Moneys in the Fund are appropriated to the Board of Regents (BOR) to establish and maintain programs and equipment at Regents universities that support nuclear energy workforce programs. Moneys in the Fund at the close of a fiscal year remain in the Fund and do not revert. Interest and earnings on moneys in the Fund are credited to the Fund.

The Act creates a sales and use tax exemption and refund for the construction and expansion of nuclear energy facilities. The Act applies retroactively to January 1, 2026, for the restarting of a decommissioned nuclear energy facility. To qualify for the exemption, a nuclear energy facility must commence commercial operations of at least one unit of the facility on or after January 1, 2028. The sales and use tax exemption ends when a nuclear energy facility begins commercial operation. The exemption and refund end on July 1, 2051.

The Act requires a nuclear energy facility receiving the sales and use tax exemption to annually, for up to four years, contribute to the Nuclear Energy Workforce Fund an amount equal to $2,200 for each megawatt of nameplate capacity that the nuclear energy facility is approved to produce by the Iowa Utilities Commission.

The Act requires the BOR to submit an annual report beginning January 15, 2028, to the General Assembly on the progress and implementation of nuclear energy workforce programs. The Iowa Department of Revenue (IDR) is authorized to adopt administrative rules to administer the exemption.

NOTE: *House File 2800 (FY 2027 Standing Appropriations Act) amends HF 2757 by making corrective provisions*.

Background

The Duane Arnold Energy Center, located in Palo, is Iowa's only nuclear energy facility. The Center was in commercial operation from 1974 to 2020 and is expected to return to commercial operation in 2029.

Assumptions

- Exempted transactions prior to July 1, 2026, will impact FY 2027. Exempted transactions on or after July 1, 2026, will impact the fiscal year in which they occur.
- One nuclear energy facility will be under construction between January 1, 2025, and December 31, 2028, and will be commercially operational on January 1, 2029. No other nuclear energy facility project will take place during the projection period.
- The cost to construct or restart a nuclear energy facility is assumed to be $1.600 billion. This cost will be spread out equally over the construction or restarting period.

- Of the expected construction costs, 65.0% will be subject to the sales and use tax.
- Nuclear energy facilities have a nameplate capacity of 615 megawatts.
- Nuclear energy facilities have a maximum production capacity of 5.387 billion kilowatt-hours (kWh) per year and operate at 90.0% of maximum capacity.
- The value of goods and services sold to nuclear energy facilities will increase by 2.4% annually.
- Contributions to the Nuclear Energy Workforce Fund are made in the fiscal year after the calendar year in which sales and use tax exemptions and refunds are reported.
- All nuclear energy facilities in the State will be eligible to receive the sales and use tax exemption and refund created in the Act.
- The exemption and refund created in the Act do not apply to operating, maintenance, and fuel expenses.
- Secure an Advanced Vision for Education (SAVE) refunds are 1.0% of taxable expenditures. Local option sales tax (LOST) distributions are estimated to be 0.95% of taxable expenditures.

Fiscal Impact

House File 2757 is estimated to increase revenue to the Nuclear Energy Workforce Fund and decrease revenue to the General Fund, the SAVE Fund, and LOST by the amounts shown in **Figure 1**.

Figure 1 — Fiscal Impact of House File 2757 (in Millions)

	Nuclear Energy Workforce Fund	General Fund	SAVE	LOST
FY 2027	$ 1.4	$ -20.1	$ -4.0	$ -3.8
FY 2028	1.4	-13.8	-2.8	-2.6
FY 2029	1.4	-7.0	-1.4	-1.3

Effective Date

This Act is effective July 1, 2026. Section 3 of the Act applies retroactively to January 1, 2026, for tangible personal property or specified digital products sold to or of services furnished to a nuclear electric generation facility that is restarting after a period of decommissioning.

Enactment Date

This Act was approved by the General Assembly on April 30, 2026, and signed by the Governor on June 1, 2026.

Sources
Iowa Department of Revenue
World Nuclear Association
United States Energy Information Administration
NucNet Independent Nuclear News
Legislative Services Agency calculations

HF 2766 – Captive Insurance Companies (LSB5452HV.2)
Staff Contact: Xavier Leonard (515.725.0509) xavier.leonard@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2766 relates to captive insurance companies and life captive reinsurance companies, includes civil penalties, and does the following:

- Creates new criminal offenses for any present or former officer or employee of the State who willfully or recklessly publishes a tax return filed pursuant to Iowa Code sections 432.1 (Tax on Gross Premiums — Exclusions) and 432.1A (Tax on Premiums — Captive Companies). The penalty for this offense is a serious misdemeanor and, in addition to any other penalty, the employee is required to be dismissed from State office or discharged from State employment.
- Removes the initial registration fee of $300 for each captive insurance company, individual series of members of a limited liability company, and each protected cell.
- Establishes a temporary premium tax waiver that non-life captive reinsurance companies may claim if they redomesticate to the State. The premium tax waiver does not apply to tax years 2030 and beyond. Includes payback provisions if a company receives the tax waiver and surrenders its license or redomesticates to another jurisdiction within five years from the date of redomestication into Iowa.
- Establishes regulatory framework for life captive reinsurance companies, including licensure requirements. Includes a $2,500 nonrefundable fee alongside a certificate of authority application by a life captive reinsurance company. Permits the Iowa Insurance Division (IID) Commissioner to retain legal, financial, and examination services from outside experts as necessary for review of the application, the reasonable cost of which may be charged to the applicant.
- Establishes a $2,500 annual renewal registration fee for a life captive reinsurance company's certificate of authority.
- Requires the IID Commissioner to examine the affairs, transactions, accounts, records, and assets of each life captive reinsurance company every five years, at minimum. Requires the life captive reinsurance company to pay for the costs incurred by the Commissioner in the examination.
- Authorizes life captive reinsurance companies domiciled in the State to apply for a certificate of dormancy. Includes requirements the company must meet for the Commissioner to authorize the certification, including the payment of an annual $1,000 dormancy tax.
- Authorizes the IID to adopt administrative rules to implement and administer subchapter II (Life Captive Reinsurance Companies) of Iowa Code chapter 521J.

Background

A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least $430 but not to exceed $2,560.

According to the IID, there are three captive insurance companies currently domesticated in Iowa.

Registration fees, as well as other fees, assessments, fines, and administrative penalties collected under Iowa Code chapter 521J and all premium tax receipts collected from captive companies, are paid into the Captive Insurance Regulatory and Supervision Fund (CIRSF). Created pursuant to Iowa Code section 521J.12, the CIRSF was established by 2023 Iowa Acts, chapter 107 (Taxation of Insurance Premiums and Captive Insurance

Companies Act). The CIRSF has received a $450,000 appropriation from the General Fund in fiscal years 2024, 2025, and 2026 in the annual Administration and Regulation Appropriations Act to examine and ensure compliance matters related to captive insurance. As of May 18, 2026, the balance of the CIRSF was $688,000.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (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 this Act 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.
- Work associated with the licensing and approval processes can be completed with the use of current staff.
- The number of captive companies that will domicile or redomesticate is unknown.
- No captive companies will apply for a certificate of dormancy.

Correctional Impact

House File 2766 creates new offenses. The correctional impact cannot be determined because the number of new convictions under this Act is unknown. **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.

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

Refer to the Legislative Services Agency (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 2766 creates new offenses and, as a result, existing data cannot be used to estimate the minority impact of this Act. 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 for House File 2766 cannot be determined because the number of companies that will domicile or redomesticate to Iowa is unknown.

The number of convictions under this Act for willfully or recklessly publishing a tax return by a State officer or employee is unknown. The average State cost per serious misdemeanor is between $350 and $6,200. This 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.

Effective Date
This Act is effective on July 1, 2026.

Enactment Date
This Act was approved by the General Assembly on April 21, 2026, and signed by the Governor on May 15, 2026.

Sources
Department of Corrections
Iowa Insurance Division (IID), Department of Insurance and Financial Services (DIFS)
Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)

HF 2799 – Economic Development, Tax Credit Programs and Load Forecasting (LSB5472HV.2)
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Fiscal Note Version – Final Action

Description

House File 2799 relates to State economic development activities. The Act has six divisions.

Division I — Headquarters Expansion and Development for Growth and Employment Program

Description

Division I of the Act establishes the Headquarters Expansion and Development for Growth and Employment (EDGE) Program under the Iowa Economic Development Authority (IEDA). The EDGE Program provides tax incentives to attract and keep corporate headquarters in Iowa. The Program may provide the following incentives:

- A qualifying wage tax credit of up to 15.0% of the gross annual wages of new corporate jobs for up to three years.
- A qualifying wage tax credit of up to 1.0% of the gross annual wages of retained corporate jobs for up to three years, not to exceed $1.0 million.

Qualifying wage tax credits can be claimed against personal income tax, corporate income tax, franchise tax, and the moneys and credits tax. Any tax credit in excess of the taxpayer's liability is refundable or may be credited to the immediately succeeding tax year.

The Division allows the IEDA to establish an application fee and set requirements for the EDGE Program in administrative rules.

Assumptions

- One new headquarters agreement and one retained headquarters agreement will be reached every two years.
- Tax credits and agreements under the EDGE Program will last three years.
- The first agreements will be reached in FY 2027 with the first claims occurring in FY 2028.
- It is assumed that one-third of an awarded EDGE Program tax credit will be claimed each year.
- Tax credit awards for new corporate jobs will be 15.0% of the gross annual wages of the jobs.
- Tax credit awards for retained corporate jobs will be 1.0% of the gross annual wages of the jobs.
- Wages will increase by 3.0% each year.
- The average headquarters employs 255 employees, and 30.0% of employees meet qualifying wage requirements.
- The average qualifying wage in FY 2026 is assumed to be $140,000.

Fiscal Impact

Division I of the Act is estimated to decrease revenue to the General Fund by the following amounts:

- FY 2028 = $-1.8 million
- FY 2029 = $-1.9 million
- FY 2030 = $-3.9 million
- FY 2031 = $-2.0 million
- FY 2032 = $-4.1 million

Division II — Major Economic Growth Attraction Program

Description

Division II of the Act extends the end date of the Major Economic Growth Attraction (MEGA) Program from January 1, 2027, to January 1, 2030. The Division also modifies the definition of "foreign adversary."

Background

The MEGA Program provides tax incentives to attract capital investments from businesses that invest at least $1.000 billion in the State. The business must be primarily engaged in advanced manufacturing, bioscience, or research and development. Eligible incentives under the MEGA Program include the following:

- An investment tax credit of up to 5.0% of the business's qualifying investment.
- A refund of the sales and use taxes paid for gas, electricity, water, and sewer utility services; tangible personal property; or services rendered, furnished, or performed that contributed to the construction or equipping of the facility.
- A withholding tax credit of up to 3.0% of the gross wages paid to each employee in a project job that pays at least the qualifying wage threshold.

Tax incentives under the MEGA Program cannot currently be awarded for more than two eligible businesses or after January 1, 2027.

Businesses associated with foreign adversaries cannot participate in the MEGA Program. As of February 4, 2026, "foreign adversary" as defined in 15 C.F.R. §7.4(a) and 15 C.F.R. §791.4 includes the following:

- China
- Cuba
- Iran
- North Korea
- Russia
- Venezuelan politician Nicolás Maduro

Assumptions

- It is assumed that extending the end of the MEGA Program from January 1, 2027, to January 1, 2030, will result in one additional award.
- The IEDA will allocate the full amount of the award in the first year of the project, but claims will not be made until three years after the award is granted, upon project completion.
- The full amount of the award will be made for each of the tax credits authorized under the MEGA Program, and all credits will be fully refunded rather than carried forward against future tax liability.
- All tax credits will be remitted in the same year they are claimed.
- A qualifying investment under the MEGA Program will be $1.000 billion.
- A total of 25.0% of the project investment will be subject to sales tax and a sales tax refund.
- Secure an Advance Vision for Education (SAVE) refunds are 1.0% of taxable expenditures.
- The requirement for 50.0% of jobs created to be eligible to receive a withholding tax credit will be met in the first year of the project completion.
- Wages will increase by 3.0% each year.

Fiscal Impact

Division II of the Act is estimated to decrease revenue to the General Fund and the SAVE Fund over the five-year life of an award by the amounts shown in **Figure 1**.

Figure 1 — Fiscal Impact of Division II (in Millions)

	General Fund	SAVE
FY 2030	$ -18.0	$ -0.5
FY 2031	-18.2	-0.5
FY 2032	-18.3	-0.5
FY 2033	-18.5	-0.5
FY 2034	-18.7	-0.5

Division III — Business Incentives for Growth Program Training Fund

Description

Division III of the Act establishes the Business Incentives for Growth (BIG) Program Training Fund (Training Fund) under the control of the IEDA. The Training Fund is required to be used to reimburse certain training expenses incurred by a business for a project under the BIG Program.

The Training Fund receives funding from the withholding of income tax as specified in Iowa Code section 422.16. An amount up to 1.5% of the gross wages that a business pays to employees included under a BIG Program agreement is diverted from income tax withholding and deposited into the Training Fund.

Background

The BIG Program was created in 2025 Iowa Acts, chapter 136 (Economic Development Programs and Credits Act), as a successor to the High Quality Jobs (HQJ) Program. The BIG Program provides tax incentives, which are subject to award caps, and financial assistance, which is appropriated by the General Assembly.

Assumptions

- The number of jobs created and retained under the BIG Program will be comparable to the number of jobs created and retained under the HQJ Program in FY 2025.
- Business Incentives for Growth Program agreements will last for three years.
- The qualifying wage for participation in the BIG Program is the same as the qualifying wage for participation in the HQJ Program. Wages and qualifying wages are assumed to increase by 3.0% each year.
- Jobs included in a BIG Program agreement will be created at the beginning of the fiscal year following an award.
- Income tax withholding diverted to the Training Fund will begin in the fiscal year following the award.

Fiscal Impact

Division III of the Act is estimated to decrease revenue to the General Fund and increase revenue to the BIG Program Training Fund by the amounts shown in **Figure 2**.

Figure 2 — Fiscal Impact of Division III (in Millions)

	General Fund	BIG Program Training Fund
FY 2027	$ -0.8	$ 0.8
FY 2028	-1.6	1.6
FY 2029	-2.5	2.5
FY 2030	-2.6	2.6
FY 2031	-2.7	2.7

Division IV — Repeal of the New Jobs Tax Credit

Description
Division IV of the Act repeals the New Jobs Tax Credit against personal income and corporate income taxes. The Division is effective upon enactment.

Background
The New Jobs Tax Credit allows a credit against individual and corporate income taxes of up to 6.0% of unemployment insurance taxable wages for new jobs created as a result of the Iowa New Jobs Training (260E) Program. The unemployment insurance taxable wage for calendar year (CY) 2026 is $20,400, which means the New Jobs Tax Credit could be claimed for a maximum of $1,224 for each new job created as a result of the 260E Program. The New Jobs Tax Credit can only be claimed once for each eligible new job.

Assumptions
- Based on historical claims data, it is assumed that New Jobs Tax Credit claims are equal to 1.79% of the New Jobs Withholding Credit and the Supplemental New Jobs Credit.
- Assumptions for New Jobs Withholding Credit and the Supplemental New Jobs Credit are outlined in Division VI of the ***Fiscal Note***.

Fiscal Impact
Division IV of the Act is estimated to increase revenue to the General Fund by the following amounts:
- FY 2027 = $14,000
- FY 2028 = $71,000
- FY 2029 = $145,000
- FY 2030 = $216,000
- FY 2031 = $287,000
- FY 2032 = $365,000
- FY 2033 = $434,000
- FY 2034 = $482,000
- FY 2035 = $511,000
- FY 2036 = $525,000
- FY 2037 and beyond = $528,000

Division V — Load Forecasting

Description
Division V of the Act requires the IEDA to commission the Iowa State University of Science and Technology (ISU) to produce a load forecasting report on the probable future growth of the use of electricity in Iowa and the Midwest region every two years.

The Division grants the Utilities Commission the authority to compel all public utilities to share with ISU the information necessary to develop State load forecasts and State electric transmission system expansion planning analyses.

The Division creates the Electric Transmission System Expansion Plans Analysis and Load Forecasting Fund (Fund) under the control of the IEDA. All electric utilities are required to remit to the Fund up to 0.02% of the total gross operating revenues during the last calendar year derived from the utilities' intrastate public utility operations. The Utilities Commission is required to establish a maximum amount of remittances in aggregate and provide a schedule for remittances paid by electric utilities into the Fund in administrative rules.

The Fund is under the authority of the IEDA for the load forecasting report. The Act exempts the Fund from reversion requirements and allows the Fund balance to carry forward to the next year. The Fund is allowed to retain any interest or earnings on the Fund balance.

Background

According to Iowa's Electric Profile, in CY 2024, there were 182 electric utilities that provided 54.9 million megawatt hours (MWh) of electricity to 1.7 million Iowa customers.

Assumptions

- The load forecasting report created by ISU will be substantially similar to the Indiana Electricity Projections report created by the State Utility Forecasting Group at Purdue University.
- The amount collected from electric utilities and deposited into the Fund will be less than 0.02% of the total gross operating revenues during the previous calendar year derived from the utilities' intrastate public utility operations.
- Preparation for the first biennial load forecasting report will occur between January 1, 2027, and December 31, 2028. Preparation for each biennial report thereafter will occur between January 1 and December 31 of the year of publication.
- Preparation for the load forecasting report will require the following full-time equivalent (FTE) positions:
  - 0.9 Division Director FTE position
  - 0.9 Senior Research Analyst FTE position
  - 0.9 Research Analyst 3 FTE position
  - 0.9 Research Analyst 2 FTE position
  - 0.9 Research Analyst 1 FTE position

Fiscal Impact

Division V of the Act is estimated to require an additional 4.5 FTE positions under ISU during the preparation of the load forecasting report and result in the following amounts being remitted by electric utilities to the Fund for the report:

- FY 2027 = $244,000
- FY 2028 = $489,000
- FY 2029 and beyond = $244,000

Division VI — Iowa Industrial New Jobs Training Program

Description

Division VI of the Act does the following:

- Provides that community colleges cannot extend 260E agreements entered into on or before June 30, 2026.
- Provides that payments for 260E Program costs cannot be deferred for more than seven years for agreements entered into on or after July 1, 2026.
- Prohibits a bond issued by a community college for a project from exceeding 70.0% of total program costs related to training expenses.
- Prohibits 260E Program costs from including travel, conference, or legal fee reimbursements.
- Limits community college administrative expenses to 15.0% of 260E Program costs.
- Requests the Legislative Council to establish an interim study committee during the 2026 Legislative Session to review and make recommendations regarding the 260E Program. The interim study committee must hold its first meeting on or before August 1, 2026, and must submit a report detailing the committee's findings and recommendations to the General Assembly no later than December 15, 2026.

Background

Under the 260E Program, a participating business partners with a community college, which sells bonds to finance the cost of newly established training. The business diverts 1.5% of gross payroll from the State withholding taxes generated by the new positions to the community college to retire the bonds. Participating businesses must remit payments to the community college before making claims to the withholding tax credit.

After the training obligation of a business under the 260E Program has been paid off, an amount equal to the withholding payments is credited to the Workforce Development Fund (WDF) Account for 10 years, up to a maximum of $7.8 million annually. Moneys in the WDF Account are appropriated to Iowa Workforce Development (IWD) under Iowa Code section 84G.3 to be used for apprenticeship training and job training.

Assumptions

- In FY 2025, $29.5 million in withholding tax credits was awarded under the New Jobs Withholding Tax Credit and the Supplemental New Jobs Tax Credit. It is assumed that future awards under current law would be at FY 2025 levels.
- The initial fiscal impact for claims under the Act will occur in FY 2027.
- The cost of employee training and the number of employees trained under the 260E Program will remain at FY 2025 levels.
- Bonds issued to community colleges will be for 70.0% of total program costs. The remaining 30.0% of program costs will be provided by participating businesses.
- Limiting bond issuances to 70.0% of program costs will decrease 260E Program withholding payments from businesses to community colleges by 30.0% and decrease tax credit claims on those payments by 30.0%.
- Total program costs include bond interest payments.

- Tax credits under the 260E Program are based on the gross wages of employees receiving training. The gross wages of employees receiving training are not impacted by the Act.
- Tax credits under the 260E Program cease when all bond principal and interest have been paid.
- Current community college administrative expenses are 19.5% of bond par values.
- Direct bond issuance fees do not include legal fees.
- Based on historical claim data, it is assumed that 100.0% of tax credits will be claimed, with the timing of claims under current law indicated below:
  - Year 0 = 2.7%
  - Year 1 = 10.7%
  - Year 2 = 14.0%
  - Year 3 = 13.5%
  - Year 4 = 13.5%
  - Year 5 = 14.6%
  - Year 6 = 13.1%
  - Year 7 = 9.2%
  - Year 8 = 5.4%
  - Year 9 = 2.6%
  - Year 10 = 0.7%

Fiscal Impact

Division VI of the Act is estimated to increase revenue to the General Fund by the following amounts:

- FY 2027 = $15,000
- FY 2028 = $75,000
- FY 2029 = $154,000
- FY 2030 = $230,000
- FY 2031 = $306,000
- FY 2032 = $388,000
- FY 2033 = $4.0 million
- FY 2034 = $6.7 million
- FY 2035 = $8.3 million
- FY 2036 = $9.0 million
- FY 2037 and beyond = $9.2 million

Fiscal Impact Summary

House File 2799 is estimated to increase and decrease the amount of funds available for various funds and programs as shown in **Figures 3** and **4**.

Figure 3 — General Fund Fiscal Impact of House File 2799 (in Millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Division I	$ 0.0	$ -1.8	$ -1.9	$ -3.9	$ -2.0
Division II	0.0	0.0	0.0	-18.0	-18.2
Division III	-0.8	-1.6	-2.5	-2.6	-2.7
Division IV	0.0	0.1	0.1	0.2	0.3
Division VI	0.0	0.1	0.2	0.2	0.3
Total	$ -0.8	$ -3.3	$ -4.1	$ -24.0	$ -22.2

Figure 4 — Other Fund Fiscal Impacts of House File 2799 (in Millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Division II - SAVE Fund	$ 0.0	$ 0.0	$ 0.0	$ -0.5	$ -0.5
Division III - BIG Program Training Fund	0.8	1.6	2.5	2.6	2.7
Division V - Load Forecasting Fund	0.2	0.5	0.2	0.2	0.2

Effective Date

Division IV of this Act, which repeals the New Jobs Tax Credit, is effective June 2, 2026. The remainder of this Act is effective July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on May 3, 2026, and signed by the Governor on June 2, 2026.

Sources

Iowa Department of Revenue
Iowa Economic Development Authority
Iowa Economic Development Authority financial assistance reports
Purdue University State Utility Forecasting Group
Iowa Utilities Commission reports
Harvard Business School
State Accounting System

SF 639 – Business Court (LSB2452SZ)
Staff Contact: Nathan Moore (515.725.0155) nathan.moore@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 639 directs the Iowa Supreme Court to establish and maintain a specialized business court within the Iowa Judicial Branch to handle complex commercial litigation. The court will have concurrent jurisdiction with district courts over cases involving compensatory damages of $200,000 or more or cases seeking primarily injunctive or declaratory relief that fall within a defined set of commercial and corporate subject matters. These include but are not limited to disputes involving the following:

- Technology or intellectual property licensing agreements.
- Internal governance of corporations, LLCs, partnerships, and other business entities.
- Business fraud, breach of contract, misrepresentation, or statutory violations between commercial parties.
- Shareholder derivative suits and commercial class actions.
- Commercial bank transactions.
- Business torts.
- Antitrust, securities, noncompete, and trade secrets disputes.
- Commercial real estate conflicts, excluding residential landlord-tenant cases.

This Act provides provisions for the filing, transfer, dismissal, retention, and removal of cases in the business court and specifies that the procedure for appeals is the same as for proceedings in a district court. This Act creates directions for the jury practice and procedure in the business court, including venue of jury trials.

This Act requires business court judges to produce written opinions to create a coherent body of law, but a judge does not have to issue a written opinion if the court has a well-developed body of law on the issue, the court is applying precedent, or another opinion on the issue will not significantly contribute to the development of the body of law. This Act authorizes the court to appoint personnel necessary for the operation of the court and creates a seal of the business court. This Act directs the Iowa Supreme Court to establish court rules as necessary for the operation of the business court.

The Business Court will consist of two judges, and on the effective date of the Act, the Iowa Supreme Court shall designate two judges currently serving in the existing business specialty court to serve as full-time business court judges. If fewer than two such judges seek appointment, any remaining vacancy shall be filled pursuant to Iowa Code chapter 46 (Nomination and Election of Judge). After the initial appointments, this Act requires the Governor to appoint two full-time judges selected from a list of nominees provided by the State Judicial Nominating Commission. A business court judge shall receive the same salary as a district court judge.

The Iowa Supreme Court may also assign district or senior judges to serve as visiting business court judges. Each case will be presided over by one judge, with a second assigned for settlement conferences. Business court judges can also be assigned to district court civil

dockets when caseload permits, as determined by the Supreme Court. This Act requires the Judicial Branch to submit a report to the General Assembly by January 1, 2029, evaluating the business court's performance, caseload activity, operating costs, district court cost savings, fee revenue, judicial workload allocation, litigant and attorney survey data, and comparative appeal and reversal rates.

This Act takes effect September 1, 2026, and provides for the transfer of civil actions pending before that date to the business court by agreement of the parties.

Background

In March 2012, the Iowa Civil Justice Reform Task Force released a report proposing reforms to Iowa's civil justice system, which recommended implementing a business specialty court as a pilot program. The Iowa Supreme Court initiated a three-year pilot program that began accepting cases in May 2013 and issued a supervisory order in February 2016 declaring the Iowa business court as an ongoing part of the court system. Currently, the stated goal of the existing business specialty court is to move business and complex commercial litigation cases through the courts system efficiently and to lower costs for litigants and the court system.

Assumptions

- The Iowa Supreme Court will designate two existing judges from the current business specialty court to serve as full-time business court judges.
- Business court judges may be assigned to district court civil dockets when business court caseload permits, partially offsetting district court workload and associated costs.
- The existing specialty court staff attorney position could provide staff attorney support to the business court established by this Act and will not represent additional costs.
- Administrative costs, such as case management, trial scheduling, clerk of court docketing time, jury costs, costs for courtroom space and equipment, and Americans with Disabilities Act (ADA) accommodation request costs, would have been incurred by the Judicial Branch as district court costs and will not represent additional costs.
- Any cost associated with an interpreter or translation would be paid by the Judicial Branch but taxed to parties as court costs as is currently provided by law.
- One full-time court reporter dedicated to the business court will be necessary. If workload were to exceed the capacity of a single court reporter, the business court could utilize a court reporter from the existing district court reporter workforce.
- The cost of the first fiscal year under this Act will be incurred for 10 months of FY 2027, as the effective date of the dedicated business court is September 1, 2026.

Fiscal Impact

The total annual cost of Senate File 639 shown in **Figure 1** is estimated to be approximately $441,000 in FY 2027 and approximately $529,000 in subsequent fiscal years. This cost estimate accounts for the hiring of one dedicated court reporter and the appointment of two business court judges. Judicial costs depend on whether existing judges are reassigned or new judges are appointed to fill vacancies created by reassignment.

Figure 1 — Estimated Cost of SF 639 — FY 2027 and Subsequent Fiscal Years

Job Classification	Base Salary	Benefits	Combined Cost	First Year Cost (FY 27)	Subsequent Years Cost
Court Reporter	$ 61,095	$ 21,724	$ 82,819	$ 69,013	$ 82,819
District Court Judge	170,762	52,454	223,216	372,011	446,432
			Total	$ 441,024	$ 529,251

Effective Date
This Act is effective September 1, 2026.

Enactment Date
This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 1, 2026.

Source
Iowa Judicial Branch

SF 2289 – Gambling, State Building Code, and Residential Care Facilities (LSB5523SV.4)
Staff Contact: Maria Wagenhofer (515.281.5270) maria.wagenhofer@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 2289 has three divisions and relates to matters under the purview of the Department of Inspections, Appeals, and Licensing (DIAL), including gambling, the State Building Code, and residential care facilities.

Division I — Gambling

Description

Division I of this Act raises the total cap on reimbursements to commissioners of the Iowa Racing and Gaming Commission (IRGC) for expenses incurred from $30,000 to $45,000.

Division I requires State income tax to be withheld on gambling winnings under Iowa Code chapters 99D and 99F if the winnings are in an amount sufficient to require that an information return be filed pursuant to 26 U.S.C. 6041, as amended to July 4, 2025, rather than if the winnings are in excess of $1,000 under Iowa Code chapter 99D or $1,200 under Iowa Code chapter 99F. This section of Division I takes effect upon enactment.

Background

The IRGC receives an annual appropriation from the Gaming Regulatory Revolving Fund (GRF) in the Administration and Regulations Appropriations Act to fund its operations. The IRGC assesses regulatory fees on racetracks and gambling boats and structures licensees based on the amount appropriated to the IRGC that is deposited into the GRF. These fees are approved at an IRGC meeting prior to the beginning of the fiscal year.

The One Big Beautiful Bill Act (OBBBA) of 2025 updated the federal income tax reporting threshold to $2,000, adjusted annually for inflation, for Forms 1099-MISC and 1099-NEC.

Assumptions

- The increase to the IRGC's annual cap on reimbursements paid to commissioners is assumed to be incorporated into the regulatory fee paid by licensees and deposited into the GRF.
- For the purposes of this ***Fiscal Note***, it is assumed that the updated $2,000 federal withholding threshold is applicable to slot machine winnings, which were subject to a $1,200 withholding threshold previously, and pari-mutuel winnings, which were subject to a $1,000 withholding threshold previously.
- Based on tax year (TY) 2024, the total amount of reported slot machine winnings between $1,200 and $2,000 was $365.7 million and the total amount of State withholding tax reported for slot machine winnings between $1,200 and $2,000 was $13.9 million.

- Based on TY 2024, the total amount of reported pari-mutuel winnings between $1,000 and $2,000 was $17.7 million and the total amount of State withholding tax reported for pari-mutuel winnings between $1,000 and $2,000 was $937,000.
- All taxpayers are required to report all gambling winnings, regardless of whether an Internal Revenue Service (IRS) W2-G was filed. It is assumed that State tax liability would not change as a result of this Act.
- It is assumed that State taxes not withheld for winnings in the second half of a fiscal year would be remitted in State tax as final payments in the subsequent fiscal year.
- It is assumed that the section of Division I amending withholding thresholds would take effect July 1, 2026 (FY 2027).
- All gambling winnings are subject to a State income tax rate of 3.8% beginning in TY 2026.
- Winnings are assumed to increase by 2.4% annually.

Fiscal Impact

Division I of this Act is anticipated to increase fees paid into the GRF by $15,000 annually. The IRGC receives an annual appropriation from the GRF in the Administration and Regulation Appropriations Act.

The fiscal impact of Division I on State income tax is anticipated to be revenue neutral but is expected to change the timing of revenues between fiscal years. Beginning in FY 2027 and for all subsequent fiscal years, the timing of revenues collected is delayed by six months compared to current law. As a result, the General Fund fiscal impact for FY 2027 is anticipated to be significant. For FY 2027, it is anticipated that there would be a decrease of $7.8 million that is instead collected in FY 2028. For all subsequent fiscal years, the annual decrease is estimated to be $188,000 that is instead collected in the next fiscal year.

Division II — State Building Code

Description

Division II of this Act requires the State Building Commissioner to consult with the Department of Homeland Security and Emergency Management (HSEMD), rather than the Department of Public Defense, when adopting administrative rules relating to safe rooms and storm shelters.

Division II of this Act also redirects fees collected by the State Building Code Commissioner under Iowa Code chapter 103A to be deposited into DIAL's Licensing and Regulation Fund instead of the General Fund.

Background

The Licensing and Regulation Fund was created in 2023 Iowa Acts, chapter 108 (FY 2024 Administration and Regulation Appropriations Act), under the authority of Iowa Code section 10A.507. The Fund consists of moneys and fees collected by DIAL. Moneys in the Licensing and Regulation Fund are appropriated to DIAL to be used to fulfill the administration and enforcement responsibilities of DIAL and licensing boards under the purview of DIAL's licensing and regulation functions.

In FY 2025, approximately $313,000 was collected in building code plan and review fees under Iowa Code chapter 103A. These fees were deposited into DIAL's Professional Licensing Division General Fund appropriation and used by DIAL.

Assumptions
For the purposes of this ***Fiscal Note***, it is assumed that building code plan and review fees collected in FY 2027 will equal the fees collected in FY 2025.

Fiscal Impact
Division II of this Act is estimated to result in approximately $313,000 being deposited into the Licensing and Regulation Fund beginning in FY 2027.

Division III — Residential Care Facilities

Description and Background
Division III of this Act allows a residential care facility that is a pediatric palliative care center to serve as few as zero individuals. Under current law, an entity must serve at least three individuals to be defined as a residential care facility.

Fiscal Impact
Division III of this Act is not anticipated to have a fiscal impact to the State.

Fiscal Impact Summary
Division I of this Act is anticipated to increase fees deposited into the GRF by $15,000 annually. The IRGC receives an annual appropriation from the GRF in the Administration and Regulation Appropriations Act.

The fiscal impact of **Division I** on State income tax is anticipated to be revenue neutral but is expected to change the timing of revenues between fiscal years. Beginning in FY 2027 and for all subsequent fiscal years, the timing of revenues collected is delayed by six months compared to current law. As a result, the General Fund fiscal impact for FY 2027 is anticipated to be significant. For FY 2027, it is anticipated that there would be a decrease of $7.8 million that is instead collected in FY 2028. For all subsequent fiscal years, the annual decrease is estimated to be $188,000 that is instead collected in the next fiscal year.

Division II of this Act is anticipated to increase fees deposited into the Licensing and Regulation Fund by $313,000 annually.

Effective Date
The majority of the Divisions of this Act are effective July 1, 2026. The portion of **Division I** of this Act related to withholding of gambling winnings is effective on May 15, 2026.

Enactment Date
This Act was approved by the General Assembly on April 28, 2026, and signed by the Governor on May 15, 2026.

Sources
Department of Inspections, Appeals, and Licensing
Iowa Racing and Gaming Commission
Iowa Advantage System
Iowa Department of Revenue
LSA calculations

SF 2472 – Property Taxation (LSB5195SV.4)
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Fiscal Note Version – Final Action

Note on Fiscal Estimates

Due to the complexity and interdependence of this Act's provisions, including multiple changes to the property tax base and levy structure, division-level estimates are modeled independently of the other divisions.

The Department of Management (DOM) estimates $130,000 in information technology (IT) costs to implement all Division changes in this Act.

Note on Property Taxes

All property tax rates used in this document are reflected as rates that are applied per $1,000 of taxed property value. Taxed property value is the value determined through the assessment process, adjusted (reduced) for any rollback for the property class, and after property tax exemptions have been applied.

Summary

Senate File 2472 is composed of 26 divisions that are related to property tax assessments, rates, credits, exemptions, State General Fund appropriations, and budget processes and other related programs that do the following:

- **Division I** modifies county general and rural services levy limitations by establishing a revenue-based growth cap tied to prior-year property tax dollars, with adjustments for new valuation and inflation, beginning in FY 2028.
- **Division II** modifies city general fund levy limitations by establishing a revenue-based growth cap tied to prior-year property tax dollars, with adjustments for new valuation and inflation, beginning in FY 2028.
- **Division III** establishes revenue-based limitations for most rate-limited property tax levies, restricts the use of debt for general operations, and imposes restrictions on levies not imposed prior to FY 2028.
- **Division IV** creates the FirstHome Iowa Program and a related fund to assist with first-time homeownership.
- **Division V** maintains the uniform levy (also known as foundation property tax levy) rate for FY 2027 and FY 2028, decreases the uniform levy rate for FY 2029 and succeeding fiscal years, makes changes to school district reorganization incentives, conforms the Family Farm Tax Credit, and conforms the Agricultural Land Credit. This Division is applicable to FY 2028.
- **Division VI** modifies the Secure an Advanced Vision for Education (SAVE) Fund Equity Transfer percentage; extends the Fund's repeal from January 1, 2051, to January 1, 2071; and provides a reconciliation schedule by Department of Management (DOM) for SAVE funds received by school districts.

- **Division VII** increases the Elderly and Disabled Property Tax Credit maximum benefit from $1,000 to $1,500.
- **Division VIII** reestablishes a multiresidential property class beginning in assessment year (AY) 2027 and establishes a set assessment limitation 3.0% above the residential class for FY 2027 and 6.0% in FY 2028.
- **Division IX** establishes a voter-approved emergency medical services (EMS) levy above the current maximum levy rate.
- **Division X** establishes an unspent balance cap, allows schools to request a one-time budget adjustment, and requires school districts to establish policies related to unspent balances. This Division is effective upon enactment.
- **Division XI** establishes a 35.0% cap on local government unobligated funds beginning in FY 2028.
- **Division XII** requires county auditors to submit an annual report that includes parcel identification information.
- **Division XIII** modifies provisions related to urban renewal areas and tax increment financing (TIF), including exempting certain levies, and setting fixed durations to TIF Districts.
- **Division XIV** modifies provisions related to property assessment procedures.
- **Division XV** modifies provisions related to distorted market valuations.
- **Division XVI** limits the growth of agriculture extension levies for local governments to 102.0% of the prior year's budget.
- **Division XVII** excludes school district property tax levies for property located in urban renewal revitalization areas beginning in FY 2028.
- **Division XVIII** modifies the duties of the Utility Replacement Tax Task Force.
- **Division XIX** establishes a task force to study payments in lieu of property taxes and report recommendations to the General Assembly.
- **Division XX** replaces the homestead credit with a phased-in homestead exemption and adjusts General Fund reimbursements beginning in AY 2026.
- **Division XXI** makes changes to local government property tax statements and procedures.
- **Division XXII** establishes revenue-based growth limitations for county hospital levies beginning in FY 2028.
- **Division XXIII** limits property tax levy growth for regional transit districts (RTD) to 103.0% of prior-year revenue beginning in FY 2028.
- **Division XXIV** eliminates the ongoing General Fund standing appropriation supporting the commercial and industrial property tax replacement beginning in FY 2028.
- **Division XXV** reduces the FY 2028 State General Fund expenditure limitation by $125.0 million and redirects certain excess Iowa Economic Emergency Fund balances to the Taxpayer Relief Fund (TPRF) in FY 2029.
- **Division XXVI** limits the growth of local emergency management levies for local governments to 103.0% of the prior year's budget.

Division I — County Property Taxes and Budgets

Description

Division I of the Act makes the following changes related to county property taxes and budgets:

- Modifies the current-law county general services levy and rural services levy growth limitation provisions, including the $3.50 and $3.95 levy thresholds, by shortening the applicability period from FY 2028 to FY 2027.
- Limits the county general services and rural services levy rates, for FY 2028 through FY 2030, to a rate calculated as 102.0% of the prior-year actual property tax dollars divided by assessed value excluding new valuation.

$$\text{Levy Rate} = \frac{1.02 \times \text{Prior Year Property Tax Dollars}}{\text{Assessed Value - New Valuation}}$$

- Limits the county general services and rural services levy rates beginning in FY 2031 to the lesser of:
  - 102.0% of the prior-year revenue, plus revenue generated from new valuation; or
  - $3.50 per $1,000 assessed value for county general services and $3.95 per $1,000 for county rural levies.
- Defines "new valuation" as the increase from the current fiscal year to the budget year in taxable valuation due to new construction, additions or improvements to existing structures, and net boundary adjustments. This new valuation is excluded from the levy-growth limitation calculation.
- Requires property tax replacement taxes under Iowa Code chapters 437A (Taxes on Electricity and Natural Gas Providers) and 437B (Taxes on Rate-Regulated Water Utilities) to be included in property tax calculations.

Division I of the Act takes effect January 1, 2027, and applies to property taxes and budgets for fiscal years beginning on or after July 1, 2027 (FY 2028).

Background

Under current law, the general county services levy and rural county services levy rates are limited based on growth in county-taxed value, which fell into three categories established first under 2023 Iowa Acts, chapter 71 (Property Tax, Assessments, and Bond Elections Act), and then changed to four categories in 2024 Iowa Acts, chapter 1094 (Individual Income Tax Rate Act), as displayed in **Figure 1**.

Under Iowa Code section 331.423, county general services and rural services levy authority is determined using a levy growth mechanism tied to taxable valuation growth. Depending on valuation growth, counties may levy the greater of the prior year's adjusted levy authority or statutory levy thresholds of $3.50 for general services and $3.95 for rural services. Counties generally use the greater of last year's levy rate or the default levy rate based on their growth. As a result, some counties currently levy rates above the statutory thresholds of $3.50 and $3.95.

Figure 1 — County Growth Mechanism

Tax Base Growth	Maximum Levy Rate Adjustment
Less than 2.75%	No adjustment
2.75% but less than 4.00%	-1.00%
4.00% but less than 6.00%	-2.00%
6.00% or greater	-3.00%

Assumptions

- The estimate projects county-level taxable valuation growth using a 12-year average of historical odd-year and even-year growth rates by property class, beginning with AY 2024 values, used to account for large shifts in odd years during equalization. To moderate volatility in growth across property classes, projected growth rates were bounded between the 15th and 80th percentiles.
- For the purposes of current law estimates, county general services and rural services levy rates are assumed to continue under the existing levy growth structure in Iowa Code section 331.423. Projected levy rates are based on FY 2026 levy rates and projected taxable valuation growth.
- In FY 2028 through FY 2030, allowable growth for included property tax revenue is 102.0% of prior-year revenue, plus revenue generated from new valuation.
- In FY 2031, allowable growth equals the lesser of:
  - 102.0% of prior-year revenue, plus revenue generated from new valuation; or
  - $3.50 per $1,000 of assessed value for the general county services levy and $3.95 per $1,000 of assessed value for the county rural services levy.
  - Counties projected to exceed the statutory levy ceilings in FY 2031 are assumed to remain at the applicable statutory levy ceiling unless the 102.0% growth limitation produces a lower allowable levy rate.
- New valuation is estimated by taking the district-level county data for AY 2024 and calculating the new valuation as a proportion of the county-wide valuation. The estimated portion is applied by county to all future years, and the resulting taxable valuation is not subject to the growth restrictions of this Division. The valuation is reincorporated into the property tax base in the following fiscal year, at which time it is subject to the rate-limited growth factor.
- All other county levies not directly subject to the limitations established in Division I are assumed to remain constant for purposes of this estimate.

Fiscal Impact

The analysis of this Division estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other Divisions of the Act. **Figure 2** displays the estimated reduction in property tax revenue to counties.

Figure 2 — Division I Estimated County Property Tax Revenue Reduction (in Millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Current Law	$1,635.2	$1,682.2	$1,737.0	$1,786.8	$1,845.0
SF 2472 Div I	1,635.2	1,674.5	1,716.5	1,759.2	1,783.7
Net Impact	$ 0.0	$ -7.7	$ -20.4	$ -27.6	$ -61.4

Division II — City Property Taxes and Budgets

Description

Division II of the Act makes the following changes related to city property taxes and budgets:

- Modifies the city general fund levy (CGFL) growth limitation provisions, including the $8.10 per $1,000 in assessed value levy threshold, by shortening the applicability period from FY 2028 to FY 2027.
- Beginning in FY 2028 through FY 2030, limits the CGFL rate to a rate calculated as 102.0% of the prior-year actual property tax dollars divided by taxable value excluding new valuation.

$$\text{Levy Rate} = \frac{1.02 \times \text{Prior Year Property Tax Dollars}}{\text{Assessed Value - New Valuation}}$$

- In FY 2031 and all fiscal years thereafter, CGFL allowable growth equals the lesser of:
  - 102.0% of the prior-year revenue, plus revenue generated from new valuation; or
  - $8.10 per $1,000 assessed.
  - Cities projected to exceed the statutory levy ceilings in FY 2031 are assumed to remain at the applicable statutory levy ceiling unless the 102.0% growth limitation produces a lower allowable levy rate.
- Defines “new valuation” as the increase from the current fiscal year to the budget year in taxable valuation due to new construction, additions or improvements to existing structures, and net boundary adjustments. This new valuation is excluded from the levy-growth limitation calculation.
- Requires property tax replacement taxes under Iowa Code chapters 437A and 437B to be included in property tax dollar calculations.

Division II of the Act takes effect January 1, 2027, and applies to property taxes and budgets for fiscal years beginning on or after July 1, 2027 (FY 2028).

Background

Under current law, CGFL rates are limited based on growth in city property tax valuation, which fell into three categories established first under 2023 Iowa Acts, chapter 71 (Property Tax, Assessments, and Bond Elections Act), and then changed to four categories under 2024 Iowa Acts, Senate File 2442 (Individual Income Tax Rate Act), as seen in **Figure 3**.

Under Iowa Code section 384.1, CFGL authority is determined using a levy growth mechanism tied to taxable valuation growth. Depending on valuation growth, cities may levy the greater of the prior year’s adjusted levy authority or the statutory levy threshold of $8.10 for the city general fund levy. Cities generally use the greater of the prior year’s adjusted levy rate or the applicable statutory levy threshold based on their growth. As a result, some cities currently levy rates above the statutory threshold of $8.10.

Figure 3 — City Growth Mechanism

Tax Base Growth	Maximum Levy Rate Adjustment
Less than 2.75%	No adjustment
2.75% but less than 4.00%	-1.00%
4.00% but less than 6.00%	-2.00%
6.00% or greater	-3.00%

Assumptions

- The estimate projects city-level taxable valuation growth using a 12-year average of historical odd and even-year growth rates by property class, beginning with AY 2024 values, used to account for large shifts in odd years during equalization. To moderate volatility in growth across property classes, projected growth rates were bounded between the 15th and 80th percentiles.
- For the purposes of current law estimates, CGFL rates are assumed to continue under the existing levy growth structure in Iowa Code section 331.423. Projected levy rates are based on FY 2026 levy rates and projected taxable valuation growth.
- In FY 2028 through FY 2030, allowable growth in included property tax revenue is 102.0% of prior-year revenue, plus revenue generated from new valuation.
- In FY 2031 and all fiscal years thereafter, CGFL allowable growth equals the lesser of:
  - 102.0% of prior-year revenue, plus revenue generated from new valuation; or
  - $8.10 per $1,000 of assessed value for the city general fund levy.
  - Cities projected to exceed the statutory levy ceilings in FY 2031 are assumed to remain at the applicable statutory levy ceiling for all subsequent fiscal years.
- New valuation is estimated by taking the district-level county data for AY 2024 and calculating the new valuation as a proportion of the county-wide valuation. The estimated portion is applied by county to all future years, and the resulting taxable valuation is not subject to the growth restrictions of this Division. The valuation is reincorporated into the property tax base in the following fiscal year, at which time it is subject to the rate-limited growth factor.
- All other city levies not directly subject to the limitations established in Division II are assumed to remain constant for purposes of this estimate.

Fiscal Impact

The analysis of this Division estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other Divisions of the Act. **Figure 4** displays the estimated reduction in property tax revenue to cities.

Figure 4 — Division II Estimated City Property Tax Revenue Reduction (in Millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Current Law	$1,884.1	$1,938.2	$2,001.3	$2,058.8	$2,125.8
SF 2472 Div II	1,884.1	1,930.1	1,979.6	2,029.9	2,080.8
Net Impact	$ 0.0	$ -8.1	$ -21.7	$ -28.8	$ -45.1

Division III — Rate-Limited Property Tax Levy Rates

Description

Division III of the Act changes property tax levy rates and includes the following:

- Reduces matching county and rural contributions to the county Secondary Road Fund (SRF) in Iowa Code sections 331.429 and 312.2 required to receive the full State funding match from 75.0% to 51.0% of the sum of the following:
  - $0.16875 per $1,000 of assessed value under current law, decreased to $0.118125 per $1,000 from the general fund of the county.
  - $3.375 per $1,000 of assessed value under current law, decreased to $2.102625 per $1,000 from the rural services fund of the county.
- Establishes maximum levy rate adjustments for rate-limited property tax levies beginning in FY 2028. For FY 2028 and each fiscal year thereafter, a rate-limited property tax levy is limited to 102.0% of the prior year's actual property tax dollars divided by taxable value. Property tax replacement taxes under Iowa Code chapters 437A and 437B are included in that calculation. The Act also limits the reimposition of rate-limited levies that were not imposed in the immediately preceding fiscal year.
- Provides that the new rate limitations do not apply to the following levies:
  - School district foundation levy under Iowa Code section 257.3.
  - County general services and rural services levies under Iowa Code section 331.423(1) and 331.423(2).
  - City general fund levy under Iowa Code section 384.1(3).
  - Physical plant and equipment levies under Iowa Code section 298.2.
  - School district bond tax under Iowa Code section 298.18.
  - County hospital levies under Iowa Code chapters 347 and 347A.
  - Regional transit district levies under Iowa Code section 384.12(1) and chapter 28M.
  - Levy rates used in the calculation in Iowa Code section 312.2(5)(a).
  - Self-supported municipal improvement districts under Iowa Code chapter 386.
- Prohibits cities and counties from issuing bonds or incurring other indebtedness payable from property taxes for general operations beginning July 1, 2026 (FY 2027).
- Permits the DOM, following consultation with the City Finance Committee and County Finance Committee, to adopt administrative rules for government entities to implement the requirements of Division III.

Section 19 of the Act amends Iowa Code section 312.2 in Division III to take effect January 1, 2027, and is applicable to fiscal years beginning on or after July 1, 2027 (FY 2028).

Background

Iowa Code section 331.426 gives counties the authority to levy a maximum of $3.50 for general county services and $3.95 for rural county services. Iowa Code section 331.429 gives counties the authority to transfer $0.16875 from the funds collected for general county services and $3.00375 from the funds collected for rural county services to the SRF. Counties also receive 24.5% of the Road Use Tax Fund (RUTF) pursuant to Iowa Code section 312.2; however, counties are required to transfer at least 75.0% of their RUTF allocation from property taxes levied to their SRF.

If an individual county fails to transfer the minimum 75.0%, its RUTF distribution is reduced by the same amount it is short. In FY 2025, only one county failed to meet the 75.0% transfer threshold.

The Act also makes changes to the County Agricultural Extension Education Tax in Iowa Code section 176A.10, which helps to fund a network of county-based educational programs led by Iowa State University Extension and Outreach.

Rate-limited tax levies impacted by this Division include:

- $0.0675 for the County Pioneer Cemetery levy under Iowa Code section 331.325.
- $0.27 for the City Aviation Authority levy under Iowa Code chapter 330A.
- $1.50 for the Unified Law Enforcement levy under Iowa Code section 28E.22.
- $3.00375 for the City Agricultural Land levy under Iowa Code chapter 24.
- $0.675 for the City Capitol Improvement levy under Iowa Code section 384.7.
- Variable rates based on population for County Agricultural Extension levy under Iowa Code section 176A.10.
- $0.54 for the Sanitary Sewer District General levy under Iowa Code chapter 358.
- $1.96 for the Sanitary Sewer District Debt Service levy under Iowa Code chapter 358.
- $0.405 for the Benefitted Fire District General levy under Iowa Code section 357B.9.
- $0.81 for the Benefitted Water District General levy under Iowa Code chapter 357.
- $0.54 for the Street Lighting District General levy under Iowa Code chapter 357C.
- $0.2025 for the Community College General levy under Iowa Code chapter 260.
- $0.09 for the Community College Equipment Replacement levy under Iowa Code Section 260C.28.
- $0.2025 for the Community College Plant Funds levy under Iowa Code section 260C.22.
- $0.20 for the School District Amana Library levy under Iowa Code section 298.7.
- $0.25 for the School District Playground levy under Iowa Code chapter 300.

Assumptions

- If all counties decrease the transfer of $0.118125 from general county services and $2.102625 from rural county services to meet the new threshold, revenue to each county SRF will be reduced by an estimated $111.2 million per year. Of that total, $8.61 million is from general county services and $102.7 million is from rural county services.
- The estimate utilizes FY 2026 statewide property tax revenues from identified rate-limited levies subject to Division III. Levies explicitly exempted by the Division and all other non-rate restricted levies are excluded from this calculation.
- The estimate projects district-level taxable valuation growth using a 12-year average of historical odd-year and even-year growth rates by property class, beginning with AY 2024 values, used to account for large shifts in odd years during equalization. To moderate volatility in growth across property classes, projected growth rates were bounded between the 15th and 80th percentiles to limit extreme fluctuations.
- All estimates are based on AY 2024 taxable values, AY 2024 assessment limitations (rollback), and FY 2026 tax rates. Assessment limitations and tax rates are assumed to remain constant over the projection period.
- For community college levies, new valuation growth was estimated using the county containing each community college's primary campus as a proxy for the full merged area. This approach may overstate revenue growth for merged areas that include lower-growth counties.

Fiscal Impact

The analysis of this Division estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other Divisions of the Act.

Division III will have no fiscal impact on the State RUTF. Local revenue deposited into each county SRF may decrease. However, the number of counties that may decrease the allocations to the SRF is unknown. Any county that reduces allocations to the SRF will retain that revenue for the County General Fund.

Additionally, **Figure 5** displays the estimated reduction in property tax revenue to local governments.

Figure 5 — Division III Estimated Property Tax Reduction (in Millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Current Law	$ 168.7	$ 173.5	$ 179.2	$ 184.3	$ 190.3
SF 2472 Div III	168.7	171.9	175.3	178.8	182.4
Net Impact	$ 0.0	$ -1.6	$ -3.8	$ -5.5	$ -7.9

Division IV — FirstHome Iowa Accounts

Description
Division IV of the Act establishes the FirstHome Iowa Program under the Treasurer of State. The Program allows individuals to invest money in a public trust for future application to the payment of qualified homebuyer expenses. The maximum contribution to the Program that may be deducted from Iowa personal income tax is $5,500 per beneficiary per year, adjusted annually to account for inflation. Interest and earnings received from contributions are deducted from Iowa personal income tax. The Treasurer of State may collect fees and adopt administrative rules to administer the Program.

The Division also prohibits the creation of new Iowa First-Time Homebuyer Savings Accounts (FTHSAs) on or after July 1, 2026.

Background
Iowa Code chapter 541B allows individuals to open interest-bearing FTHSAs to pay qualified homebuyer expenses. The maximum contribution to an FTHSA in tax year (TY) 2026 is $4,744. Interest earned on FTHSAs may be deducted from Iowa personal income tax. In TY 2024, FTHSA program participants claimed a statewide aggregate deduction amount of approximately $200,000.

Assumptions
- Participation in the FirstHome Iowa Program will be comparable to participation in the FTHSA program.
- Interest and earnings on moneys in the FirstHome Iowa Program are assumed to be the same as interest and earnings on moneys in FTHSAs.
- There will be no contributions to FTHSAs on or after July 1, 2026.
- In FY 2024, the average contribution to an FTHSA was 64.2% of the maximum allowable contribution. It is assumed that the average contribution to the FirstHome Iowa Program will be 64.2% of the maximum allowable contribution.

Fiscal Impact
Division IV of the Act is estimated to decrease General Fund revenue by approximately $1,200 each fiscal year beginning in FY 2027.

Division V — School Taxes

Description
Division V of the Act makes the following changes beginning in FY 2029:
- Decreases the uniform levy from $5.40 to $5.10 for FY 2029.
- Decreases the uniform levy from $4.90 for FY 2030 and succeeding fiscal years.
- Changes the school district reorganization incentives to be calculated based on the year of reorganization and by coupling the incentives to the uniform levy.
- Conforms the Family Farm Tax Credit and Agriculture Land Tax Credit apportionment with the changes to the uniform levy.

Division V applies to fiscal years and school budget years beginning on and after July 1, 2027 (FY 2028).

Background

For FY 1997 through FY 2022, the regular program foundation level was set at 87.5% of the State cost per pupil and is comprised of a uniform levy of $5.40 per $1,000 of taxable valuation statewide and State aid from the General Fund. Since FY 2023, the regular program foundation level has been set at 88.4% of the State cost per pupil to offset the revenue from the elimination of the commercial and industrial property tax replacement backfill payments and is comprised of a uniform levy of $5.40 per $1,000 of taxable valuation statewide and State aid from the General Fund. State aid is annually appropriated from the General Fund through a standing unlimited appropriation.

2019 Iowa Acts, chapter 101 (School Districts — Whole Grade Sharing, Reorganization, or Dissolution Incentives Act), extended school district reorganization incentives until the end of FY 2024. The incentives expired for FY 2025 and FY 2026, but were renewed during the 2026 Legislative Session in Division XX of House File 2800 (FY 2027 Standing Appropriations Act).

The incentives, originally enacted in 2001 and effective for school reorganizations between FY 2002 and FY 2007 (2001 Iowa Acts, chapter 126 (School Finance — Miscellaneous Changes Act)), were reauthorized for school reorganizations between FY 2008 and FY 2014 during the 2007 Legislative Session (2007 Iowa Acts, chapter 130 (School District Reorganization and Sharing Incentives Act)). The provisions were reauthorized for FY 2015 through FY 2020 during the 2014 Legislative Session (Iowa Code section 257.11A). Incentives included the following:

- **Uniform levy rate reductions replaced with State aid.** The uniform levy rate is $5.40 per $1,000 of assessed valuation. The rate reductions are phased out over a three-year period. For districts with enrollments of fewer than 600 students, the uniform levy rate will be reduced $1 in year one, $0.50 in year two, and $0.25 in year three. If a school district with an enrollment exceeding 600 students merges with a district with an enrollment of fewer than 600 students, then the larger district will instead receive a reduction in the uniform levy total equal to the reduction in the uniform levy total that the smaller district receives. For example, if the rate reduction in year one generated a reduction in the uniform levy totaling $500,000, the district with an enrollment that exceeded 600 would have its portion of the uniform levy reduced by $500,000.
- **Reorganization supplementary weighting.** School districts that have a whole grade sharing agreement, meet specific requirements, and reorganize by FY 2024 may receive supplementary weighting equal to the whole grade supplementary weighting amount received in the year prior to the reorganization for resident students. Districts can receive reorganization incentive supplementary weighting for up to three years. However, the combined length of whole grade sharing supplementary weighting and reorganization incentive supplementary weighting cannot exceed six years.

The reorganization incentives are funded through a mix of State aid and property taxes, which are calculated through the school finance formula. Uniform levy reductions are paid by State aid through the school finance formula. The State aid cost for the uniform levy incentives depends on the enrollment and taxable valuation of a district.

The Agricultural Land and Family Farm Property Tax Credits are funded by a $39.1 million standing limited General Fund appropriation, and the Family Farm Property Tax Credit receives a $10.0 million allocation from that appropriation.

Assumptions

- Under current law, the State cost per pupil for FY 2027 and future fiscal years will remain at $8,148.
- A 0.00% State percent of growth (SPG) will be enacted each year.
- Property Tax Replacement Payments will be extended each year.
- The total Area Education Agency (AEA) reduction will be $7.5 million each year, which is current law[1].
- The number of districts that will start or continue to make progress toward reorganization is unknown. The decision to pursue whole grade sharing and reorganization is a school district decision.
- The Agricultural Land and Family Farm Property Tax Credit appropriation is based on current law.
- From the period of FY 2004 through FY 2024, the total State aid cost for uniform levy reduction cost and supplementary weighting for whole grade sharing and joint employment has totaled $53.2 million, or an average of $2.2 million per fiscal year.

Fiscal Impact

The analysis of this Division estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other Divisions of the Act.

Division V of the Act related to the reduction in the uniform levy is projected to reduce property tax revenue compared to estimates for current law and increase General Fund appropriations as shown in **Figure 6**. The fiscal impact to local governments is estimated to be net neutral.

Figure 6 — Division V Estimated School District Property Tax Reduction and General Fund Appropriation Increase (in Millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Property Tax Reduction From Decrease in Uniform Levy	$ 0.0	$ 0.0	$ -74.4	$ -127.0	$ -132.7
Increase in General Fund (GF) Appropriation From Decrease in Uniform Levy	$ 0.0	$ 0.0	$ 74.4	$ 127.0	$ 132.7

[1] Since FY 2018, the General Assembly has further reduced funding to AEAs by an additional amount per year. Historically, the additional reductions have been included in the annual Standing Appropriations Act. For FY 2027 and succeeding fiscal years, HF 2800 (FY 2027 Standing Appropriations Act), reduced funding to AEAs for a total of $32.5 million.

The estimated fiscal impact of the provisions in the Act related to reorganization is currently unknown and will depend on the number of districts that start or continue to make progress toward reorganization.

Division VI — Secure an Advanced Vision for Education Fund — Equity Transfer Percentage — Future Repeal

Description

Division VI of the Act extends the repeal of a 1.0% increase to the statewide sales tax from 6.0% to 5.0% from January 1, 2051, to January 1, 2071, and allocates 25.0% of SAVE funds to property tax relief by FY 2031. Property tax relief is achieved by allocating SAVE Fund amounts to the Property Tax Equity Relief Fund (PTER) and the Foundation Base Supplement (FBS) Fund. The percentage change will be gradually implemented to increase the share of the SAVE Fund that will be used for property tax relief and will reduce the amount to school districts for infrastructure. The use of SAVE by school districts for infrastructure is allowed if there is a revenue purpose statement, otherwise the dollars are required to be used to reduce specified property tax levies as defined in Iowa Code section 423F.3(1). The Act requires the DOM to adjust or reconcile SAVE funds to be received by school districts in the fiscal year immediately following the fiscal year during which the revenues were collected.

Background

Secure an Advanced Vision for Education is a statewide one-cent sales tax dedicated to K-12 infrastructure including new school construction, major renovations, technology infrastructure, paying debt on eligible school bonds, and property tax relief. The Department of Education (DE) is required to issue an annual legislative report detailing the collection and use of SAVE funds. Under current law, the amount of SAVE funds going to property tax relief would have incrementally increased to 30.0% by FY 2051.

Assumptions

- There are no additional administrative costs to the State for changes made in the Act.
- Annual growth for school infrastructure sales tax will be as follows:
  - FY 2027 = 2.0%
  - FY 2028 = 2.9%
  - FY 2029 = 2.9%
  - FY 2030 = 3.2%
  - FY 2031 = 3.5%

Fiscal Impact

Division VI of the Act is expected to have no fiscal impact to the State for administrative purposes.

The Act is expected to increase SAVE contributions to property tax relief by $38.9 million in FY 2027, increasing to $121.5 million in FY 2031 and thereby reducing the amount to school districts for infrastructure. **Figure 7** illustrates the estimated statewide impact of Division VI on reduction of funds for school district infrastructure through FY 2031. It is estimated that beginning in FY 2046, the amount to school districts for infrastructure will increase.

Figure 7 — Division VI Estimated SAVE Contribution Decrease to School Districts (in Millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Decrease to School Districts From Change to SAVE Allocation	$ -38.9	$ -58.6	$ -71.7	$ -105.5	$ -121.5

Division VII — Elderly and Disabled Property Tax Credit and Rent Reimbursement

Description

Division VII increases the maximum credit for the Elderly and Disabled Tax Credit and maximum payment for Rent Reimbursement from $1,000 to $1,500.

Division VII of the Act is applicable for credits against property taxes due and payable in FY 2028 and for reimbursement for rent constituting property taxes paid in base years in FY 2027.

Background

Under current law, the Elderly and Disabled Property Tax Credit provides property tax relief to eligible homeowners aged 65 years and older or individuals who are totally disabled. The credit is income-based and calculated using household income and property tax liability, with a maximum credit of $1,000. In addition to the homestead tax credit, eligible claimants aged 65 years and older qualify for a homestead tax exemption equal to $3,250 of taxable value for AY 2023 and $6,500 for assessment years beginning on or after January 1, 2024 (AY 2024).

In FY 2025, the Elderly and Disabled Property Tax Credit program provided $3.5 million in General Fund support to approximately 9,901 claimants, with an average credit of $349 per claimant. Under current law, the maximum amount of property taxes used in calculating the credit is capped at $1,000 for both programs. The Elderly and Disabled Rent Reimbursement program received $11.3 million in an FY 2025 General Fund appropriation for an estimated 18,301 claimants, with an average credit of $647 per claimant.

Assumptions

- The expansion of the Elderly and Disabled Property Tax Credit assumes that 7.5% of the 9,901 current claimants utilize the full $1,000 maximum credit. For those claimants, the additional credit is assumed to average $250 per claimant. No additional benefit is assumed for claimants below the current maximum credit.
- The expansion of the elderly and disabled rent reimbursement assumes that 7.5% of the 18,301 current claimants utilize the full $1,000 maximum credit. For those claimants, the additional credit is assumed to average $250 per claimant. No additional benefit is assumed for claimants below the current maximum credit.
- The number of claimants is assumed to decrease by 4.0% annually for the income-based Elderly and Disabled Property Tax Credit and 0.5% for the rent reimbursement program.

Fiscal Impact

The analysis of this Division estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other Divisions of the Act. Increasing payments for the Elderly and Disabled Property Tax Credit and rent reimbursement program from $1,000 to $1,500 is estimated to increase annual General Fund appropriations as displayed in **Figure 8**.

Figure 8 — Division VII General Fund Appropriations Increase (Dollars in Millions)

Fiscal Year	Tax Credit Claims	Tax Credit Cost	Rent Claims	Rent Credit Cost	Total Appropriations Increase
2026	9,505	$ 0.0	17,394	$ 0.0	$ 0.0
2027	9,125	0.0	17,307	0.3	0.3
2028	8,760	0.2	17,220	0.3	0.5
2029	8,409	0.2	17,134	0.3	0.5
2030	8,073	0.2	17,048	0.3	0.5
2031	7,750	0.1	16,963	0.3	0.5

Division VIII — Property Classifications and Assessment Limitations

Description

- Reestablishes the multiresidential property classification for assessment years beginning on or after January 1, 2027 (AY 2027), which includes properties that were classified as multiresidential property for assessment years beginning before AY 2022. All properties in both new categories continue to share the same exemptions and tax rates under this Division. For purposes of equalization, multiresidential property shall be considered residential property. The Act provides requirements for the new multiresidential property class.
- Establishes a new assessment limitation for multiresidential property beginning in AY 2027. For AY 2027, multiresidential property is assessed at the residential assessment limitation percentage plus 3.0%, not to exceed 100.0% of actual value. Beginning in AY 2028 and thereafter, multiresidential property is assessed at the residential assessment limitation percentage plus 6.0%, not to exceed 100.0% of actual value.

Division VIII of the Act is effective and applicable to assessment years beginning on or after January 1, 2027 (AY 2027).

Changes to Iowa Code sections 386.8, 386.9, 386.10, 404.2(2)(f), 404.3(4)(a), 404.3A, 404.3D, 441.21(2), 441.21(8)(b), 441.21(13), 441.21(14), and 558.46 take effect January 1, 2027, and apply to assessment years beginning on or after January 1, 2027 (AY 2027).

Background

Property tax assessment limitation, also commonly referred to as a “rollback,” is a method of reducing the market value of a property to the taxable value by multiplying the market value of a property by a percentage of the value subject to tax. The assessment limitations are intended to slow the growth of property taxes by limiting the annual growth in property values subject to tax, which shifts more of the costs of the State’s school foundation aid formula to the General Fund. Assessment limitations are divided into several property classes with different rollbacks and allowable growth. The classes include residential, agricultural, multiresidential (AY 2015 through AY 2021), commercial, industrial, railroads, and utilities.

Assessment limitations limit the rate of property valuation growth to 3.0% by property class. If any individual class exceeds this cap, the values are rolled back to equal the limitation amount. Additional information on assessment limitations is available in the Assessment Limitation Fiscal Topic.

The multiresidential property class was created as part of the 2013 property tax reform legislation enacted under the 2013 Iowa Acts, chapter 123 (Property Tax Changes Act). The new class applied to property primarily consisting of three or more separate living quarters, including apartments, assisted living facilities, and manufactured home communities. Prior to its creation, these properties were generally taxed as commercial property. The legislation established a phased rollback schedule intended to gradually reduce the taxable value percentage for multiresidential property from the commercial rate toward the residential rollback rate over several years, thereby lowering property tax liability for qualifying housing. The separate multiresidential classification was eliminated beginning in AY 2022 and merged those properties were merged into the residential property class, subjecting them to the residential rollback calculation instead under the 2021 Iowa Acts, chapter 20 (Multiresidential Property Tax Act).

Assumptions

- For years in which multiresidential property was consolidated within the residential class (AY 2022 through 2024), multiresidential taxable valuation is estimated to have grown at a constant rate of 2.0% annually, as displayed in **Figure 9**. The projected distribution between residential and multiresidential classes will be used as the baseline for the fiscal impact.

Figure 9 — Estimated Taxable Valuations (in Millions)

AY	Residential	Multiresidential
2014	$ 78,887.2	$ 0.0
2015	82,546.1	4,062.5
2016	86,414.5	3,960.9
2017	90,359.0	4,308.9
2018	94,711.7	4,250.9
2019	98,983.0	4,501.5
2020	103,360.1	4,469.8
2021	108,001.1	4,895.8
2022	107,633.0	4,993.7
2023	113,105.9	5,093.6
2024	118,550.5	5,195.5

- Beginning in AY 2027, estimated multiresidential taxable value is separated from the residential property class and modeled as its own property class.
- Estimated assessed values for the residential and multiresidential classes are derived by dividing projected taxable values by the AY 2024 rollback percentage applicable to each property class. Projected taxable values are based on historical growth using a 12-year odd/even average by property class.
- For projection years, multiresidential growth is assumed to match residential growth rates.
- New taxable values under this Division are calculated by applying the Act's revised rollback (assessment limitation) schedule to projected assessed values for each future year.
- Residential and multiresidential property tax dollars are calculated using the FY 2026 statewide average consolidated residential property tax rate.
- All other property classes' assessment limitations are assumed to remain constant for future years.

Fiscal Impact

The analysis of this Division estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other Divisions of the Act. Division VIII is estimated to increase taxable values across the residential and multiresidential property classes, resulting in additional property tax revenues generated as shown in **Figure 10**.

Figure 10 — Division VIII Estimated Property Tax Revenues (in Millions)

Fiscal Year	2027	2028	2029	2030	2031
Multiresidential Rollback	45.4345%	45.4345%	48.4345%	51.4345%	51.4345%
Current Law Revenue	$ 183.8	$ 190.9	$ 199.2	$ 206.9	$ 215.8
Division VIII Revenue	187.5	194.8	216.6	238.9	249.2
Net Impact	$ 3.7	$ 3.9	$ 17.4	$ 32.1	$ 33.4

Division IX — Emergency Medical Services Levy

Description

Division IX prohibits an EMS levy above $0.75 per $1,000 of assessed value for counties for FY 2027, unless a rate not to exceed $1.50 per $1,000 of assessed value is approved at an election held on or after July 1, 2026. Division IX allows counties to increase the EMS levy to $1.50 per $1,000 of assessed value, beginning FY 2028.

Background

Under current law, a county may impose an EMS levy of up to $0.75 per $1,000 of assessed value for counties (Iowa Code section 422D.1(1)(a)(2)). As of AY 2024, a total of 20 counties levied EMS levies under Iowa Code chapter 422D, and of those, 10 counties levied the current $0.75 maximum amount.

Fiscal Impact

Division IX of the Act is anticipated to have a minimal fiscal impact.

Division X — School District Unspent Balances — On-Time Funding and Modified Supplemental Amounts

Description

Division X of the Act limits a school district's unspent balance from the previous year to no more than 35.0% of the school district's authorized expenditures for the current year beginning in FY 2027. A greater unspent balance may be authorized by the School Budget Review Committee (SBRC). The Act allows a school district to request an on-time budget adjustment, and requires a school board to establish defined policies on unspent balances that must be annually reviewed and entered into the Board minutes.

Division X of the Act takes effect upon enactment.

Background

The SBRC is a nonpartisan body established to review budgets and to hold hearings on requests to modify budgetary limitations from school districts, AEAs, and community colleges. The SBRC is an independent agency separate from the DE and the DOM. According to Iowa Code section 257.31, the SBRC is required to review a school district's unspent balance prior to any decision to increase a modified supplemental amount (MSA).

A school district's unspent balance, or the unspent authorized budget (UAB), is the amount of unused district General Fund spending authority left over at the end of the fiscal year that is carried over into the next fiscal year. School boards can set goals or parameters around the UAB, and the UAB is separate from the school district's cash available. For FY 2025, the statewide UAB was 22.3%.

2026 Iowa Acts, Senate File 2201 (Supplemental State Aid Act), modifies the methodology used to determine a school district's annual basic enrollment from a single October enrollment count to a count based on the average of a district's actual enrollment for the base year and the district's adjusted enrollment for the base year. The adjusted enrollment is required to be determined annually on January 15, or the third Monday in January if January 15 falls on a Saturday or Sunday. This second enrollment count will be certified as the district's adjusted enrollment and submitted to the DE by February 15 of each year. The DE is required to promptly forward the adjusted enrollment to the DOM. This revised basic enrollment count will be used to calculate State aid and property taxes related to State aid. The new adjusted enrollment methodology will apply to school budget years beginning in FY 2027.

The SBRC has a schedule for hearings to review, approve, or deny a school district's request for an MSA. The SBRC can set a special hearing at any time. The hearing dates for FY 2027 are as follows:

- October 13, 2026, with requests due September 4, 2026.
- December 15, 2026, with requests due October 30, 2026.
- January 26, 2027, considered a special hearing.
- March 30, 2027, with requests due February 12, 2027.

Assumption

Additional SBRC hearings may be required due to an increase in school district requests, but there will be no additional administrative costs to the State for changes made in the Act.

Fiscal Impact

Division X of the Act is expected to have no fiscal impact to the State. Changes related to the unspent balance cap will have an impact on the budgeting for school districts but will vary depending on enrollment changes and local policy. Requests to the SBRC related to on-time budget adjustments may have an impact on property taxes, but the amount cannot be determined because it is dependent on enrollment changes and local policy.

Division XI — General Fund Reserves

Description

Division XI of the Act makes the following changes related to local government budgets:

- Imposes a new cap on general fund reserve balances. The Act limits unassigned general fund reserves to 35.0% of current-year budgeted general fund expenditures beginning in FY 2028. This limit does not apply to school districts or governmental entities that

maintain the highest bond rating for the relevant budget year. The bond rating must be established by at least one of the standard rating services approved by the Superintendent of Banking under Iowa Code chapter 17A.

- Requires each governmental entity to establish an obligated funds account within the governmental entity's general fund. This account allows local governments to separately reserve money for major equipment purchases, infrastructure projects, or other specifically planned obligations without those balances counting toward the 35.0% reserve cap.
- Repeals the authority for county agricultural extension councils in Iowa Code section 176.8(13) to carry forward unexpended funds and invest retained balances.
- Requires the Auditor of the State to examine a governmental subdivision's compliance with General Fund reserve limitations within the scope of an audit beginning in FY 2028.

Assumption

Local budget documents do not consistently distinguish unobligated and obligated fund balances.

Fiscal Impact

The fiscal impact of Division XI of the Act is unknown.

Division XII — Property Parcel Information

Description

Division XII of the Act requires local governments to annually report parcel-level property data to the DOM. The first annual report is due no later than September 1, 2027.

Fiscal Impact

The fiscal impact of Division XII on the DOM to establish and maintain a searchable online dashboard is unknown.

Division XIII — Urban Renewal

Description

Division XIII of the Act makes the following changes related to urban renewal:

- Changes the definition of "low or moderate income families" to "low and moderate income families" (or LMI families) who earn no more than 80.0% of the median family income of the county or statewide median income as reported by the U.S. Department of Housing and Urban Development (HUD). Expands urban renewal and economic development to include workforce housing activities, including housing-related public improvements and the construction of housing for LMI families.
- For division-of-revenue ordinances in effect on the effective date of the Act that are not otherwise subject to a duration limitation, municipalities may retain no more than 60.0% of otherwise available tax increment revenues beginning 20 years after enactment or 20 years after the first certification of qualifying indebtedness, whichever is later. The remaining 40.0% of revenues are distributed to the

affected taxing entities. This limitation does not apply to community colleges under Iowa Code chapter 260E or rural improvement zones under Iowa Code chapter 357H.

- Limits the duration of urban renewal areas established on or after the effective date of the Act which are designated as Economic Development or Slum and Blight. The starting date is based on the calendar year that loans, advances, indebtedness, or bonds are first certified. Upon reaching the applicable duration limitation, the division-of-revenue ordinance automatically terminates, and no additional tax increment revenues may be collected. This limitation does not apply to community colleges.
- Excludes school district foundation property tax levies imposed under Iowa Code section 257.3 from urban renewal capture for ordinances adopted on or after January 1, 2027. Allows school districts to voluntarily contribute foundation property tax revenues to municipalities for deposit in an urban renewal special fund upon approval by resolution of the school board.
- Repeals Iowa Code section 403.22, which required municipalities to allocate a portion of tax increment revenues toward housing assistance for LMI families.

Division XIII of the Act takes effect upon enactment.

The provisions of Division XIII excluding school district foundation property taxes from divisions of revenue are applicable to property taxes due and payable beginning in FY 2029.

The provisions of Division XIII repealing Iowa Code section 403.22 apply to urban renewal areas in existence on or established on or after the effective date of the Division.

Background

Tax increment financing (TIF) is a financing mechanism used for urban renewal that divides the property taxes paid from property within a designated area between the traditional taxing authorities (counties, cities, schools, etc.) and the taxing authority that created the TIF area. Local governments establish urban renewal areas and use TIF revenue to finance projects, including the repayment of debt associated with those projects. In FY 2025, TIF property tax revenues totaled $486.9 million sourced from 1,683 taxing districts. Of those reporting revenue, 851 or 20.0% did not have a statutory end date. Local governments reported a total of $4.681 billion in outstanding debt that they expect to repay with future TIF revenue.

Beginning in 1996, a 20-year duration limit was applied to certain economic development urban renewal areas, though not all areas were subject to this requirement. 2023 Iowa Acts, chapter 71 (Property Tax, Assessments and Bond Elections Act), extends this concept by requiring all new urban renewal areas to include a defined maximum duration, generally 20 years for economic development areas and up to 25 years for areas that include housing-related activities, thereby eliminating the creation of new areas without end dates.

The following statistics related to the TIF area designation are based on the TIF districts that submitted reports through the FY 2025 TIF annual report process. There were approximately 1,808 TIF districts that exceeded the Act's proposed time limit in FY 2025. Tax increment financing districts were assigned the following purpose designations:

- Slum, Blight, or both, but not Economic Development = 213
- Economic Development and Slum/Blight = 403
- Economic Development Only = 2,117
- No designated purpose provided = 1,531

Local government urban renewal projects are also required to include assistance for LMI housing if the project is in an economic development urban renewal area and if the project aids or provides public improvements related to housing and residential development. The amount of required LMI assistance varies by city population. The Iowa Code does not specify when the expenditure on LMI housing assistance must occur. Therefore, local governments that are required to expend funds on LMI housing but have yet to do so reflect the obligation as an outstanding debt; the FY 2025 TIF Report identifies approximately $24.8 million in such obligations. As of FY 2025, there were 62 local governments engaged in 75 active LMI projects.

Assumptions

- The date reported in the FY 2025 TIF Report served as the baseline for this analysis, and all future tax increment revenues subject to the 60.0% retention limitation are assumed to increase by 2.0% annually.
- The statewide urban renewal data contains districts that do not report a creation date. Because the available data does not identify the age of those districts, the estimate assumes such districts exceed the 20-year threshold established by the Act and are subject to the 60.0% retention limitation beginning in FY 2028.
- Urban renewal areas currently subject to a statutory duration limitation were assumed to continue under current law and were excluded from the estimate.
- Using the AY 2024 statewide consolidated tax rate of $32.42171 per $1,000 of taxable value and excluding the $5.40 uniform levy through FY 2028, $5.10 in FY 2029, and $4.90 in
  FY 2030 and all future years the applicable statewide average tax rate is estimated at $27.02171 per $1,000 of taxable value.
- The estimated fiscal impact does not address or aggregate the fiscal impact to community colleges or rural improvement zone levies.
- Low- and moderate-income changes are assumed to not impact current agreements, and future impacts cannot be estimated.

Fiscal Impact

The analysis of this Division estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other divisions of the Act. **Figure 11** shows the estimated reduction in retained TIF revenues for taxing districts without a statutory end date.

Figure 11 — Division XIII Estimated Phased Out Tax Increment Financing
(Dollars in Millions)

Fiscal Year	Total Districts	TIF Revenue (Current Law)	Districts Subject to 60/40	Revenue Retained	Revenue Returned to Tax Base	Change to General Fund Appropriations to Local Governments
2027	851	$ 300.9	0	$ 300.9	$ 0.0	$ 0.0
2028	851	307.0	486	134.4	89.6	-14.9
2029	851	313.1	493	138.1	92.1	-14.5
2030	851	319.4	500	141.6	94.4	-14.3
2031	851	325.7	510	144.9	96.6	-14.6

Division XIV — Assessment Procedures

Description

Division XIV of the Act makes the following changes related to assessment procedures:

- Requires an assessor to include additional information in the taxpayer's statement to justify an assessment-year increase if a property's assessed value increases by 10.0% or more in a year, beginning January 1, 2027.
- Requires an assessor to defend a property's assessed value through protest and/or appeal if an assessed valuation increases by 10.0% or more if the increase is not attributable to equalization, improvements, or renovations.
- Disallows communications from Board of Review members prior to a property assessment protest.

Background

County assessors are required to assess all property annually by January 1 and mail assessment notices to all taxpayers by April 1. Any property owner, taxpayer, or public official may protest or appeal a property assessment by April 30 under Iowa Code section 441.37.

Under current law, the burden of proof in a protest or appeal is upon the complainant. When the complainant offers competent evidence that the market value of the property is different than the market value determined by the assessor, then the burden of proof is upon the officials seeking to uphold the property valuation. This protest takes place in front of the Board of Review, which issues a decision by May 31. A taxpayer has the additional option to further appeal the decision to either the district court or the Property Assessment Appeal Board (PAAB).

Fiscal Impact

The fiscal impact of Division XIV is unknown; however, local governments may incur additional costs to prepare assessment notices or defend assessments at the Board of Review, district court, or PAAB level.

Division XV — Valuations — Abnormal Transactions — Real Estate Transfer Tax Forms

Description

Division XV of the Act amends Iowa Code section 428A.7 governing real estate transfer tax forms for the declaration of value as determined by the Iowa Department of Revenue (IDR). The Act adds built-to-suit construction; sale-leaseback transactions; leased fee sales; and replaces sales to immediate family with sales between related parties to the list of examples of abnormal property transactions required to be excluded from consideration or adjusted to eliminate distortions of market value when valuing property. Division XV applies retroactively to assessment years beginning on or after January 1, 2026 (AY 2026).

Fiscal Impact

Division XV is not anticipated to have a fiscal impact.

Division XVI — Agricultural Extension Levy

Description

Division XVI of the Act relates to agricultural extension levies. For fiscal years beginning in FY 2028 and all future years, the agricultural extension levy shall not exceed 102.0% of the amount levied in the immediately preceding fiscal year, plus new valuations as described in Division I of the Act under Iowa Code section 444.25.

Division XVI of the Act is applicable to property taxes due and payable in fiscal years beginning on or after July 1, 2027 (FY 2028).

Background

The County Agricultural Extension Tax is governed under Iowa Code section 176A.10. This program, in partnership with Iowa State University Extension and Outreach, provides locally administered educational programs and services focused on agriculture, home economics, and economic development. County extension councils are responsible for program delivery, staffing, and budgeting. Programs are supported in part by an annual State General Fund appropriation, which totaled $18.2 million, and local property tax levies, which totaled $30.0 million, in FY 2026. Currently, all 99 counties participate in the program, and Pottawattamie County includes an East and West Agriculture Extension.

The property tax levy varies based on county population tiers and is subject to maximum revenue limits. Counties may, upon voter approval, elect to operate under an alternative levy structure that allows higher maximum dollar limits and annual dollar increases. Under the alternative structure, the maximum allowable levy increases annually by a fixed dollar amount, based on population tier.

Assumptions

- Taxable valuations for agricultural extensions are estimated using FY 2026 taxable values and projected into future years utilizing the statewide taxable valuation three-year average growth rate of 3.9%.
- The FY 2026 levy rates were used as the baseline and assumed to remain constant in future years for the current law assessment.

- Starting in FY 2028, property tax revenues are limited to 1.02% growth compared to the prior fiscal year's property tax revenues.
- The estimated fiscal impact does not address or aggregate the impact of new valuation.

Fiscal Impact

The analysis of this Division of the Act estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other divisions of the Act. The fiscal impact of Division XVI of the Act is displayed in **Figure 12**.

Figure 12 — Division XVI Estimated Ag Extension Property Tax Revenue Reduction (in Millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Current Law	$ 31.2	$ 32.4	$ 33.7	$ 35.0	$ 36.4
Proposed Law	31.2	31.9	32.6	33.3	34.1
Net Impact	$ 0.0	$ -0.5	$ -1.1	$ -1.7	$ -2.3

Division XVII — Chapter 404 — School Taxes

Description

Division XVII of the Act exempts school districts from property tax revenue divisions remitted for properties located in an urban renewal area that received an urban revitalization exemption.

Division XVII takes effect upon enactment.

Background

Under current law, a property tax abatement exempts all or a portion of a property's otherwise taxable value from property tax for a period of time. Iowa Code chapter 404 (Urban Revitalization) provides several exemption schedules for cities and counties to abate taxes on property that qualifies under urban revitalization programs established by a city or a county. Abatements decrease property tax revenue available to cities, counties, schools, and other local governments. Also, the State General Fund appropriation for school aid backfills $5.40 per $1,000 of exempted value, which means that $1.0 million in property tax abatements on property that would otherwise be taxed will increase the State General Fund appropriation to school finance by $5,400. Data on properties subject to this Division is unavailable.

This Division amends Iowa Code chapter 404, which was created under 2023 Iowa Acts, chapter 71 (Property Tax, Assessments, and Bond Elections Act), which establishes that:

- Cities and counties may not provide new commercial property abatements under Iowa Code chapter 404 unless the property owner enters into a written assessment agreement.
- Residential property tax abatements do not apply to school district property taxes.

The Department of Revenue reports that $1,609.3 million in taxable value is exempt through urban revitalization property tax abatements for FY 2026 (AY 2024), which equates to an estimated $52.2 million in uncollected property taxes after applying the statewide consolidated tax

rate of $32.42171. Of that amount, $20.9 million represents abated school property tax. Through the school aid formula, the State General Fund backfills an estimated $3.5 million of the reduced school property tax.

Fiscal Impact

The fiscal impact of Division XVII is unknown. Data on the portion of residential properties which receive an urban revitalization exemption and are located within an urban renewal area is unavailable.

Exempting school property tax levies from new Urban Revitalization residential abatements will reduce the abatement impact on school finance and the State General Fund appropriation for school aid. As existing abatements expire and new abatements become subject to the restriction, the annual amount of school property tax backfill provided through the school aid appropriation will gradually decline.

Division XVIII — Utility Replacement Tax Task Force

Description

Division XVIII of the Act requires the Utility Replacement Tax Task Force to study replacement taxes imposed under Iowa Code chapters 437A and 437B. The Task Force will study the accuracy of the taxes, and options to simplify, modernize, or eliminate replacement taxes. The Division requires the DOM to notify the General Assembly of recommendations to replace taxes.

Division XVIII of the Act takes effect upon enactment.

Fiscal Impact

Division XVIII is not anticipated to have a fiscal impact.

Division XIX — Payments in Lieu of Property Taxes — Task Force

Description

Division XIX of the Act establishes a task force convened by the IDR to study the feasibility of a program for counties to collect payments in lieu of property taxes from owners. The IDR is required to prepare and submit a report, including recommended legislative actions, to the General Assembly by January 10, 2027.

Fiscal Impact

Division XIX of the Act is not anticipated to have a fiscal impact.

Division XX — Homestead Credits and Exemptions

Description

Division XX of the Act relates to disabled veteran and homestead credits and exemptions and makes the following changes:

- Replaces the current homestead property tax credit with a new homestead property tax exemption beginning in AY 2026 equal to 10.0% of a residential property's taxable value, with a minimum exemption of $5,000 in taxable value and a maximum exemption of $20,000 in taxable value. The exemption excludes school district foundation property tax levies from homestead replacement funding calculations.
- Maintains the current disabled veterans homestead property tax credit.
- Beginning in AY 2027 and each assessment year thereafter, the maximum taxable value eligible under this exemption will be adjusted annually by a cumulative adjustment factor (CAF) determined by the IDR. The CAF is based on the annual inflation factor under Iowa Code section 422.4 and compounds each subsequent assessment year.
- Makes the Homestead Property Tax exemption changes in Division XX of the Act exempt from Iowa Code section 25B.7(1) on funding property tax credits and exemptions.
- Phases out the existing Homestead Tax Credit Replacement payments and the associated standing General Fund appropriation over three years beginning in FY 2028, excluding the portion that funds the Disabled Veteran Tax Credit, and prorates the associated Homestead Credit Aid General Fund appropriation, which is estimated to be $162.5 million in FY 2026. The phase-out schedule is as follows:
  - In FY 2028, the General Fund appropriation is equal to 66.6% of the FY 2027 payments.
  - In FY 2029, the General Fund appropriation is equal to 33.3% of the FY 2027 payments.
  - In FY 2030 and all subsequent years, the General Fund appropriation is equal to 0.0%.

Homestead owners who have filed for or are receiving homestead credits or exemptions before the effective date of Division XX of the Act will continue to receive the credits and exemptions for which the owner is eligible for assessment years beginning on or after January 1, 2026, without refiling for the exemption.

Changes apply retroactively to assessment years beginning on or after January 1, 2026 (AY 2026).

Background

The Homestead Property Tax Credit was enacted in 1937 and is governed by Iowa Code section 425.1. The current credit is equal to the actual levy on the first $4,850 of actual value of each homestead. The General Assembly appropriated $162.2 million in FY 2025, which generated an average yearly savings of $167 per homeowner. To be eligible for the yearly credit, the taxpayer must own and occupy the property as a homestead on July 1 of each year, declare residency in Iowa for income tax purposes, and occupy the property for at least six months of each calendar year.

The Disabled Veteran Homestead Property Tax Credit is funded through a standing General Fund appropriation and provides a 100.0% property tax credit on a qualifying homestead for eligible disabled veterans, including those receiving federal assistance, those with qualifying service-connected disabilities, and certain surviving spouses or dependents receiving federal benefits. In FY 2025, the General Fund awarded $30.7 million to 8,354 claimants.

Assumptions

- The new exemptions reduce taxable value but are not reimbursed by the State, including through the uniform levy, as Iowa Code section 25B.7 does not apply to the Homestead Exemption established in Division XX.
- In AY 2024, there were an estimated 743,790 homesteads in Iowa, and that number is assumed to remain constant for all future years. The combined estimated assessed value of eligible homesteads was $263.379 billion.
- Residential assessed values are assumed to increase at a rate of 2.0% annually.
- The AY 2024 residential assessment limitation of 47.4316% is assumed to remain constant for all future years.
- The assessed value of the average homestead by county was derived using the 2025 first-quarter median home price published by the National Association of Realtors. The estimate uses average homestead values by county and does not model the distribution of individual property values within each county. As a result, the estimate may understate the impact of future increases to the maximum exemption amount for higher-valued residential properties.
- The FY 2026 average statewide residential consolidated tax rate of 36.01239 was projected to all future years.
- Beginning in FY 2029, the annual inflation factor used to calculate the CAF was 2.0% and compounds annually thereafter.
- Division XX preserves State funding for the Disabled Veteran Homestead Property Tax Credit. While the Act modifies eligibility for certain future applicants, insufficient data exists to estimate the impact of those changes. Therefore, future State funding was projected using the historical 10-year compound annual growth rate of program expenditures.

Fiscal Impact

The analysis of this Division estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other Divisions of the Act. **Figure 13** displays the estimated reduction in property tax revenue to the State General Fund and local governments.

Figure 13 — Division XX Estimated Local Government Revenue Reductions and General Fund Appropriations Decrease (in Millions)

	Current Law	Division XX Impact			
AY/FY	Homestead Credit	General Fund Homestead Credit	General Fund Net Impact	Local Revenue New Homestead Exemption	Net Local Revenue Reduction
2024/2026	$ 124.7	$ 124.7	$ 0.0	$ 0.0	$ 0.0
2025/2027	124.1	124.1	0.0	0.0	0.0
2026/2028	123.5	82.7	-40.8	-300.1	-217.4
2027/2029	123.0	41.4	-81.6	-306.1	-264.8
2028/2030	122.4	0.0	-122.4	-312.3	-312.3
2029/2031	121.8	0.0	-121.8	-318.5	-318.5

Division XXI — Local Government Budget Statements

Description

Division XXI of the Act allows the annual budget statements mailed by the county auditor on behalf of school districts, counties, and cities to be posted and maintained on the political subdivision's website instead of regular mail. The Division also includes additional statement requirements. Iowa Code section 25B.2(3) is made inapplicable to Division XXI.

Division XXI of the Act is applicable to taxpayer statements under Iowa Code section 24.2A for budgets beginning in FY 2028.

Fiscal Impact

Division XXI is not anticipated to have a fiscal impact.

Division XXII — Hospital Property Tax Levies

Description

Division XXII of the Act limits county hospital property tax levy growth under Iowa Code chapter 347 beginning in FY 2028 to 104.0% of prior-year revenue minus revenue from new valuation. The levy limitation includes utility replacement tax revenues received under Iowa Code chapters 437A and 437B.

Background

Under current law, counties and certain districts may levy property taxes for the support of hospitals, subject to statutory maximum rates per $1,000 of assessed value. As of AY 2024, the State has 44 county hospitals utilizing a property tax levy, which generated $159.6 million in revenue.

Assumptions

- Current-law taxable dollars were estimated using the FY 2026 levy, and each hospital was projected based on individual annual growth rate, which averaged 11.6% statewide.
- To reduce the impact of one-time capital projects, debt changes, and other irregular funding fluctuations, annual growth rates were constrained using a lower bound of -10.0% and an upper bound of 15.0%.
- Property tax revenues are assumed to grow at 103.0% annually in FY 2028 and each fiscal year thereafter.

Fiscal Impact

The analysis of this Division estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other Divisions of the Act. **Figure 14** displays the estimated revenue reduction of Division XXII.

Figure 14 — Division XXII Estimated Hospital Property Tax Revenue Reduction (in Millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Current Law	$ 179.7	$ 190.9	$ 202.8	$ 215.3	$ 228.7
SF 2472 Div XXII	179.7	186.9	194.4	202.2	210.3
Net Impact	$ 0.0	$ -4.0	$ -8.4	$ -13.2	$ -18.5

Division XXIII — Transit Taxes

Description

Division XXIII of the Act limits property tax levy growth for regional transit districts (RTD) under Iowa Code chapter 28M to 103.0% of prior-year revenue beginning in FY 2028. The levy limitation includes utility replacement tax revenues received under Iowa Code chapters 437A and 437B.

Background

Transit districts formed via intergovernmental agreements under Iowa Code chapter 28M may impose a property tax levy to fund operations and maintenance, contingent on approval by participating counties and city councils. Under current law, cities also have separate authority under Iowa Code section 384.12 to levy an RTD or MTD (Municipal transit district) for similar transit purposes. Under current law, a combined maximum levy of $0.95 per $1,000 of assessed value was allowed for MTDs and RTDs to fund operations and maintenance, and reserve funds when other revenues were insufficient.

In FY 2026, the Des Moines Regional Transit Authority (DART) was the only approved RTD in the State and collected an estimated $27.6 million in property tax dollars for the remaining operation and maintenance costs after other revenue sources were exhausted. From FY 2021 to FY 2026, the DART RTD property tax dollars grew at an average annual growth rate of 4.7%. The State's 29 MTDs in FY 2026 collected $163.5 million in statewide property tax dollars, which is an annual growth rate of 2.5%.

Assumptions

- City growth rates were projected using individual FY 2021 through FY 2026 compound annual growth rates.
- Under the Act, annual property tax revenue growth is limited to 3.0%. Jurisdictions with historical growth rates exceeding 3.0% are assumed to grow at 3.0%, while jurisdictions with historical growth rates below 3.0% retain their historical growth rate.

Fiscal Impact

The analysis of this Division estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other Divisions of the Act. **Figure 15** displays the maximum fiscal impact of Division XXIII.

Figure 15 — Division XXIII Estimated Property Tax Revenue Reduction to Transit Districts (in Millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
RTD Current Law	$ 29.0	$ 30.5	$ 32.0	$ 33.7	$ 35.5
RTD Div XXIII	29.0	29.8	30.6	31.4	32.2
RTD Net Impact	$ 0.0	$ -0.7	$ -1.5	$ -2.3	$ -3.3

Division XXIV — Commercial and Industrial Property Tax Replacement Payments

Description

Division XXIV of the Act eliminates the standing General Fund appropriation of $125.0 million for the Two-Tier Assessment Limitation (TTAL) program paid to local governments, effective in FY 2028.

Background

The Two-Tier Assessment Limitation (TTAL) program, previously referred to as the Business Property Tax Credit (BPTC), began in FY 2024 with the passage of 2022 Iowa Acts, chapter 1061 (Department of Revenue Omnibus Act), which modified the assessment limitation applied to commercial and industrial property. Under TTAL, commercial and industrial property classes are no longer subject to a single uniform rollback percentage, and instead a two-tier structure is applied to the assessed value of each parcel pursuant to Iowa Code section 441.21.

Under this system, the first $150,000 of a commercial or industrial property's assessed value is subject to the lower residential rollback percentage, while the remaining value is subject to the commercial and industrial 90.0% rollback percentage. In practice, this results in a lower taxable value for a portion of each parcel. The rollback percentages are certified annually by the IDR and are applied by local governments to determine taxable valuation for property tax purposes.

The TTAL system replaced the BPTC, which began in FY 2015 and provided a State-funded credit on a portion of commercial and industrial property taxes, by instead reducing taxable value directly through the assessment limitation structure. Since the implementation of TTAL, approximately $125.0 million has been appropriated from the General Fund each year to the IDR for payments to local governments to replace property taxes reduced due to the rollback. In FY 2025, the appropriation funded 81.2% of the total $153.9 million requested reimbursements.

Assumptions

- The Act eliminates the $125.0 million State General Fund standing appropriation associated with the prior credit structure beginning in FY 2028. As a result, reductions in taxable valuations from the expanded assessment limitation are not offset by State payments and will result in a direct reduction in property tax revenues received by or collected by local governments.
- The uniform levy backfill associated with TIF does not apply to these valuation changes.

Fiscal Impact

The analysis of this Division estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other divisions of the Act. Division XXIV of the Act eliminates the $125.0 million Standing General Fund appropriation for TTAL payments beginning in FY 2028. The elimination of the General Fund appropriation for the TTAL results in a corresponding reduction in State payments to local governments of approximately $125.0 million annually.

Division XXV — Iowa Economic Emergency Fund — Taxpayer Relief Fund

Description

Division XXV reduces the State General Fund expenditure limitation under Iowa Code section 8.54 by $125.0 million in FY 2028. Division XXV establishes a one-time transfer of the excess Economic Emergency Fund (EEF) balance of $125.0 million to the TPRF for FY 2029.

Background

Under current law, the TPRF is authorized in Iowa Code section 8.57E. The Fund is required to be used for tax relief purposes, including offsetting reductions in property or income tax rates. The TPRF was established in 2018 as a successor to the Taxpayers Trust Fund (TTF), which was originally created in 2011 Iowa Acts, chapter 123 (State and Local Taxation of Property and Income Act), to receive surplus General Fund revenues under certain fiscal conditions. Under current Iowa Code section 8.55(2)(a), of the excess moneys in the Economic Emergency Fund, the portion that is the difference between the actual net revenue for the General Fund for the fiscal year and the adjusted revenue estimate for the fiscal year is transferred to the TPRF. At the end of FY 2025, the TPRF balance totaled approximately $4.034 billion.

Fiscal Impact

The analysis of this Division estimates the fiscal impact of this Division in isolation and does not account for interactions or combined effects with other divisions of the Act. The fiscal impact of Division XXV is unknown.

Division XXVI — Local Emergency Management Property Taxes

Description

Division XXVI establishes a 103.0% annual growth limitation beginning in FY 2028 on the combined property tax dollars levied by participating governmental entities for local emergency management agencies and commissions. The calculation includes utility replacement tax payments collected under Iowa Code chapters 437A and 437B.

Background

The Local Emergency Management Commission (EMC) was established in the 1990s. The EMC's purpose is to establish, manage, and sustain an emergency management program to address the preparedness, mitigation, response, and recovery of emergencies and disasters that could threaten or impact the State of Iowa. Under current law, Iowa Code section 29C.17 allows local emergency management commissions to fund operations through one or more revenue sources, including property taxes levied by participating governmental entities.

A county commission is comprised of a member of the county board of supervisors, the sheriff, and the mayor from each city within the county. In FY 2026, a total of 155 cities utilized the EMC levy to generate $2.2 million in property tax dollars. A local emergency management agency's approved budget may be funded by one or any combination of the following:

- A countywide special levy authorized under Iowa Code section 331.423.
- A per capita allocation funded from city and county general funds or by a combination of city and county special levies.
- An allocation among participating jurisdictions based on each jurisdiction's relative share of the county's total assessed valuation.
- A voluntary share allocation or other funding sources allowed by law.

Fiscal Impact

Division XXVI of the Act is anticipated to have a minimal fiscal impact.

Fiscal Impact Summary

Due to the complexity and interdependence of the Act's provisions, including multiple changes to the property tax base and levy structure, Division-level estimates are modeled independently of the other divisions. The net impacts presented below may overstate or understate the Act's overall fiscal impact because interactions among Divisions are not modeled. Additionally, future inflation and taxable value growth that differ from the assumptions used in individual Division estimates may cause actual fiscal impacts to differ from those presented below.

Figure 16 presents the estimated impacts to the State General Fund.

Figure 16 — Projected State General Fund Appropriation Increases/Decreases (in Millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Division V	$ 0.0	$ 0.0	$ 74.4	$ 127.0	$ 132.7
Division VII	0.3	0.5	0.5	0.5	0.5
Division XIII	0.0	-14.9	-14.5	-14.3	-14.6
Division XX	0.0	-40.8	-81.6	-122.4	-121.8
Division XXIV	0.0	-125.0	-125.0	-125.0	-125.0
Net Impact	$ 0.3	$ -180.2	$ -146.2	$ -134.2	$ -128.3

Figure 17 presents the estimated cumulative fiscal impact to affected local taxing authorities. The impacts shown may reflect reductions in local property tax revenue, reductions in State General Fund appropriations supporting local property tax relief or related programs, or a combination of both.

Figure 17 — Net Impact to Local Taxing Authority Revenue (in Millions)

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Division I	$ 0.0	$ -7.7	$ -20.4	$ -27.6	$ -61.4
Division II	0.0	-8.1	-21.7	-28.8	-45.1
Division III	0.0	-1.6	-3.8	-5.5	-7.9
Division VI	38.9	58.6	71.7	105.5	121.5
Division VIII	3.7	3.9	17.4	32.1	33.4
Division XIII	0.0	-14.9	-14.5	-14.3	-14.6
Division XVI	0.0	-0.5	-1.1	-1.7	-2.3
Division XX	0.0	-217.4	-264.8	-312.3	-318.5
Division XXII	0.0	-4.0	-8.4	-13.2	-18.5
Division XXIII	0.0	-0.7	-1.5	-2.3	-3.3
Division XXIV	0.0	-125.0	-125.0	-125.0	-125.0
Net Impact	$ 42.6	$ -317.5	$ -372.0	$ -393.1	$ -441.6

The Department of Management (DOM) estimates $1.3 million in information technology costs to implement all Division changes in this Act.

Effective Date

The Act is generally effective July 1, 2026. The following Divisions have different effective and/or applicability dates:

- **Division I** (County Property Taxes and Budgets) is effective January 1, 2027, and applies to property taxes and budgets for fiscal years beginning on or after July 1, 2027 (FY 2028).
- **Division II** (City Property Taxes and Budgets) is effective January 1, 2027, and applies to property taxes and budgets for fiscal years beginning on or after July 1, 2027 (FY 2028).
- **Division III** (Rate-Limited Property Tax Levy Rates), Section 19, is effective January 1, 2027, and applies to fiscal years beginning on or after July 1, 2027 (FY 2028).
- **Division V** (School Taxes) applies to fiscal years and school budgets year beginning on or after July 1, 2027 (FY 2028).
- **Division VII** (Elderly and Disabled Property Tax Credit and Rent Reimbursement) applies to credits against property taxes due and payable in FY 2028 and for reimbursement for rent constituting property taxes paid in base years in FY 2027.
- **Division VIII** (Property Classification and Assessment Limitations) is effective January 1, 2027.
- **Division X** (School District Unspent Balances — On-Time Funding and Modified Supplemental Amounts) is effective May 18, 2026.
- **Division XIII** (Urban Renewal) is effective May 18, 2026. The provisions excluding school district Foundation property taxes from divisions of revenue are applicable to property taxes due and payable in FY 2029.
- **Division XV** (Valuations — Abnormal Transactions — Real Estate Transfer Tax Forms) applies retroactively to January 1, 2026.

- **Division XVI** (Agricultural Extension Levy) applies to property taxes due and payable in fiscal years beginning on or after July 1, 2027 (FY 2028).
- **Division XVII** (Chapter 404 — School Taxes) is effective May 18, 2026.
- **Division XVIII** (Utility Replacement Tax Task Force) is effective May 18, 2026.
- **Division XX** (Homestead Credits and Exemptions) applies retroactively to January 1, 2026.
- **Division XXI** (Local Government Budget Statements) applies to budgets beginning on or after July 1, 2027 (FY 2028).

Enactment Date

This Act was approved by the General Assembly on May 3, 2026, and signed by the Governor on May 18, 2026.

Sources

Legislative Services Agency calculations
Department of Management
Department of Revenue
FY 2025 Annual Urban Renewal Report

SF 2480 – Taxation of Vapor Products, Appropriations (LSB6950SV.3)
Staff Contact: Evan Johnson (515.281.6301) evan.johnson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 2480 relates to the regulation and taxation of alternative nicotine products and vapor products.

The Act does the following:

- Imposes an alternative nicotine products tax of $0.05 per container containing up to 20 units and a proportionate tax at the same rate on each unit in excess of 20 units.
- Imposes a vapor products tax of $0.05 per milliliter of a solution containing nicotine or a nicotine analog and a proportionate tax at the same rate on any fractions of a milliliter.
- Includes alternative nicotine products and vapor products in the inventory tax.

Revenue generated from the alternative nicotine products tax and vapor products tax is deposited into the Health Care Trust Fund (HCTF). The Act creates a standing HCTF appropriation to the Board of Regents (BOR) beginning in FY 2028 of the first $3.0 million from revenue collected attributable to the alternative nicotine products tax and vapor products tax. The appropriation is used for the purpose of conducting pediatric cancer research, clinical therapy access, and providing physician-scientist leadership at the State University of Iowa Stead Family Children's Hospital.

The Act requires the BOR to submit an annual report beginning December 1, 2028, on the appropriation to the General Assembly describing the following:

- The research programs initiated or advanced as a result of the appropriation.
- The number of patients served, including patients enrolled in clinical trials or therapy.
- Any outcomes to the extent available on the efficacy of the funded programs, trials, or therapies.

The Act regulates nicotine analogs in the same manner as alternative nicotine products and modifies requirements for distributors, manufacturers, and subjobbers that sell alternative nicotine products and vapor products. A component, part, or accessory of a vapor product is considered a vapor product if sold in combination with a substance containing nicotine, a nicotine analog, tobacco, or tobacco derivatives.

The Act takes effect January 1, 2027.

House File 2800 (FY 2027 Standing Appropriations Act) amends SF 2480 in the following ways:

- Removes physician scientist leadership as an eligible use of the HCTF appropriation created in the Act.
- Provides that the HCTF appropriation created in the Act cannot be used for administrative expenses, overhead costs, or other activities not directly related to the purposes of the appropriation.

- Provides that common carriers must file reports with the Director of the Department of Revenue related to shipments of tobacco products, alternative nicotine products, or vapor products that are knowingly transported into the State.

Background

The HCTF is annually appropriated to the Department of Health and Human Services (HHS) to support the Medicaid Program. In FY 2025, $144.4 million was appropriated from the HCTF to the HHS for Medicaid.

The inventory tax is applied on the effective date of an increase to the tax rate for cigarettes, little cigars, tobacco products, unused cigarette tax stamps, and unused metered imprints. The inventory tax rate is the difference between the amount of tax paid on each item and the new amount required to be paid on each item. The inventory tax is applied only if there is an increase in the tax rate for cigarettes, little cigars, tobacco products, unused cigarette tax stamps, and unused metered imprints.

Alternative nicotine products and vapor products are subject to the sales and use tax. Cigarette and tobacco taxes do not apply to alternative nicotine products and vapor products that do not contain tobacco.

Under current law, a component, a part, or an accessory of a vapor product is not regulated as a vapor product. Nicotine analogs are not considered alternative nicotine products. A nicotine analog is a substance that has a chemical structure substantially similar to nicotine or that has an effect on the central nervous system that is substantially similar to, or greater than, the effects of nicotine.

A State permit under Iowa Code section 453A.13 and a local permit under Iowa Code section 453A.47A are required for the sale of alternative nicotine products and vapor products.

Assumptions

- Each container of alternative nicotine products contains 20 units.
- The largest alternative nicotine product brand has a market share of 68.0% and had a shipment volume of 794.0 million containers in 2025.
- There were 21.1 million standardized unit sales of vapor products in June 2024.
- Disposable vapor products account for 58.1% of standardized unit sales and have an average volume of 11.7 milliliters per device.
- Prefilled cartridges account for 41.9% of standardized unit sales and have an average volume of 1.3 milliliters per pod. There are five pods in a standardized unit.
- Online sales will be 20.0% of total vapor product sales.
- Sales of alternative nicotine products and vapor products will increase by 5.54% each year.
- Sales of alternative nicotine products and vapor products in Iowa will be proportional to the State's share of the national population.
- Alternative nicotine products and vapor products will be taxed when transported from distributors to retailers.
- Alternative nicotine products and vapor products stored in inventory at retailers on the effective date of the Act will be subject to the alternative nicotine products tax and the vapor products tax.
- Businesses involved in the distribution and retail of alternative nicotine products and vapor products keep two months of inventory.

- It is estimated that the tax on alternative nicotine products and vapor products stored in inventory will result in approximately $400,000 in one-time moneys being deposited into the HCTF.
- Because the new excise tax on vapor products and alternative nicotine products takes effect January 1, 2027, the FY 2027 revenue is for six months. This is estimated to be $1.2 million and will be deposited into the HCTF to be used for Medicaid.
- Beginning in FY 2028, any revenue generated by the excise tax on vapor products and alternative nicotine products will be deposited into the HCTF and the first $3.0 million will be appropriated to the BOR through an annual standing appropriation.

Fiscal Impact

Senate File 2480 is estimated to increase revenue to the HCTF by the following amounts:

- FY 2027 = $1.6 million
- FY 2028 = $2.6 million
- FY 2029 = $2.7 million
- FY 2030 = $2.9 million
- FY 2031 = $3.0 million

Under the Act, it is estimated that the annual standing appropriation from the HCTF to the BOR for pediatric cancer research will be the following amounts:

- FY 2028 = $2.6 million
- FY 2029 = $2.7 million
- FY 2030 = $2.9 million
- FY 2031 = $3.0 million

Effective Date

This Act is effective January 1, 2027.

Enactment Date

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 26, 2026.

Sources
Iowa Department of Revenue
Centers for Disease Control and Prevention
Census Bureau
Statista
American Journal of Preventive Medicine
Maryland Tobacco Control Resource Center
Monitoring Tobacco Product Use
Truth Initiative
Philip Morris International 2025 Investor Report
Legislative Services Agency calculations

SF 2492 – Corporate Income Tax, Section 951A Income (LSB5960SZ.2)
Staff Contact: Eric Richardson (515.281.6767) eric.richardson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 2492 creates a State corporate income tax deduction for net controlled foreign corporation (CFC) tested income (net CFC tested income or NCTI) from a foreign corporation, replacing the tax deduction for global intangible low-taxed income (GILTI).

This Act applies retroactively to tax years beginning on or after January 1, 2026.

Background

The One Big Beautiful Bill Act of 2025 replaced GILTI with NCTI, which is a U.S. tax law that requires Americans who are owners of foreign corporations to pay federal tax, offset by a 40.0% federal deduction. Currently, the Iowa Code specifically references a deduction for GILTI under 26 U.S.C. §951A; however, federal code changed GILTI to NCTI.

Assumptions

- The projection for NCTI is based on tax year (TY) 2023 and TY 2024 GILTI information reported on Iowa corporate income tax returns.
- Net CFC tested income represents 103.5% of GILTI reported on Iowa corporate tax returns, based on Internal Revenue Service ratios of NCTI to GILTI from TY 2018 and TY 2021.
- Iowa's total apportioned share of GILTI reported in TY 2024 is approximately $39.750 billion from 838 taxpayers, representing approximately 87.0% of all corporate income tax returns that are expected to be filed.
- The number of corporate income taxpayers in TY 2024 remains similar to the amount in TY 2023.
- The Iowa Department of Revenue (IDR) estimates a TY 2024 revenue impact of $10.9 million due to the NCTI deduction.
- Based on Moody's projections used by the IDR, the annual average percentage increase in corporate profits is 1.9%, which is assumed for tax years beginning in TY 2025.
- This Act is expected to have fiscal impacts beginning annually in FY 2026 due to the retroactivity of this Act.

Fiscal Impact

Senate File 2492 is expected to decrease revenue to the General Fund by the following amounts:

- FY 2026 = $2.1 million
- FY 2027 = $9.2 million
- FY 2028 = $11.4 million
- FY 2029 = $11.7 million
- FY 2030 = $11.9 million
- FY 2031 = $12.1 million

Effective Date
This Act is effective July 1, 2026, and applies retroactively to tax years beginning on or after January 1, 2026.

Enactment Date
This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 15, 2026.

Sources
Iowa Department of Revenue
Internal Revenue Service

General Fund Fiscal Impact Estimates for 2026 Enacted Legislation

Act	Short Title/Provision	Revenue Changed/Tax Type	FY 2026	FY 2027	FY 2028
HF 960	Communications Network Equipment Sales Tax Exemption Act	Sales Tax	$ 0	$ -858,000	$ -879,000
HF 990	Cannabidiol Dispensaries, Maximum Number of Licensees Act	Sales Tax	0	156,000	160,000
HF 2739	Supplemental Appropriations and Transfers Act	Insurance Premium Tax	-6,552,000	-13,162,000	-13,778,000
HF 2757	Nuclear Electric Generation Facilities, Sales Tax Exemption Act	Sales Tax	0	-20,128,000	-13,795,000
HF 2768	Administration and Regulation Appropriations Act	Transfers	0	-12,760,000	-12,250,000
HF 2770	Justice System Appropriations Act	Judicial Revenue	0	0	-317,000
HF 2783	Education Appropriations Act	Fees, Licenses, and Permits	0	-600,000	-600,000
HF 2799	Economic Development, Tax Credit Programs and Load Forecasting Act	Individual Income Tax	0	-758,078	-3,293,212
SF 2168	Reemployment Case Management and Unemployment Insurance Processing Act	Individual Income Tax	0	-1,500,000	-1,500,000
SF 2231	Educational Programs, Eligibility of Sectarian Programs and Costs Act	Individual Income Tax Refunds	-2,000	-457,000	-454,000
SF 2289	Gambling, State Building Code, and Residential Care Facilities Act	Individual Income Tax	0	-7,822,000	-188,000
SF 2492	Corporate Income Tax, Section 951A Income Act	Corporate Income Tax	-2,054,000	-9,226,000	-11,380,000
Total Revenue Adjustments			$ - 8,608,000	$ - 67,115,078	$ - 58,274,212

Note: The totals listed on this table may not tie to the totals on the General Fund Revenue Adjustment table due to rounding.

Miscellaneous Acts – Fiscal Notes

HF 2337 – Fraud, False Educational Credentials (LSB5135HV.4)
Staff Contact: Justus Thompson (515.725.2249) justus.thompson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2337 provides that a person who falsely represents oneself as possessing an academic degree or academic credentials for the purpose of obtaining employment or other personal gain is guilty of a fraudulent practice in the fifth degree. Additionally, this Act provides that a person who knowingly and with intent falsely represents oneself as possessing a professional or occupational license regulated under Iowa Code chapter 272C is guilty of a fraudulent practice in the third degree.

A fraudulent practice in the fifth degree is a simple misdemeanor. A fraudulent practice in the third degree is an aggravated misdemeanor.

Background

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.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (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 this Act 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.

Correctional Impact

The correctional impact of this Act cannot be determined because the number of new convictions cannot be estimated. **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 an aggravated misdemeanor.

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
Aggravated Misdemeanor Non-Persons	31.1%	9.3	$23.07	37.1%	28.4	$8.00	$16.35	$50.00	11.2	$8.00

Refer to the Legislative Services Agency (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

The minority impact cannot be determined since it is not known how many new convictions would result from the changes under this Act. 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 this Act cannot be determined because the number of new convictions cannot be estimated. The average State cost per aggravated misdemeanor is between $8,300 and $12,200. 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.

Effective Date

This Act is effective on July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on April 1, 2026, and signed by the Governor on April 16, 2026.

Sources

Department of Corrections
Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)

HF 2348 – Animal Torture, Criminal Offense and Penalty (LSB6778XS)
Staff Contact: Justus Thompson (515.725.2249) justus.thompson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2348 provides that a person is guilty of animal torture if the person intentionally, willfully, and maliciously mutilates, burns, poisons, drowns, starves, or causes intensive or prolonged pain or death to a companion animal, or causes, directs, or provides anything of value to another person to do the same. A person who commits animal torture under this Act is guilty of a Class D felony.

House File 2348 increases the penalty for acts specified under this Act from a Class D felony to a Class C felony if the individual has previously been convicted of any of the following crimes:

- Animal abuse (Iowa Code section 717B.2)
- Animal neglect punishable as a serious misdemeanor or aggravated misdemeanor (Iowa Code section 717B.3)
- Animal torture under this Act or injury to or interference with a police service dog (Iowa Code section 717B.9)
- Bestiality (Iowa Code section 717C.1)
- An act involving a prohibited animal contest (Iowa Code section 717D.2)

Background

Under current law, a person is guilty of animal torture if they intentionally or knowingly inflict on an animal severe and prolonged or repeated physical pain that causes the animal's serious injury or death, which is an aggravated misdemeanor for a first offense and a Class D felony if previously convicted.

In FY 2025 there were no convictions or individuals admitted to prison, probation, or parole on a most serious offense under Iowa Code section 717B.3A(1), 717B.3A(4), or 717B.3A(5).

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.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (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 this Act 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.

Correctional Impact

The correctional impact of this Act cannot be determined because the number of new convictions cannot be estimated, but is anticipated to be minimal. **Figure 1** shows sentencing estimates 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 Class D felony and Class C felony. Refer to the Legislative Services Agency (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.

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
D Felony Non-Persons	84.2%	12.5	$23.07	69.4%	41.4	$8.00	$16.35	$50.00	15.5	$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

Minority Impact

The minority impact cannot be determined since it is not known how many additional convictions would result from the changes under this Act as amended. 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 this Act is estimated to be minimal. **Figure 2** shows the average State cost per offense for a Class C felony and Class D felony. The estimated impact to the General Fund includes operating costs incurred by the Judicial Branch, the Indigent Defense Fund, and the DOC.

Figure 2 — Average State Cost Per Offense

Offense Class	Average Cost
Class D Felony	$13,000 to $18,100
Class C Felony	$15,000 to $25,200

Effective Date

This Act is effective on July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on April 30, 2026, and signed by the Governor on May 11, 2026.

Sources

Department of Corrections
Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)

HF 2356 – State Public Defender, Child Welfare Legal Representation (LSB5356HV.2)
Staff Contact: Justus Thompson (515.725.2249) justus.thompson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2356 changes the State Public Defender (SPD) pilot project, Child Welfare Legal Representation, to a permanent program to be known as the Project to Preserve Families (PPF). This Act allows the SPD to administer and maintain the PPF throughout the State. The SPD may adopt administrative rules to administer the PPF.

Background

2020 Iowa Acts, chapter 1040 (State Public Defender Pilot Project — Child Welfare Legal Representation Act), established a pilot project under Iowa Code section 13B.13 to implement models of legal representation to assist families involved in the child welfare system by implementing and studying ways to achieve positive outcomes for families, reduce trauma to young children, and deliver financial benefits to families and their communities. The pilot project was originally implemented in up to six counties in Iowa. However, 2023 Iowa Acts, chapter 10 (Child Welfare Legal Representation — State Public Defender Pilot Project Extension and Expansion Act), expanded it to 16 counties. The pilot project ended on June 30, 2025.

The pilot project has received a total of 403 referrals since 2020. Of the 403 referrals, 19 or 4.7% of the total referrals became child in need of assistance (CINA) cases.

Assumptions

- The average cost of a CINA case is $7,800 when representation is provided to indigent clients. This cost is paid from the Indigent Defense Fund.
- In FY 2025, the cost of the average pilot project referral was approximately $2,500. This cost is paid from the Juvenile Justice Improvement Fund, which is funded with federal Title IV-E dollars.
- When the PPF is fully implemented, it will receive approximately 200 referrals annually across the State.
- It is assumed that 19 referrals, or 4.7%, will become CINA cases annually.
- The SPD currently assigns 1.0 full-time equivalent (FTE) position to the pilot project. It is assumed 1.0 FTE position will be assigned to the PPF program.
- The annual cost of referrals under the PPF program is estimated to be $471,000.
- The Juvenile Justice Improvement Fund will continue to receive Title IV-E funds.

Fiscal Impact

House File 2356 is estimated to result in approximate cost savings of $1.5 million annually to the Indigent Defense Fund once the PPF is fully implemented across the State. However, that estimate is compared to current law for FY 2027, in which the pilot program would be expired. The pilot program has been in operation since 2020, and therefore a portion of the cost savings under this Act may be a status quo savings compared to previous fiscal years. It is

unknown when the full cost savings will be realized. The cost to the Juvenile Justice Fund is estimated to be $471,000 annually, which is funded by federal moneys through Title IV-E reimbursement.

Effective Date

This Act is effective on July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on March 23, 2026, and signed by the Governor on April 9, 2026.

Source

Office of the State Public Defender

HF 2360 – Child Endangerment, Minors (LSB5685HV.2)
Staff Contact: Justus Thompson (515.725.2249) justus.thompson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2360 relates to child endangerment. This Act adds a new definition of "child" to mean any person under 18 years of age and removes references to "minors" under the age of 18 with a mental or physical disability. Under this Act, any person under age 18 is considered a child regardless of their mental or physical abilities under Iowa Code section 726.6 for child endangerment.

Background

Under current law, a person who is the parent, guardian, or person having custody or control over a child or a minor under the age of 18 with a mental or physical disability, or a person who is a member of the household in which a child or such a minor resides, commits child endangerment when the person performs any of the actions described in Iowa Code section 726.6.

Penalties under Iowa Code section 726.6 range from an aggravated misdemeanor to a Class B felony. 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.

In FY 2025, there were 1,202 convictions involving 891 individuals under Iowa Code section 726.6. In FY 2025, there were 55 people admitted to prison, 503 admitted to probation, and 14 admitted to parole.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (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 this Act 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.

Correctional Impact

The correctional impact of this Act cannot be determined because the number of additional convictions cannot be estimated. **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 an 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
Aggravated Misdemeanor Persons	45.4%	9.8	$23.07	62.1%	27.6	$8.00	$16.35	$50.00	9.4	$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 Persons	89.1%	39.1	$23.07	30.1%	42.8	$8.00	$16.35	$50.00	27.2	$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

Refer to the Legislative Services Agency (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

The minority impact cannot be determined since it is not known how many additional convictions would result from the changes under this Act. However, this Act may disproportionately impact Black individuals if trends remain constant. Of the 891 individuals convicted under Iowa Code section 726.6 in FY 2025, 72.3% of offenders were White, 18.2% were Black, and 9.5% 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 this Act cannot be determined because the number of additional convictions cannot be estimated. **Figure 2** 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 2 — Average State Cost Per Offense

Offense Class	Average Cost
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

Effective Date
This Act is effective on July 1, 2026.

Enactment Date
This Act was approved by the General Assembly on April 6, 2026, and signed by the Governor on May 6, 2026.

Sources
Department of Corrections
Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)

HF 2493 – Eligibility for Statewide Preschool Program (LSB5487HV.2)
Staff Contact: Serenity Lo (515.281.5661) serenity.lo@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2493 expands Statewide Voluntary Preschool Program (SWVPP) eligibility to include pupils who reach five years of age on or after March 15 but on or before September 15 of the calendar year in which they would be eligible to attend kindergarten.

This Act applies to school budget years beginning on or after July 1, 2027 (FY 2028).

Background

The SWVPP was established in 2007 Iowa Acts, chapter 148 (Preschool Access for Four-Year-Olds Act). This Act established that a child who is a resident of the State of Iowa and is four years of age by September 15 of a school year would be eligible to enroll in the preschool program and would receive State funding. Any child younger or older in the preschool program would not be counted for State funding.

A school district with an approved SWVPP is funded in part by preschool foundation aid payments. The preschool foundation aid payment is calculated by multiplying the regular program State cost per pupil (SCPP) by the school district's preschool budget enrollment.

In academic year 2023-2024, 323 districts statewide participated in the SWVPP with 238 community partners of which 24,311 pupils were funded, and program funding totaled $91.0 million.

In academic year 2024-2025, 324 districts statewide participated in the SWVPP with 238 community partners of which 24,083 students were funded, and the program funding totaled approximately $91.4 million.

Assumptions

- The FY 2028 SCPP will be $8,148, which is based on the FY 2027 SCPP, assuming a 0.0% State percentage of growth.
- The FY 2028 State school aid for SWVPP will be $4,074, assuming a 0.0% State percentage of growth.
- Based on the fall 2024 certified enrollment, approximately 233 new pupils could be eligible under this Act.

Fiscal Impact

The fiscal impact for HF 2493 for each new pupil participating in the SWVPP will be an additional cost to the General Fund of $4,074. In FY 2028, if 233 new pupils were enrolled in the SWVPP, the estimated maximum cost would be $949,000 paid through the school aid formula.

Effective Date
This Act is effective on July 1, 2026, and applies to school budget years beginning on or after July 1, 2027.

Enactment Date
This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 2, 2026.

Sources
Iowa Department of Education Students Report, Iowa data collection
Iowa Association of School Boards
Legislative Services Agency calculations

HF 2514 – Child Care Assistance for Child Care Workers (LSB5350HV.2)
Staff Contact: Lindsey Ingraham (515.281.6764) lindsey.ingraham@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2514 establishes that a child of a parent, guardian, or custodian who is employed at a child care facility or child care home is eligible for the State child care assistance (CCA) program and requires the Department of Health and Human Services (HHS) to submit a report to the General Assembly regarding CCA for the child care workforce by December 1 of each year.

Background

The HHS established a CCA pilot program in FY 2024, which allowed individuals with children employed in the child care workforce to apply for the CCA program without regard to income limits. To be eligible for the CCA pilot program, the employed individual must work at least 32 hours per week in a direct care position at a licensed child care center, be registered as a child development home provider, or be a nonregistered child care home accepting CCA assistance. The family must also meet all other CCA eligibility criteria, excluding household income. The CCA pilot program is currently set to expire on July 1, 2026.

As of February 9, 2026, 2,105 families have participated in the CCA pilot program. The average participating family's income is 302.0% of the federal poverty level (FPL). In FY 2025, expenditures for the CCA pilot program totaled $9.7 million.

Assumptions

- The average number of children per month enrolled in the CCA program with a parent, guardian, or custodian employed at a child care facility or child care home will be 1,659.
- Based on the HHS's most recent CCA projections, the average monthly cost per child is estimated to be $589.72 for FY 2027 and $607.41 for FY 2028.
- The State will pay for 60.0% of all costs associated with implementing this Act, while federal funds will provide for 40.0% of the costs.

Fiscal Impact

The total cost of HF 2514 is estimated to be $11.7 million for FY 2027, of which the State cost is $7.0 million and the federal cost is $4.7 million. The total cost for FY 2028 is estimated to be $12.1 million, of which the State cost is $7.3 million and the federal cost is $4.8 million.

Effective Date
This Act is effective July 1, 2026.

Enactment Date
This Act was approved by the General Assembly on March 30, 2026, and signed by the Governor on April 9, 2026.

Source
Department of Health and Human Services

HF 2515 – Sexual Exploitation of a Minor, Prohibition on Suspending Sentences (LSB5938HV.2)
Staff Contact: Justus Thompson (515.725.2249) justus.thompson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2515 relates to sexual exploitation of a minor and deferred and suspended sentences. This Act prohibits the court from deferring or suspending the sentence for individuals convicted of sexual exploitation of a minor under Iowa Code section 728.12.

Background

Penalties under Iowa Code section 728.12 range from a Class D felony to a Class B felony. 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.

In FY 2025, there were 228 convictions under Iowa Code section 728.12 involving 96 offenders. Of those convicted, 12 received a deferred sentence. The offense classes of the 12 deferred sentences are as follows:

- Felony C = 4
- Felony D = 5
- Aggravated Misdemeanor = 3

In the same year, there were 33 individuals admitted to prison, 44 admitted to probation, and 5 admitted to parole. The offense classes of the 44 probation admissions are as follows:

- Felony B = 3
- Felony C = 5
- Felony D = 33
- Aggravated Misdemeanor = 3

Enacted during the 2023 Legislative Session, 2023 Iowa Acts, chapter 74 (Sexual Exploitation of a Minor, Penalties Act), increased the penalties under Iowa Code section 728.12, with the lowest offense class under the current law increased to a Class C felony.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (LOS); revocation rates; plea bargaining; and other criminal justice system policies and practices.
- A delay of six months is assumed from the effective date of this Act to the date of first entry of affected offenders into the correctional system.

- Marginal costs for county jails cannot be estimated because county jail data is unavailable. For purposes of this analysis, the marginal cost for county jails is assumed to be $50 per day.
- Convictions: This data represents the total number of convictions in adult court. Cases that include multiple charges may also involve multiple convictions, and each of those individual convictions should appear in this data.
- Offender-based convictions: This data consists of a count of individuals (based on first name, last name, and date of birth) convicted of a specific offense in adult court. Each person is counted only once per Iowa Code section, regardless of the total number of charges received.
- Prison admits: This data consists of a count of new admissions to Iowa's correctional facilities during the selected time period. This data is based on the most serious offense committed.
- Expanded enforcement of Iowa Code section 728.12 will result in an increased number of trials.
- Probation admits under current law will go to prison under this Act.
- Future convictions and sentences will be based on current law offense classes.
- **Figure 1** displays the FY 2025 probation cohort supervision costs of $408,000 under current law.

Figure 1 — Cost Under FY 2025 Law

Total Probation Admissions	Probation LOS Days	Probation Marginal Cost Per Day	Total Cost
Class B = 3	636	$8.00	$15,000
Class C = 5	1303	8.00	52,000
Class D = 33	1216	8.00	321,000
AGMS = 3	840	8.00	20,000
Total			**$408,000**

Correctional Impact

The correctional impact of HF 2515 is unknown due to a lack of existing correctional data. **Figure 2** shows sentencing estimates 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 Class B felony, Class C felony, and Class D felony. Refer to the Legislative Services Agency (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.

Figure 2 — 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
D Felony Sex	91.2%	20.8	$23.07	54.4%	30.8	$8.00	$16.35	$50.00	5.0	$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
B Felony Sex	100.0%	159.3	$23.07	14.8%	N/A	$8.00	$16.35	$50.00	19.7	$8.00

Minority Impact

The minority impact of HF 2515 is unknown, but is anticipated to be minimal. 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 total fiscal impact of HF 2515 to the Department of Corrections (DOC) is $1.0 million. This includes approximately $619,000 per year in additional spending, beyond the current $408,000 for probation costs, due to an increase in an estimated prison population of approximately 56 individuals who would, under current law, be admitted to probation or receive deferred sentences. **Figure 3** shows the new total cost under this Act.

Figure 3 — Cost Under House File 2515

Total Prison Admissions	Prison LOS Days	Prison Marginal Cost Per Day	Total Cost
Class B = 3	3,187	$23.07	$221,000
Class C = 9	1,190	23.07	247,000
Class D = 44	551	23.07	559,000
Total			**$1,027,000**

Effective Date

This Act is effective on July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on March 24, 2026, and signed by the Governor on April 9, 2026.

Sources

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

HF 2542 – Sentencing Enhancements, Repeat Offenders (LSB6837HV.4)
Staff Contact: Justus Thompson (515.725.2249) justus.thompson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2542 requires a person convicted of a third qualifying felony to be sentenced as a habitual offender and to serve a minimum sentence of confinement of seven years under Iowa Code section 902.8 (Minimum Sentence — Habitual Offender). Under this Act, earned time accrued pursuant to Iowa Code chapter 903A cannot reduce the minimum sentence of confinement of seven years.

This Act increases the maximum sentence of a habitual offender under Iowa Code section 902.9 (Maximum Sentence for Felons) from 15 to 20 years.

This Act prohibits a deferred or suspended sentence for habitual offenders under Iowa Code section 902.8.

Background

Under current law, a habitual offender is any person convicted of a Class C or Class D felony who has twice before been convicted of any felony in a court of this or any other state or of the United States. A person sentenced as a habitual offender is not eligible for parole until the person has served the minimum sentence of confinement of three years. Additionally, the minimum sentence of a habitual offender under Iowa Code section 902.8 is three years and the maximum sentence of a habitual offender under Iowa Code section 902.9 is 15 years.

Under Iowa Code section 907.3 (Deferred Judgment, Deferred Sentence, or Suspended Sentence), the court may defer the sentence and assign the defendant to the judicial district department of correctional services (also known as the Community-Based Corrections District, or CBC District). The court may assign the defendant to supervision or services under Iowa Code section 901B.1 at the level of sanctions that the District department determines to be appropriate.

Figure 1 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 Department of Corrections (DOC). The costs would be incurred across multiple fiscal years for prison and parole supervision.

Figure 1 — Average State Cost Per Offense

Offense Class	Average Cost
Class D Felony	$13,000 to $18,100
Class C Felony	$15,000 to $25,200

Correctional Data

- In FY 2025, there were 608 individuals who could meet the habitual offender conviction threshold with three or more convictions. Of the 608 individuals, 121 (20.0%) were sentenced as habitual offenders under Iowa Code section 902.8 and admitted to prison in FY 2025.
- The FY 2025 average length of stay (LOS) for a habitual offender under Iowa Code section 902.8 was 22.2 months (61.7% of the 36-month mandatory minimum sentence).
- In FY 2025, 146 new probation admissions were sentenced as habitual offenders under Iowa Code section 902.8.
- The average LOS for probation admissions for a felony conviction is approximately 43.2 months (1,314 days).
- From FY 2020 to FY 2025, 5,265 individuals met criteria for sentencing enhancement under Iowa Code section 902.8.

According to the DOC, as of April 16, 2026, the DOC's nine institutions are operating at a population of 8,871 individuals, which is 26.9% (6,990 individuals) over capacity. The current prison security level and approximate capacity for each facility is as follows:

- Anamosa State Penitentiary: medium, 908
- Clarinda Correctional Facility: medium, 750
- Fort Dodge Correctional Facility: medium, 1,162
- Iowa Correctional Institution for Women: medium, 654
- Iowa Medical and Classification Center: medium/minimum, 585
- Iowa State Penitentiary: maximum, 612
- Mount Pleasant Correctional Facility: minimum, 776, and minimum live-out, 164
- Newton Correctional Facility: medium, 762, and minimum, 252
- North Central Correctional Facility: minimum, 245

As of April 17, 2026, the DOC has 235.0 vacant full-time equivalent (FTE) prison positions statewide across all classifications, including 121.6 correctional officer FTE position vacancies.

New Prison Construction

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, including 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.

Prison Infrastructure Fund
In 2008, the General Assembly authorized the Treasurer of the State to issue bonds for prison construction projects, specifically for the Iowa State Penitentiary at Fort Madison (2008 Iowa Acts, chapter 1179). This Act created a Prison Bonding Fund to receive net proceeds of $130.7 million from the bond issuance. Debt service on bonds issued for the Iowa State Penitentiary are paid with judicial branch revenue deposited into the Iowa Prison Infrastructure Fund under Iowa Code section 602.8108A. In FY 2026, the debt service payment totaled $13.8 million. These bonds are expected to be paid off at the end of FY 2027.

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 this Act 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 DOC for supervision during a selected time period, based on the most serious offense committed.
- 20.0% of all individuals convicted of three or more offenses will be sentenced as habitual offenders.
- Under current law, the average LOS of a prison admission under Iowa Code section 902.8 is 22.2 months (675 days). Under this Act, the average LOS of a prison admission under Iowa Code section 902.8 will be a minimum of 100.0% (2,555 days) of the seven-year sentence. As a result, the average LOS of a prison admission will increase by a minimum of 29.6 months (1,880 days).
- The increased LOS for a habitual offender under Iowa Code section 902.9 is unknown.
- Current probation admissions sentenced as habitual offenders will be sentenced to prison under this Act. Under current law, the average LOS of a prison admission under Iowa Code section 902.8 is 43.2 months (1,314 days). The average LOS for these individuals will increase by approximately 1,241 days under this Act.
- The marginal cost per day for prison admissions is $23.07.
- The marginal cost per day for probation admissions is $8.00.
- According to the DOC, new maximum/medium-security prison(s) will need to be built and existing prison and facility housing will need to be expanded.
- Recidivism patterns remain constant.

Correctional Impact

According to the DOC and the Department of Management's Division of Data, Planning, and Improvement, the total prison population is projected to increase by approximately 4,363 individuals by FY 2030, representing an estimated 49.2% increase from the current population. The correctional impact of this Act was estimated by applying the effects of this Act to a status quo prison population baseline. Refer to the Legislative Services Agency (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 individuals eligible for the sentencing enhancement for FY 2025, 68.7% were White, 22.2% were Black, and 9.1% 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 cost increase per individual is approximately $43,000 for prison admissions based on the increased LOS. In FY 2025, there was a total of 121 new prison admissions with an average LOS of 675 days. Under this Act, the new LOS would be approximately 2,555 days. The cost increase under this Act for the FY 2025 cohort admitted to prison would be approximately $5.2 million over the entire LOS.

In FY 2025, 146 new probation admissions were sentenced as habitual offenders under Iowa Code section 902.8 with an average LOS of 1,314 days. The cost increase per individual is approximately $48,000 for individuals who were previously admitted to probation but would be admitted to prison under this Act. The total cost increase under this Act for the FY 2025 probation cohort would be approximately $7.1 million over the entire LOS.

The total combined cost increase under this Act is approximately $12.3 million over the entire LOS per admitted annual cohort.

Increased Prison Population

Due to the estimated increase to the prison population, additional housing will be necessary. To accommodate population growth, the DOC estimates the following additional housing requirements to existing prison infrastructure and new construction within the next five to seven years.

One-Time Construction Costs

To accommodate the projected increase of 4,363 additional individuals by FY 2030, the DOC estimates one-time capital costs for the following projects:

- 200 beds by restoration of the Clinical Care Unit (CCU) at Iowa State Penitentiary at an estimated cost of $4.7 million.
- 500-bed housing unit added at Newton Correctional Facility (new construction) at an estimated cost of $132.4 million. The DOC estimates that approximately five years will be needed to complete construction for this project.
- 256-bed housing unit added at Iowa State Penitentiary (new construction) at an estimated cost of $65.2 million. The DOC estimates that approximately five years will be needed to complete construction for this project.
- Three new medium-security prisons with 1,162 beds each (3,486 beds total) (new construction) at an estimated cost of $1.769 billion. The DOC estimates that construction will take five to seven years.

The total estimated one-time construction costs under this Act are approximately $1.972 billion.

For the new construction projects, the totals also include land acquisition and specialized consultancy fees. If required, prison construction will take multiple years to complete, which may create unexpected costs for county jails. According to the DOC, expanding existing housing units may take up to five years to complete, and new prison construction would require approximately five to seven years once funding is secured.

Ongoing Operational Costs

According to the DOC, the total estimated ongoing operating costs under this Act are approximately $115.6 million annually. This includes staffing costs to operate new housing units and facilities on a 24-hour basis, including security, medical, administrative, and facility support roles, as well as operational and maintenance costs:

- $8.1 million — CCU at Iowa State Penitentiary.
- $6.3 million — Newton Correctional Facility.
- $5.8 million — Iowa State Penitentiary.
- $95.4 million — three new medium-security prisons.

According to the DOC, the total number of FTE positions to staff the expanded facilities is approximately 962.0 FTE positions which includes the following:

- 93.0 FTEs — CCU at Iowa State Penitentiary.
- 28.0 FTEs — Newton Correctional Facility.
- 49.0 FTEs — Iowa State Penitentiary.
- 792.0 FTEs — three new medium-security prisons.

Effective Date

This Act is effective on July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 2, 2026.

Sources

Department of Corrections
Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)

HF 2562 – Temporary Health Care Placement Decision Makers (LSB5341HV.3)
Staff Contact: Louie Hoehle (515.281.6561) louie.hoehle@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2562 relates to care facility placement for certain adults.

The Act is comprised of the following two divisions:
- Division I — Care Facility Placement
- Division II — Persons Authorized to Consent — Contingent on Enactment of Legislation

Division I — Care Facility Placement

Description

Division I of the Act does the following:
- Allows a physician to certify in a patient's record that the patient is not able to consent, that an authorized representative for the patient has not been located by the physician, and that it is in the patient's best interests to be discharged from the patient's current care facility and transferred or admitted to a care facility recommended by the physician.
- Allows an authorized person to make decisions regarding the patient's care facility placement following physician certification.
- Requires the patient's physician to forward a copy of the certification to the Department of Health and Human Services' (HHS's) Division of Aging and Disability Services.
- Requires a care facility or the patient's physician to forward a copy of a petition for court order to the HHS's Division of Aging and Disability Services at least 10 days prior to submitting the petition.
- Requires a court to forward a copy of the court order to the HHS's Division of Aging and Disability Services upon granting a petition.
- Requires a receiving care facility to notify the HHS's Division of Aging and Disability Services upon completion of the patient's placement at the facility.
- Authorizes the HHS to adopt administrative rules to administer the Act.

Background and Assumptions

- University of Iowa Health Care (UIHC) provides services to 10 to 12 patients per month who cannot consent to discharge.
- The average unnecessary bed days per patient is 2.6 days.
- The average net daily rate per patient is $1,663.

Fiscal Impact

According to the Board of Regents, House File 2562 may reduce revenues for UIHC by between $519,000 and $623,000 annually.

Division II — Persons Authorized to Consent — Contingent on Enactment of Legislation

Description
Division II of the Act modifies the definition of "person authorized to consent" provided in Division I of the Act.

Division II of the Act was contingent upon the enactment of 2026 Iowa Acts, House File 2305 (Medical Power of Attorney, Hospice Care Act), or successor legislation, amending Iowa Code section 144A.7(1)(b). House File 2305 was approved by the General Assembly on April 21, 2026, and signed by the Governor on May 2, 2026.

Fiscal Impact
Division II of the Act is anticipated to have no fiscal impact.

Effective Date
This Act is effective on July 1, 2026.

Enactment Date
This Act was approved by the General Assembly on April 22, 2026, and signed by the Governor on May 15, 2026.

Sources
Board of Regents
University of Iowa Hospitals and Clinics

HF 2601 – Ballot Measures, Foreign Nationals (LSB5420HV.2)
Staff Contact: Joey Lovan (515.242.5925) joey.lovan@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2601 requires the treasurer of a political committee expressly advocating the passage or defeat of a ballot issue that receives a contribution from a donor to obtain an affirmation that the donor is not a foreign national and has not knowingly or willfully accepted funds in excess of $100,000 in aggregate from one or more foreign nationals within the four years immediately preceding the date the contribution is made.

This Act also requires a political committee expressly advocating for the passage or defeat of a ballot issue to include with its required reports to the Iowa Ethics and Campaign Disclosure Board (IECDB) an affirmation that the political committee has not knowingly or willfully received, solicited, or accepted contributions from a foreign national or from a donor that has knowingly or willfully accepted funds in excess of $100,000 in aggregate from one or more foreign nationals within the four years immediately preceding the date the contribution is made.

This Act prohibits a foreign national from directing, dictating, controlling, or directly or indirectly participating in the decision-making process regarding activities to influence a ballot issue. A foreign national is also prohibited from soliciting, directly or indirectly, the making of a contribution or expenditure by another person to influence a ballot issue.

Any person who knowingly or willfully violates the provisions of this Act is guilty of a serious misdemeanor and is subject to a civil penalty of $10,000 or three times the amount of the contribution or expenditure, whichever is greater. The civil penalty is to be collected by the IECDB and deposited into the General Fund.

Background

A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least $430 but no more than $2,560.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (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 this Act 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.
- All reports filed pursuant to this Act will be filed using the IECDB's Web Reporting System (WRS).
- One-time programming costs to update the WRS will cost approximately $10,000 to $15,000.

Correctional Impact

House File 2601 creates a new offense within Iowa Code chapter 68A. The correctional impact of this Act cannot be determined because the number of new convictions cannot be estimated. **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.

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

Refer to the Legislative Services Agency (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 2601 creates a new offense within Iowa Code chapter 68A. The minority impact of this Act cannot be determined because the number of new convictions cannot be estimated. 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

House File 2601 creates a new offense within Iowa Code chapter 68A, and the number of convictions is unknown. The average State cost per serious misdemeanor is between $350 and $6,200. 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.

House File 2601 will also require one-time programming costs to the IECDB between $10,000 and $15,000 to update the WRS to include affirmation statements pursuant to this Act.

Effective Date

This Act is effective on July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on April 21, 2026, and signed by the Governor on June 2, 2026.

Sources

Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)
Department of Corrections
Iowa Ethics and Campaign Disclosure Board

HF 2602 – Massage Establishment Licensing (LSB5401HV.2)
Staff Contact: Xavier Leonard (515.725.0509509) xavier.leonard@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2602 requires the licensure of massage therapy establishments beginning January 1, 2027. The Act provides requirements for a massage establishment to become licensed, including that the owner of the establishment must submit to a national criminal history check, the payment of the license fee determined in Iowa Code section 147.80, and recordkeeping. The Act requires a licensee under investigation by a peace officer to provide a copy of the establishment license. A licensee who fails to provide a copy of the establishment license is guilty of a serious misdemeanor. The Act also imposes civil fines of $1,000 for each offense, with a maximum penalty of $10,000 for continued violations for a person who operates a massage therapy establishment without a license.

The Board of Massage Therapy is required to adopt administrative rules implementing the Act. The Department of Inspections, Appeals, and Licensing (DIAL) may adopt administrative rules implementing the Act.

Background

Currently, massage therapists are required to be licensed in the State; however, massage therapy establishments are not required to obtain licensure.

Under current law, practicing as a massage therapist without a license or employing an individual as a massage therapist who is not licensed may result in civil fines up to $1,000 per offense, with a maximum penalty of $10,000 for continued violations.

The DIAL is currently implementing a new Administrative Licensing and Inspection Governance Network (ALIGN) system that will handle the Department's licensing, permitting, inspection, and case management needs.

A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least $430 but not to exceed $2,560.

Assumptions

- There are currently 700 massage therapy establishments in the State, all of which will apply for licensure in FY 2027. Each subsequent year, 35 additional massage therapy establishments will apply for licensure.
- According to DIAL, massage therapy establishment licensure will last three years before renewal is required.
- According to DIAL, the creation of a new license type in the ALIGN system will require a one-time cost of $60,000.
- According to DIAL, both the initial licensing fee and the renewal fee will be $400.

- According to DIAL, 0.5 Clerk Specialist full-time equivalent (FTE) position will be needed to process licenses in FY 2027, and 0.1 Clerk Specialist FTE position will be needed in subsequent years at an annual cost of $55,000 per FTE position.
- According to DIAL, 2.0 Compliance Officer 1 FTE positions will be needed to investigate and inspect massage therapy establishments at an annual cost of $82,000 per FTE position.
- License fees will be deposited into the Licensing and Regulation Fund (LRF).
- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (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 Act 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.

Correctional Impact

House File 2602 creates a new offense. The correctional impact cannot be determined because the number of new convictions under the Act is unknown. **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.

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

Refer to the Legislative Services Agency (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 2602 creates a new offense regarding the failure to provide proof of licensure for a massage therapy establishment, and, as a result, existing data cannot be used to estimate the minority impact of the Act. 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

House File 2602 is estimated to require 2.5 additional FTE positions and increase costs to the DIAL by approximately $253,000 in FY 2027 and require 2.1 additional FTE positions and increase costs by $171,000 in subsequent fiscal years. These costs are displayed in **Figure 2**. The Act is also estimated to increase revenues to the DIAL and the LRF by approximately $280,000 in FY 2027 and varying amounts in subsequent fiscal years. **Figure 3** below shows estimated costs and revenues to the DIAL and the LRF by fiscal year.

Figure 2 — Estimated Costs to the Department of Inspections, Appeals, and Licensing

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
ALIGN Database Changes	$ 60,000	$ 0	$ 0	$ 0	$ 0
Clerk Specialist	28,000	6,000	6,000	6,000	6,000
Compliance Officers	165,000	165,000	165,000	165,000	165,000
Total	**$ 253,000**	**$ 171,000**	**$ 171,000**	**$ 171,000**	**$ 171,000**

Totals may not sum due to rounding.

Figure 3 — Estimated Increased Revenues to the Licensing and Regulation Fund

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Initial Applications	$ 280,000	$ 14,000	$ 14,000	$ 14,000	$ 14,000
Application Renewals	0	0	0	280,000	14,000
Total	**$ 280,000**	**$ 14,000**	**$ 14,000**	**$ 294,000**	**$ 28,000**

House File 2602 creates a new offense within Iowa Code chapter 152C. The fiscal impact cannot be determined because the number of new convictions under the Act is unknown. The average State cost per serious misdemeanor is between $350 and $6,200. This 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.

Effective Date

This Act is effective on July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on June 2, 2026.

Sources

Department of Inspections, Appeals, and Licensing
Department of Management, Division of Information Technology
Department of Management, Division of Data, Planning, and Improvement
Department of Corrections

HF 2635 – Health Insurance and Managed Care, Payment Practices (LSB5772HV.2)
Staff Contacts: Xavier Leonard (515.725.0509509) xavier.leonard@legis.iowa.gov
Louie Hoehle (515.281.6561) louie.hoehle@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2635 relates to health carriers standards of conduct; utilization review organizations (UROs), artificial intelligence (AI), audits, and prior authorizations; certificate of need processes; and includes applicability provisions. The Act has four divisions, three of which have a fiscal impact and one of which does not.

The following divisions of the Act have or may have a fiscal impact and are described in further detail below:

- Division I — Health Insurance Trade Practices
- Division II — Prior Authorizations
- Division III — Prior Authorizations — Medical Assistance Program

Division IV — Certificates of Need has no fiscal impact.

Division I — Health Insurance Trade Practices

Description

Division I of the Act:

- Prohibits a URO from using an AI-based algorithm or system as the sole basis for the decision to deny, delay, or downgrade a prior authorization request based on medical necessity.
- Requires UROs that conduct audits of health care provider claims to meet notification and determination timeline requirements.
- Requires adverse audit determination appeals by health care providers and the final determination on appealed claims by UROs to meet timeline requirements.
- Requires UROs that violate new Iowa Code section 514F.8C(2) to approve and promptly pay the corresponding health care provider claim, with interest.
- Provides applicability requirements.
- Restricts health carriers from taking certain punitive actions against a provider based on the provider's referral to, or affiliation with, an out-of-network provider.
- Authorizes the Commissioner of Insurance to adopt administrative rules to administer this Division.

Background

Prior authorization is defined in Iowa Code section 514F.8 as a determination by a URO that a specific health care service proposed by a health care provider for a covered person is medically necessary or medically appropriate. The determination must be made prior to the provision of the health care service to the covered person. If applicable, a covered person or a health care provider must notify the URO prior to receiving or providing a specific health care service.

Figure 1 shows insurance claim spend by plan. The State of Iowa costs (2025) were provided by Wellmark, and the Board of Regents (BOR) universities' costs (2024) were provided by the BOR.

Figure 1 — Insurance Spend by Plan

Insurance Plan		Annual Spend
State University of Iowa	$	360,800,000
Iowa State University		138,500,000
University of Northern Iowa		27,100,000
University Total	$	526,400,000
State of Iowa		395,700,000
Total	**$**	**922,100,000**

Division I is estimated to affect approximately 25.6% of the population (829,000 people). This includes individual coverage, fully insured small and large employer groups, self-insured public employees, and the State of Iowa plan.

Of the individuals not covered by the mandate, approximately 42.9% are covered by government-sponsored health insurance; 26.7% are covered by employer coverage, which is governed by the federal Employee Retirement Income Security Act of 1974 (ERISA); and the remaining 4.8% are uninsured. Additional details are presented in **Figure 2**.

Figure 2 — Population Covered by Insurance Plans Regulated by Iowa Law

Type of Coverage	Iowa Population	Percent of Population
Total Population 2024	3,241,488	100.0%
Included in Mandate		
Individual Coverage	143,597	4.4%
Fully Insured Small Employer Group	129,342	4.0%
Fully Insured Large Employer Group	286,029	8.8%
Self-Insured Public Employees*	215,000	6.6%
State of Iowa Plan	55,000	1.7%
Total	**828,968**	**25.6%**
Not Included in Mandate		
Employer (self-insured + other types not listed)	864,752	26.7%
Uninsured	156,600	4.8%
Other Public (Military, Tricare, Veterans Affairs)	24,100	0.7%
Medicare	685,671	21.2%
Medicaid + Children's Health Insurance Plan	681,397	21.0%
Total	**2,412,520**	**74.4%**

*Represents total population 2020. Sources: Iowa Insurance Division and Wellmark

Assumptions

- It is unknown how administrative costs will be impacted, but the impact may be significant.
- According to Wellmark, restricting a health carrier's ability to impose punitive financial incentives on health care providers may increase costs to the State of Iowa plan and the BOR universities' plans. It is unknown how this may impact the University of Iowa Health Care (UIHC) as a provider.

Fiscal Impact

Division I of the Act may increase costs to the State of Iowa and the BOR universities' health plans incurred in responding to audits of clean claims; any potential fiscal impact is unknown but may be significant.

Division II — Prior Authorizations

Description

Division II of the Act relates to prior authorization requirements and does the following:

- Requires health care providers, beginning July 1, 2027, to submit requests for prior authorization to a health carrier electronically and to comply with federal interoperability regulations.
- Provides the following requirements for a URO to deny or downgrade a request for prior authorization:
  - The decision must be made by a qualified reviewer or a clinical peer, who must attest to the reviewer's or peer's qualifications, excluding any personal identifiable information.
  - The health care provider must be given a statement signed by the qualified reviewer or clinical peer who made the decision, and the statement must include the specific reasons for the denial or downgrade.
  - The URO's appeal process must be disclosed to the health care provider and the covered person.
- Requires a URO to conduct a consultation with a qualified reviewer or clinical peer within seven business days, if requested by a health care provider.
- Restricts a qualified reviewer or clinical peer who was involved in an original denial or downgrade from conducting the pursuing appeal.
- Prohibits prior authorization and additional utilization review requirements by a health carrier for the following:
  - Cancer-related screenings that are recommended by the covered person's health care professional and meet other requirements of the Act.
  - Diagnosis and treatment of an emergency medical condition that develops or becomes evident while the covered person is receiving inpatient care and meets other requirements of the Act, including that the condition is reasonably determined by a health care professional to be life-threatening without immediate treatment.
- Authorizes the Commissioner of Insurance to adopt administrative rules to administer this Division.
- Establishes applicability.
- Establishes enforcement mechanisms permitting the Commissioner of Insurance to suspend a URO's authority to conduct utilization review upon finding a pattern or practice of noncompliance with the sections of Iowa Code specified in the Act. Includes remedies authorized in Iowa Code chapters 505 and 507B.

Background

Civil penalties collected pursuant to Iowa Code chapters 505 and 507B are currently deposited into the General Fund (60.0%) and the Commerce Revolving Fund (CMRF) (40.0%).

Division II is estimated to affect approximately 25.6% of the population (829,000 people). Additional details are presented in **Figure 2**.

Assumptions

- Requiring a qualified reviewer or a clinical peer to make denial or downgrade determinations may increase administrative costs for health carriers.

    - According to Wellmark, some of these specialized positions may not currently be on staff, and there may be significant costs to hire or contract this work to individuals with the same qualifications and experience as the health care professional or physician requesting prior authorization. Potential costs are unknown but may be significant.
    - According to Wellmark, any reduction in prior authorization utilization is accompanied by a sentinel effect, which increases utilization and costs to a health insurance plan.
- Additional consultation pursuant to the Act may increase administrative costs by an unknown amount, which may be significant.
- According to Wellmark, prohibiting prior authorization and additional utilization requirements for cancer-related screenings and for the diagnosis and treatment of emergency medical conditions, as restricted by the Act, is not expected to have a significant impact on costs to the State of Iowa plan. It is unknown whether there will be any impact on costs to the other State-funded plans.
- According to the BOR, any increase in the utilization of services may increase revenues or decrease costs to the UIHC as a provider, but any such impact cannot be quantified at this time.

Fiscal Impact

Division II of the Act may increase administrative costs to the State of Iowa and the BOR universities' health plans by requiring denial and downgrade determinations for prior authorization requests to be performed by qualified reviewers and clinical peers. Administrative costs for each of the plans may also be increased in the appeal and consultation process outlined in Division II. Additionally, Division II may increase costs to the BOR universities' health plans by prohibiting prior authorization and additional utilization requirements for specific screenings, diagnoses, and treatments that meet the requirements of the Act. Finally, Division II may increase revenues to the UIHC as a provider if increased utilization of services occurs. Any potential fiscal impact is unknown but may be significant.

Division III — Prior Authorizations — Medical Assistance Program

Description

Division III of the Act relates to prior authorization requirements and does the following:

- Prohibits the Department of Health and Human Services (HHS) and managed care organizations (MCOs) from requiring prior authorization or additional utilization review requirements for Medicaid and Healthy and Well Kids in Iowa (Hawki) recipients for the following:
    - Cancer-related screenings that are recommended by the recipient's health care provider and meet other requirements of the Act.
    - Diagnosis and treatment of an emergency medical condition that develops or becomes evident while the recipient is receiving inpatient care and meets other requirements of the Act, including that the condition is reasonably determined by a provider to be life-threatening without immediate treatment.
- Requires health care providers, beginning July 1, 2027, to submit requests for prior authorization to an MCO electronically and to comply with federal interoperability regulations.
- Division III of the Act is applicable to all contracts between the HHS and an MCO that are delivered, issued for delivery, continued, extended, or renewed beginning January 1, 2027, and to requests for prior authorization made beginning January 1, 2027.
- Authorizes the HHS to adopt administrative rules to administer this Division.

Background
Division III applies to Medicaid and Hawki and is estimated to affect approximately 21.0% of the population (681,000 people). Additional details are presented in **Figure 2**.

Assumptions and Fiscal Impact
Division III of the Act may increase costs for Medicaid reimbursements by prohibiting prior authorization and additional utilization requirements for specific screenings, diagnoses, and treatments that meet the requirements of the Act. Any potential fiscal impact is indeterminable.

Fiscal Impact Summary
Any potential fiscal impact of HF 2635 to the State is unknown, but may be significant. The Act may increase revenues to the UIHC.
Divisions I and **II** of House File 2635 may increase costs to the State of Iowa and the BOR universities' plans.
Division III may increase costs to the HHS.
Division IV is estimated to have no fiscal impact.

Effective Date
This Act is effective on July 1, 2026.

Enactment Date
This Act was approved by the General Assembly on March 5, 2026, and signed by the Governor on May 13, 2026.

Sources
Board of Regents
Department of Administrative Services
Department of Health and Human Services
Department of Insurance and Financial Services, Iowa Insurance Division
Wellmark
Legislative Services Agency analysis

HF 2670 – Duties of State Board and Director of Education and Educational Standards (LSB5669HV.4)
Staff Contact: Serenity Lo (515.281.5661) serenity.lo@legis.iowa.gov
Fiscal Note Version – Final Action

Description

House File 2670 modifies provisions related to summative testing in schools and the educational program provided to students enrolled in kindergarten through grade 12.

This Act adds or requires the following:

- Adds social studies to Iowa's core academic indicators for students in grades 8 and 10.
- Requires the addition of a summative social studies assessment to the Iowa Statewide Assessment of Student Progress (ISASP), administered to students in grades 8 and 11, to align with Iowa standards in both rigor and content.
- Moves the administration of the summative science assessment from grade 10 to grade 11.
- Requires the administration of a summative social studies assessment in grades 8 and 11.
- Requires instruction related to physical education and nutrition in the health curriculum for students in grades one through eight.
- Allows for the two additional units of mathematics for students in grades 9 through 12 to include instruction related to agriculture.
- Requires the one unit of health to include instruction related to physical fitness, food and nutrition, and personal health for grades 9 through 12.
- Requires guidance counselors to work collaboratively with parents or guardians.
- Requires the State Board of Education (BOE) to take certain action in instances of noncompliance with relevant State and federal requirements.

This Act removes requirements related to the following:

- Adopting administrative rules related to protocols for identifying adverse childhood experiences.
- Distributing standards for equity coordinators to school districts.
- Including a multicultural and gender-fair approach in educational standards.
- Including experiences to develop healthy social and emotional habits and age-appropriate research-based human growth and development in kindergarten programs.
- Including emotional and social health instruction within health education for grades 9 through 12.
- Consideration of standards and best practices from certain national organizations.

This Act requires school districts to pay costs required by this Act from State Foundation School Aid per Iowa Code section 25B.2 (State mandates).

Provisions related to educational standards of the kindergarten program and health curricula in grades one through eight apply to charter schools and innovation zone schools.

Provisions related to the administration of the social studies summative assessment apply to school years beginning on or after July 1, 2027.

Background

The Iowa core academic indicators are a set of common expectations for students in public school districts that are analyzed in the Iowa School Performance Profiles. The profiles provide a comprehensive view of how schools are performing and serving students. The indicators include proficiency in English language arts, mathematics, and science; student academic growth; chronic absenteeism; attendance growth; and postsecondary readiness.

The federal Every Student Succeeds Act (ESSA) requires that states annually assess all students on achievement of grade-level, State-adopted standards in mathematics, reading, and science. The ISASP is a summative accountability assessment for all Iowa students and meets the ESSA requirements. Assessments for English language arts and mathematics are administered in grades 3 through 11. Assessments for science are administered in grades 5, 8, and 10. There is currently no summative assessment for social studies.

Iowa Code section 256.11 (Educational Standards) outlines the requirements for educational programs for students in public and accredited nonpublic schools.

Assumptions

- Iowa Testing Programs (ITP) within the University of Iowa's College of Education will create, review, and distribute the ISASP summative assessments for social studies.
- Developing the social studies assessment will require test design and finalization of specifications, item development and review, final form assembly, first administration of the assessment, and completion of a standard-setting process to be incorporated into the existing ISASP reporting mechanism.
- The Board of Regents estimated an initial one-time cost of $181,000 to develop a social studies assessment.
- The assessment will cost school districts an additional $5.25 per student to administer, score, and report the results of the assessment.
- Class sizes of the students required to take the new social studies assessment are estimated to total 80,000 annually in both grades 8 and 11.
- Additional curriculum changes under this Act are not anticipated to have a fiscal impact.

Fiscal Impact

House File 2670 has a total estimated cost of $601,000 in FY 2027. This includes a one-time cost of $181,000 to the Board of Regents to develop the social studies ISASP assessment and an annual ongoing cost for the test across school districts of approximately $420,000, depending on the class size.

This Act requires school districts to pay costs required by this Act from State Foundation School Aid per Iowa Code section 25B.2(3).

Effective Date
This Act is effective July 1, 2026. Provisions related to the administration of the social studies summative assessment apply to school years beginning on or after July 1, 2027.

Enactment Date
This Act was approved by the General Assembly on April 21, 2026, and signed by the Governor on June 2, 2026.

Sources
Iowa Testing Programs
Board of Regents
Department of Education

HF 2676 – Medical Licensing and Prescribing (LSB5336HV.5)
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Fiscal Note Version – Final Action

Description

House File 2676 relates to health-related matters, including health-related professions, nutrition, medication, and education, and includes effective date and applicability provisions. **Division II** requires the Board of Medicine to adopt administrative rules to implement the provisions of the Division. **Division IX** takes effect upon the issuance of final guidance for the administration of the presidential physical fitness test by the federal government.

The Act is comprised of 11 divisions, three of which have or may have a fiscal impact and eight of which do not.

The following divisions of the Act have no fiscal impact:
- **Division I** — Short Title "Iowa Make America Healthy Again Act"
- **Division II** — Continuing Education Requirements — Nutrition and Metabolic Health
- **Division III** — Medical School Graduation Requirement — Nutrition
- **Division IV** — Supplemental Nutrition Assistance Program — Summer Electronic Benefits Transfer for Children Program
- **Division VI** — Epinephrine Delivery Systems
- **Division VII** — Ivermectin — Over-the-Counter Availability
- **Division IX** — Presidential Physical Fitness Test
- **Division X** — Student Physical Activity Requirements

The following divisions of the Act have or may have a fiscal impact and are described in further detail below:
- **Division V** — School Foods and Beverages
- **Division VIII** — Student Instructional Technology Standards
- **Division XI** — Psychology Interjurisdictional Compact

Division V — School Foods and Beverages

Description

Division V of the Act requires school districts, charter schools, and innovation zone schools to not serve food and beverages with identified ingredients as part of a school district's breakfast or lunch program unless the food and beverages are received as part of a direct delivery from the Foods in Schools program of the United States Department of Agriculture (USDA). The Act prohibits an employee or contracted vendor of a

school from providing food or beverages during the school day that contain identified ingredients and places limits on a school's ability to sell food and beverages that contain identified ingredients.

This Division is applicable to school years beginning on or after July 1, 2027 (FY 2028).

Background

The USDA reimburses schools for each meal they serve, with higher reimbursements for reduced-price and free meals. Participating schools must offer free or reduced-price meals to eligible students, and meals must meet USDA nutrition standards. Decisions about specific food and beverages to serve and food preparation standards are made by local school food authorities. Meal reimbursement rates are adjusted annually, and additional funding is available for nutrition standards compliance, severe need schools, and State reimbursement. Meal reimbursement rates for the 2024-2025 school year are as follows:

- $2.37, Breakfast — Free
- $2.07, Breakfast — Reduced-Price
- $0.39, Breakfast — Paid
- $4.43, Lunch — Free
- $4.03, Lunch — Reduced-Price
- $0.42, Lunch — Paid

Total meal reimbursements in Iowa for the 2023-2024 school year were approximately $40.3 million for breakfast and $145.0 million for lunch. The Department of Education (DE) also receives an estimated $23.0 million in federal funds that is used to purchase a portion of the food used by schools for school meals. The DE is required to spend the moneys on specific food items procured by the USDA. State-specific ingredient restrictions would not be considered under the federal procurement process. If specific food items identified by the USDA contain the prohibited ingredients, the school would be responsible for identifying and purchasing food items that do not include the prohibited ingredients.

The United States Department of Health and Human Services and the United States Food and Drug Administration recently announced measures to phase out several of the listed ingredients in this Division.

Assumptions

- School food service programs in Iowa are primarily federally funded under the Food and Nutrition Service of the USDA.
- The DE currently receives a General Fund appropriation for School Food Service in the amount of $2.2 million annually to meet the federal funds maintenance of effort requirement.
- School meal menus are specific to each school district and may contain the ingredients prohibited by the Act.
- Schools maintain a food and nutrition fund supported with meal fees and federal funds. The total amount of federal funds received for school nutrition for FY 2025 is approximately $245.1 million.

- For reduced-price meals, the meal fee charged by schools is typically the difference between the free reimbursement rate and the reduced-price reimbursement rate. For breakfast, this rate difference is $0.30, and for lunch, the rate difference is $0.40. Meals being provided for free are subject to the USDA reimbursement received, and additional funding is not provided through an additional charge by the school.
- An increase in the cost of school meals may be reflected in increased school meal fees for students not receiving free or reduced-price meals, or increased costs may be absorbed by the school district.

Fiscal Impact

While there is no anticipated fiscal impact for the State, school districts may have increased meal item costs to meet the requirements of the Act beginning July 1, 2027 (FY 2028). Because school districts are independent of each other, including school menus, food and beverage items, and supply resources, any increased costs would be specific to each individual school district and cannot be determined at this time.

Division VIII — Student Instructional Technology Standards

Description

Division VIII requires a 60-minute restriction on digital instruction per school day for students enrolled in kindergarten through grade five and allows parents to opt out of digital instruction participation. This Division also requires the board of directors of each school district to write, adopt, and post a technology policy applicable to students enrolled in kindergarten through grade five, publishing a list on the district's website of the one-to-one digital device programs in use.

This Division directs the DE, in collaboration with the Department of Health and Human Services (HHS) to convene and provide administrative support to a working group that will examine research related to the impact of school-provided technology on the cognitive function and academic performance of students in grades 6 through 12. The working group will consist of educators, mental health professionals, and parents of school-age children. The working group will submit a report with recommendations and findings to the General Assembly by December 31, 2026.

Background

In 2024, the DE published the Iowa Comprehensive State Literacy Plan (CSLP) for years 2024-2032, which outlines the approach and standards for improving literacy and proficiency for students from birth through grade 12. The CSLP focuses on reading, writing, and language development, utilizing technology to meet standards for various age ranges. Utilizing technology in writing instruction is a standard outlined in the plan for elementary through high school.

The DE has selected EPS Learning, a literacy framework provider, to provide an online literacy program called EPS Reading Assistant to Iowa schools at no cost, with up to 200,000 licenses. Utilized in this program are AI-driven reading tutors, such as reading assistant Amira, which provide individualized literacy instruction for students who need targeted intervention.

Assumptions
- The DE provides training for tutoring and individualized learning programs.
- The DE partners with EPS Learning to provide up to 200,000 licenses to provide digital resources for literacy.
- Nondigital materials will be needed to replace digital materials that would otherwise be used for education instruction.
- Expenses incurred by a member of the working group will be the responsibility of the individual member or respective entity represented by the member.

Fiscal Impact
Division VIII of the Act will have administrative costs to the State that cannot be determined at this time. Costs associated with the development of non-computer-based tutoring and learning programs cannot be determined at this time. Procurement of nondigital materials, such as textbooks, that would otherwise be online may incur costs, but those costs cannot be determined at this time.

Costs incurred by a member of the working group will be the responsibility of the individual member or the respective entity they represent.

Division XI — Psychology Interjurisdictional Compact

Description
Division XI of the Act enacts and enters Iowa into an interstate compact to allow psychologists from other states to practice telepsychology with patients living in Iowa and to practice face-to-face psychology on a temporary basis in Iowa and to allow Iowa psychologists to practice telepsychology with patients in other states.

Background
Currently, if a psychologist from another state wants to practice telepsychology with patients living in Iowa, the psychologist needs to be licensed in Iowa. Additionally, if an Iowa psychologist wants to practice telepsychology with patients in other states, the Iowa psychologist needs to be licensed in each state in which the psychologist practices.

The Psychology Interjurisdictional Compact (Compact or PSYPACT) does not apply when a psychologist is licensed in both the home and receiving states.

The Compact became operational in 2019 and currently has 41 participating states plus the District of Columbia and the Northern Mariana Islands. In addition to Iowa, legislation to enact the Compact has been introduced in Alaska, Hawaii, Massachusetts, and New York.

Assumptions
- Implementation of the Compact occurs after the Administrative Licensing and Inspection Governance Network (ALIGN) project is completed.

- The Department of Management's (DOM's) Division of Information Technology (DoIT) will integrate the Department of Inspections, Appeals, and Licensing's (DIAL's) ALIGN system with the systems used by the Compact (PSYPACT and Coordinated Licensure Information System). The work will be completed by the DOM DoIT's project director and project manager at a $140-per-hour rate and $110-per-hour rate, respectively.
- Both of the Compact Commission's systems reside on Amazon Web Services, which provides cloud computing platforms and application programming interfaces (APIs).

Fiscal Impact

Division XI of the Act is anticipated to increase information technology (IT) costs to the DOM DoIT between $148,000 and $216,000. The one-time IT costs related to the implementation of the Compact are shown in **Figure 1** below.

Figure 1 — Estimated Psychology Interjurisdictional Compact-Related IT Costs

Component	Hours (Low-End)	Hours (High-End)	Rate	Cost (Low-End)	Cost (High-End)
User Experience Design and Content	80	120	$ 140	$ 11,000	$ 17,000
Portal Development	200	300	140	28,000	42,000
Temporary Authorization to Practice Tracker Feature	160	240	140	22,000	34,000
API Integration	220	320	140	31,000	45,000
Security and Identity Access Management Setup	130	190	140	18,000	27,000
Quality Assurance and User Acceptance Testing	80	120	140	11,000	17,000
Project Management	240	320	110	26,000	35,000
Total	**1,110**	**1,610**		**$ 148,000**	**$ 216,000**

NOTE: Numbers may not sum due to rounding

Fiscal Impact Summary

The fiscal impacts of **Division V** and **Division VIII** cannot be determined.

Division XI is estimated to increase expenditures between $148,000 and $216,000 in FY 2027.

Effective Date

This Act is effective on July 1, 2026. **Division V** of this Act is applicable to school years beginning on or after July 1, 2027. **Division IX** of this Act takes effect upon the issuance of final guidance for the administration of the presidential physical fitness test by the federal government.

Enactment Date

This Act was approved by the General Assembly on April 27, 2026, and signed by the Governor on May 20, 2026.

Sources

Department of Health and Human Services
Department of Inspections, Appeals, and Licensing
Department of Management, Division of Information Technology
Department of Education
United States Department of Agriculture
Urban Education Network

HF 2706 – Magistrates and Judicial Officer Compensation (LSB5542HV.3)
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Fiscal Note Version – Final Action

Description

House File 2706 relates to judicial officers, including magistrate appointments, senior magistrates, and judicial officer compensation. This Act has three divisions.

Division I — Magistrate Appointment in Judicial Election Districts

Description

Division I transitions magistrate appointments from a county-based system to a judicial election district-based system and makes conforming changes to the Iowa Code. This Division does the following:

- Replaces the statutory requirement of 206 magistrates in Iowa Code section 602.6401 with a case-related workload formula established by the Iowa Supreme Court.
- Eliminates the requirement that each county has at least one resident magistrate.
- Modifies the composition and duties of magistrate appointing commissions in Iowa Code sections 602.6501, 602.6502, 602.6503, and 602.6504. Judicial election district magistrate appointing commissions would replace county commissions, reducing the 99 county appointing commissions to 14 judicial election district appointing commissions.
- Requires the judicial election district magistrate appointing commission to prioritize applicants who served or are serving as magistrates for the term immediately preceding August 1, 2027. If the number of vacancies equals or exceeds the number of prioritized applicants, all prioritized applicants shall be appointed. If the vacancies are fewer than prioritized applicants, only prioritized applicants shall be appointed. This requirement is repealed July 31, 2031.
- Allows temporary reassignment of magistrates across counties. This authority is repealed August 1, 2027.
- Repeals Iowa Code section 602.6402 permitting the appointment of additional magistrates in certain counties.

Under this Act, judicial election district magistrate appointing commissions would be comprised of a district court judge who is designated by the chief judge of the judicial district; one appointee from each county in the judicial election district appointed by the board of supervisors; and attorney members, equal to one less than the number of county appointees, selected by attorneys residing in, or counties contiguous to, the election district.

Authorization to temporarily reassign magistrates across counties is effective upon enactment, while all other provisions in Division I are effective November 1, 2026.

Background

Under Iowa Code section 602.6401, each county must have at least one resident magistrate for a total of up to 206 magistrates across the State. Magistrates are appointed by county-based appointing commissions comprised of the following members: a district court judge who is designated by the chief judge of the judicial district, up to three nonlawyer members appointed by the board of supervisors, and up to two lawyers elected by the attorneys in the county.

Assumptions
- Statutory requirements were in place prior to the availability of court resources like electronic search warrants and electronic court proceedings.
- Judicial election districts will replace county-level operations without requiring an increase in commission activity statewide.
- Commission members continue to be reimbursed by their resident county for actual and necessary expenses.
- Magistrates are currently paid approximately $66,000 in annual salary and benefits.
- The estimated annual information technology (IT) operational cost per magistrate is approximately $4,600, which includes the cost of a laptop, software, hardware, security, and IT support.
- There is an estimated 1.5% rate of vacancy for magistrate positions.
- There are currently 138 magistrates. The Judicial Branch estimates that, after full implementation of the workload-based magistrate allocation formula, the range will be between 81 and 90 active magistrates serving the districts.

Fiscal Impact
Division I is estimated to decrease annual costs between $2.0 million and $2.8 million beginning in FY 2028 by reducing magistrate positions. There may be a minimal fiscal impact on counties as each commission will cover a larger geographic area, and travel reimbursement costs may increase for commission members.

Division II — Senior Magistrates

Description
Division II establishes a senior magistrate program, allowing certain retired magistrates to serve on a limited basis. Under the Division, a magistrate who retires on or after the effective date of the legislation and meets age and service requirements may apply to become a senior magistrate. Appointments are made at the discretion of the Iowa Supreme Court. The Division amends 2025 Iowa Acts, chapter 158 (FY 2026 Judicial Branch Appropriations Act), to add the annual salary rate of each senior magistrate of $4,234.

Once appointed to a two-year term, with the possibility of reappointment, a senior magistrate serves part-time, up to five weeks per year, performing judicial duties as assigned. A senior magistrate may serve until reaching the mandatory retirement age. A senior magistrate may continue to practice law. Senior magistrates will be paid at the rate set by the General Assembly, are eligible for expense reimbursement, and may participate in the State-provided health insurance system at the rate of actively serving magistrates.

Background
Currently, the Iowa Code allows for senior judges but does not provide for senior magistrates.

Assumptions
- Only a portion of retired magistrates eligible for appointments will become senior magistrates.

- The number of senior magistrates that will be hired is unknown.

Fiscal Impact
The cost of Division II is unknown and depends on the number of senior magistrates receiving compensation, expense reimbursement, and health insurance coverage. Total costs will be based on the number of senior magistrates, but compensation costs will be significantly lower than an active magistrate salary.

Division III — Judicial Officer Salaries

Description
Division III increases judicial officer salaries by 5.0%, excluding magistrates, based on salary rates for judicial officers for the fiscal year beginning July 1, 2026. The Division also increases the salary rate for magistrates to 40.0% of the salary of a district associate judge based on salary rates for judicial officers for the fiscal year beginning July 1, 2026.

Division III takes effect on June 18, 2027 (FY 2028).

Background
Judicial salaries are determined by the General Assembly under Iowa Code section 602.1501 and funded annually by a General Fund appropriation. In FY 2026, the Judicial Branch received an additional $1.7 million for operations that included a 2.5% increase in salary for all judges and magistrates. The FY 2026 current salary for a magistrate is $46,621, with approximately $19,000 in benefits, for a total cost of approximately $66,000 annually. The estimated FY 2026 salary for a district associate judge is $151,000.

Assumptions
- Salary increases are based on the most recent salaries established in the FY 2026 Judicial Branch Appropriations Act.
- The number of filled positions used to estimate future costs is based on currently filled positions.
- The estimated annual salary and benefits for FY 2028 for one magistrate is $83,000.

Fiscal Impact
Division III of this Act is estimated to cost approximately $2.5 million in FY 2028, based on the current salary rates for judicial officers in FY 2026. The actual cost will be impacted by salary levels in effect in FY 2027 and the potential change in magistrate allocations within the districts.

Effective Date

Most provisions in **Division I** of this Act are effective November 1, 2026, however, the authorization of the chief judge of the judicial district to assign magistrates across counties is effective April 30, 2026**.** **Division II** of this Act is effective July 1, 2026. **Division III** of this Act is effective June 18, 2027.

Enactment Date

This Act was approved by the General Assembly on April 7, 2026, and signed by the Governor on April 30, 2026.

Sources

Judicial Branch
Legislative Services Agency calculations

HF 2754 – Private Schools and Charter Schools (LSB5427HZ.2)
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Fiscal Note Version – Final Action

Description

House File 2754 makes changes regarding charter schools, nonpublic schools, community-based providers for preschool, and education savings accounts (ESAs). This Act also includes provisions related to school finance, Area Education Agencies (AEAs), School Tuition Organizations (STOs), open enrollment, and private instruction. This Act requires the Department of Education (DE) to lead a task force to review required training programs and requirements for license renewal for teachers.

Division I — Charter Schools

Description

Division I consolidates current charter school Iowa Code chapters and eliminates Iowa Code language related to innovation zone schools. Division I also removes COVID-19 language related to the purpose of a charter school, designates a charter school as a local education agency (LEA) for the purposes of receiving federal funds, and changes charter school contract terms.

Division I allows the University of Northern Iowa (UNI) to approve a charter school application, approve a charter school contract, provide charter school technical assistance, and provide charter school oversight. This Act also provides for the State Board of Education in consultation with UNI to have administrative rulemaking authority.

This Act includes applicability provisions related to multiple sections of Division I.

Background

2021 Iowa Acts, chapter 112 (Charter School Programs Act), modified charter school programs and established the State Board of Education as the only authorizer of charter schools. As reported in March 2026, there are currently 18 authorized charter schools in the State. The State Board of Education follows a charter school application timeline beginning in August and concluding with a potential State Board of Education contract approval in February. The State Board of Education receives administrative support and technical assistance from DE staff to support applicants through the initial application process, review applications and contracts, organize public forums, complete applicant interviews, complete due diligence, draft contracts, conduct charter school reporting, and conduct charter school oversight.

There is a General Fund standing unlimited appropriation to the DE to be paid to charter schools for student enrollment. Administrative support provided by the DE for charter schools is funded by the Department of Education Administration appropriation and federal funds. The DE does not currently collect authorization fees from charter school applicants.

The UNI has multiple academic programs and maintains an emphasis on teacher training. Ball State University in Indiana has an established Office of Charter Schools and serves as an authorizer of charter schools. According to its website, the Indiana Office of Charter Schools has a staff of six people providing support, development, and compliance. According to the Ball State University Office of Charter Schools report, Ball State University receives an administrative fee of 3.0% of basic tuition support each organizer receives during the state fiscal year. For the 2023-2024 academic year, the amount received by Ball State University was $2.8 million paid by 19 schools.

Fiscal Impact

Any increase in UNI administration costs and potential need for additional full-time equivalent (FTE) positions to fulfill the oversight requirements in this Act is unknown at this time, as the number of new charter school applications and charter school support that UNI will be responsible for is unknown.

Division II — Funding and Area Education Agency Services

Description

Division II requires the teacher salary supplement (TSS) State cost per pupil to be paid to the charter school where the pupil is enrolled.

Background

As reported in the December 2025 DE Iowa Charter Schools Legislative Report, 16 charter schools are currently authorized to operate in Iowa under Iowa Code chapters 256E and 256F. Of these 16 charters, 10 are operational in the 2025-2026 school year.

Based on the fall 2025 charter school enrollment, there are 1,382 students attending charter schools, and those students attending are from 107 resident districts. School districts with the highest number of resident students attending a charter school rather than their resident district are detailed below:

- Des Moines — 564 students
- Cedar Rapids — 394 students
- Davenport — 77 students
- Saydel — 20 students
- Ankeny — 18 students

Assumptions

- There is no additional administrative burden to the Department of Management (DOM) for changes made in this Act.
- The FY 2026 State cost per pupil for the TSS is $684.47. This amount is for a full-time student. If a student were to attend less than full-time, this amount will be prorated based on the amount of seat time of the student at the charter school.
- Provided by the Iowa Coalition for Charter Schools, the projected enrollment for FY 2026 for charter schools using the Founding Group Model is 1,382 pupils and for FY 2027 is 1,945 pupils. A pupil attending a charter school using the school district model will continue to be counted as a pupil of the public school district, and school aid funding will not be affected.

- For FY 2027, the TSS will be paid to the charter schools for FY 2027 enrollment and to the public school districts for FY 2026 enrollment due to the current mechanics of payment of school aid.
- The AEAs are on a pay-for-service model, and there will be no fiscal impact on operations.

Fiscal Impact
Division II is expected to have no fiscal impact to the DOM for administrative purposes.

Division II is expected to increase the TSS payment to charter schools for FY 2027 by $1.3 million. This payment could vary based on the actual enrollment of charter school students and whether students attend the charter school on a full-time basis. School districts will be reimbursed for additional costs related to offering driver education courses to charter school students.

Division III — Extracurricular Activities

Description
Division III requires school districts to allow certain charter school students to participate in extracurricular athletic contests or any extracurricular activity with the following criteria:
- The student must be a resident of the district or a contiguous district.
- The athletic contest is not offered by the charter school in either of the two most recent years.
- The student is ineligible if the charter school has entered into a sharing interscholastic activities agreement with another school.
- If the school district has established a fee for the cost of a student's participation, that same fee would apply to the charter school student.
- The student must meet the school district's code of conduct.

Assumption
Additional costs to school districts for charter school student participation will be covered by student activity fees.

Fiscal Impact
Division III is expected to have no fiscal impact to the State or to school districts.

Division IV — Driver Education

Description
Division IV requires a charter school to offer or make available to all students an approved course in driver education. This Division also requires the resident district of a charter school student to offer or make available an approved course in driver education. The charter school is responsible for paying all of the school district's costs associated with providing the approved driver education course.

Background
The Iowa Department of Transportation (DOT) provides oversight for driver education, including the different options available to students.

Assumption
School districts will have additional costs for charter school student participation in driver education courses, which will be covered by the charter school.

Fiscal Impact
Division IV is expected to have no fiscal impact to the State or to school districts.

Division V — Iowa Public Employees' Retirement System

Description
Division V allows charter school employees to participate in the Iowa Public Employees' Retirement System (IPERS) if certain requirements are met by the charter school.

Background
IPERS covers charter schools under current law if federal Internal Revenue Service requirements to participate are met. Based on the June 30, 2025, actuarial valuation, the IPERS regular membership group covers approximately 176,460 active members and 132,131 retired members. The current funded ratio is 91.56%. The current actuarial accrued liability is $45.527 billion, the actuarial value of assets is $41.683 billion, and the unfunded actuarial accrued liability (UAAL) is $3.843 billion.

For FY 2027, the IPERS regular membership group's estimated contribution rate is 15.73%, split 60.0% for the employer and 40.0% for the members.

Fiscal Impact
Division V is expected to have no fiscal impact to the State.

Division VI — Charter School Facilities Revolving Loan Program

Description
Division VI establishes a Charter School Facilities Revolving Loan Program Fund (RLF) within the Iowa Finance Authority (IFA) to assist charter schools in acquiring suitable school facilities. Division VI requires the IFA to allocate Fund resources to assist charter schools with financing the purchase, acquisition, development, reconstruction, remodeling, or replacement of school buildings. Any interest payments, recaptures of awards, and other repayments to charter school facilities will be deposited into the RLF. Allows the RLF to retain any interest earned on the fund balance. Exempts the RLF from reversion requirements and allows appropriations to remain available for an additional fiscal year.

Background
The General Assembly created the IFA in 1975 as a public instrumentality and agency to undertake programs that help working-class Iowans attain and maintain safe, decent, and affordable housing. The General Assembly charged the IFA with encouraging the investment of private capital and stimulating the construction and rehabilitation of adequate housing using public financing.

The DE was recently awarded a $43.0 million multiyear federal grant to support charter schools across the State. In 2024, the DE awarded $4.0 million in charter school start-up and expansion grants.

Assumptions
- The proposed RLF would receive funding, and the IFA would charge fees or be reimbursed for costs to administer the new RLF.
- There is no General Fund appropriation in this Act, and funds for the RLF will be provided by federal grants.

Fiscal Impact
The IFA may collect additional fees to cover administrative expenses due to Division VI; however, these fees are expected to be minimal. Under Division VI of this Act, future federal grants related to charter school construction will be deposited in the new Fund under the IFA rather than the DE.

Division VII — Education Savings Accounts

Description
Division VII creates a second period for a parent or guardian to request an ESA between October 15 and November 15 of each year. The amount of the student's ESA payment is required to be deposited into the student's individual account following approval of the application.

Background
The Education Savings Accounts — Standing annual General Fund appropriation provided to the DE was established with the enactment of 2023 Iowa Acts, chapter 1 (Education Savings Accounts Act).

Fiscal Impact
Division VII is expected to increase costs for ESAs, but the increase cannot be estimated. Administrative costs for the DOM and the DE are unknown.

Division VIII — Independent Accreditation

Description
Division VIII allows the DE to provide accreditation to a nonpublic school if an approved independent accrediting agency disaccredits the nonpublic school. Division VIII limits the DE's authority over nonpublic schools as detailed in this Act.

Fiscal Impact
Division VIII is expected to have no fiscal impact to the DE.

Division IX — Schedule of Teacher Trainings and Licensure Renewal Requirements

Description
Division IX requires the DE to lead a task force to review required training programs and requirements for license renewal for teachers and requires the task force to submit findings to the General Assembly by December 31, 2026.

Background
2025 Iowa Acts, chapter 112 (Seizure Training Requirements, Schools Act), required the DE to convene and provide administrative support to a health care-related training for the school personnel work group. The work group was required to review and develop a plan to ensure Iowa educators have the health care training necessary to perform their duties and responsibilities. The work group released the Health Care-Related Training for School Personnel Work Group report in December 2025.

Fiscal Impact
Division IX is expected to have no fiscal impact to the DE.

Division X — Statewide Preschool Program

Description
Division X allows a community-based provider to enter into a 28E agreement with a school district to be a local provider of a preschool program. The school district cannot limit the number of eligible students who may receive instruction from a community-based provider as part of the approved local program. This Act also limits DE authority over community-based providers. This Act establishes a payment schedule for the community-based provider to receive State preschool foundation aid. Preschool foundation aid received by a community-based provider that remains unexpended and unobligated at the end of the fiscal year will be used to build the provider's capacity for the next fiscal year. The State Board of Education is permitted to adopt emergency administrative rules to implement the provisions of this Division. These rules will be effective immediately upon filing unless a later date is specified in the rules.

Background
The Statewide Voluntary Preschool Program (SWVPP), established in Iowa Code chapter 256C, provides funding to school districts for eligible preschool-age children and programs. Under current law, only school districts that meet certain requirements established by the State Board of Education may participate in the SWVPP. School districts are currently allowed to contract with community-based providers for SWVPP services. State funding provided for the SWVPP is provided to school districts based on the number of eligible students enrolled in the preschool program. If the school district contracts with a community-based provider, any State funding passes from the school district to the community-based provider.

Over the last three years, the following number of school district and community-based partnerships have been in place:

- 2023-2024 academic year — 323 school district programs with 238 community partner locations.
- 2024-2025 academic year — 324 school district programs with 231 community partner locations.
- 2025-2026 academic year — 325 school district programs with 228 community partner locations.

The DE currently dedicates 3.0 FTE positions to provide State oversight and technical assistance, including professional development, coaching services, and program monitoring. Professional development is also provided through the AEAs as a fee-for-service option.

Assumptions

- Community-based providers will adhere to the same programmatic requirements and administrative tasks as those currently assumed by school districts, including annual program assurances, State data reporting, assessment requirements, and meeting preschool program standards as established by the State Board of Education.
- Licensing requirements for SWVPP personnel will be maintained.
- With a potential increase in community-based providers, the DE may require additional FTE positions to support State oversight and technical assistance services.
- The current State school aid for SWVPP is $4,074 per pupil.
- Each new community-based provider will be supporting classrooms with a maximum of 20 pupils at a State school aid cost of $81,000.
- The cost to the DE for salary and benefits for an Education Program Consultant is $160,000 per FTE position and for a Data Analyst is $149,000 per FTE position.

Fiscal Impact

The fiscal impact for Division X cannot be determined because it is unknown whether there will be an increase in SWVPP participation due to additional pupils participating in preschool programs provided by community-based providers. For each additional pupil participating in the SWVPP, there will be an additional cost to the General Fund of $4,074 based on the current State cost per pupil. In addition, the DE may incur additional administrative costs due to the increase of oversight and providing technical assistance to community-based providers.

Division XI — School Tuition Organizations — Preschool Startup Costs

Description

Division XI allows an STO to provide funding to a preschool for its first-year operational costs related to preschool services. The allowance is limited to an operation starting in 2025 that is located in a county with a population greater than 150,000 but less than 180,000 according to the 2020 federal decennial census.

Background

An STO is a charitable organization that raises tuition grant funding for eligible Iowa students who enroll in accredited nonpublic, Iowa-based elementary or secondary schools. Iowa taxpayers who donate to an STO are eligible for a tax credit.

Fiscal Impact
Division XI is expected to have no fiscal impact to the State.

Division XII — Miscellaneous Provisions

Description
Division XII allows a charter school student to have access to concurrent enrollment classes provided through the school district where the charter school is located. If the charter school is offering educational instruction primarily over the internet, the student is allowed to have access to concurrent enrollment classes provided through the student's resident district. Division XII requires a school district to document the reason and provide information related to the DE on any open enrollment denial request.

Background
Senior Year Plus serves as an umbrella for a variety of programs designed to provide high school students with access to courses that generate college credit. These programs are primarily offered through the community college concurrent enrollment program. The Iowa Community College Annual Joint Enrollment Report for academic year 2022-2023 provided the following enrollments by academic year:

- Academic year 2018-2019 — 50,587 students
- Academic year 2019-2020 — 51,800 students
- Academic year 2020-2021 — 47,262 students
- Academic year 2021-2022 — 50,082 students
- Academic year 2022-2023 — 52,814 students

Supplementary weighting paid through the school aid formula provides additional weighting based on Iowa Code section 257.11(3). Supplementary weighting is calculated based on the modality of the class—meaning how the class is offered—and the type of class designation, such as a liberal arts and science (A&S) course or a career and technical education (CTE) course.

Fiscal Impact
Division XII may increase enrollment for charter school students in concurrent enrollment courses and therefore increase the supplementary weighting for concurrent enrollment paid through the school aid formula, but the amount cannot be determined.

Division XIII — Private Instruction

Description
Division XIII changes the reporting requirement for a student under competent private instruction (CPI). Division XIII allows for independent private instruction (IPI) settings to enroll more than four unrelated students and charge tuition, fees, or other remuneration for instruction. It also allows students in all grade levels to receive instruction and allows students who are not related to the primary instructor to receive instruction.

Division XIII allows the parent, guardian, legal custodian, or instructor of students under CPI and IPI to issue a diploma, final transcript, or other written documentation reflecting academic achievements and the completion of a program of secondary education. This Act requires that issuance be accepted in the same manner as a high school diploma, final transcript, or other written documentation. The Division applies to diplomas, final transcripts, or other written documentation issued before, on, or after the effective date of this Act. The parent, guardian, or legal custodian may also verify information as detailed in this Act.

Background

Families may choose to educate students at home instead of enrolling them in a public or nonpublic school. This mode of education is often referred to as homeschooling and is offered in two formats in the State:

- Competent private instruction provided or supervised by a licensed practitioner or supervised by a parent, guardian, or custodian without a current Iowa teaching license.
- Independent private instruction.

Fiscal Impact

Division XIII is expected to have no fiscal impact to the State.

Division XIV — Immediate Effective Date

Description

Division XIV specifies that this Act takes effect May 12, 2026.

Fiscal Impact Summary

Division I is expected to have an unknown fiscal impact to the UNI due to an increase in administration costs and the potential need for additional FTE positions to fulfill the oversight requirements in this Act.

Division II is expected to increase the TSS payment to charter schools for FY 2027 by $1.3 million, which will increase the standing General Fund appropriation for charter schools by $1.3 million. This payment could vary based on the actual enrollment of charter school students and whether students attend the charter school on a full-time basis.

School districts will be reimbursed for additional costs related to offering driver education courses to charter school students in **Division IV**.

Any impact to the IFA due to **Division VI** is assumed to be minimal based on the collection of fees to cover administrative expenses incurred.

Division VII is expected to have an unknown fiscal impact to the DOM or the DE due to increased administrative costs for a second ESA period. Division VII is expected to increase costs for ESAs, but the increase cannot be estimated.

The fiscal impact for **Division X** cannot be determined because it is unknown whether there will be an increase in SWVPP participation due to additional pupils participating in preschool programs provided by community-based providers. For each additional pupil participating in the SWVPP, there will be an additional cost to the General Fund of $4,074 based on the current State cost per pupil. In addition, the DE may incur additional administrative costs due to the increase of oversight and providing technical assistance to community-based providers.

The fiscal impact for **Division XII** cannot be determined because the increase in concurrent enrollment and the type and modality of courses that will be taken are unknown.

Effective Date

This Act is effective on May 12, 2026. **Division I, Sections 44 and 48,** of this Act related to charter school contracts applies to charter school contracts that are executed or renewed pursuant to May 12, 2026, the effective date of this Act. **Division II, Sections 62 and 63,** of this Act related to the teacher salary supplement and AEA services are applicable for school budget years beginning on or after July 1, 2026. **Division XIII, Section 98,** of this Act related to private instruction diplomas, final transcripts, and other written documentation is applicable May 12, 2026.

Enactment Date

This Act was approved by the General Assembly on April 27, 2026, and signed by the Governor on May 12, 2026.

Sources

Ball State University
Department of Education
Department of Management
Iowa Coalition of Public Charter Schools
Iowa Finance Authority
Iowa Public Employees' Retirement System

SF 378 – Undivided Rural Highways, Speed Limit (LSB1416SV.3)
Staff Contact: Garry Martin (515.281.4611) garry.martin@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 378 increases the default speed limit to 60 miles per hour (mph) for all vehicular traffic, unless otherwise provided, and authorizes the agency that exercises jurisdiction over a highway for which the speed limit is increased to attach nonpermanent overlays or stickers approved by the Department of Transportation (DOT) to existing speed limit signs to display the new speed limit until the sign is permanently replaced.

This Act increases the upper speed limit range for applicable violations under Iowa Code sections 321.210 (Suspension), 321.210C (Probation Period), and 516B.3 (Minor Traffic Violations Not Considered in Establishing Rates) to include highways with a speed limit of 60 mph.

Background

Under current law, the default speed limit for all vehicular traffic is 55 mph, unless otherwise provided. Construction and maintenance of the primary road system, under the DOT, are funded by the Primary Road Fund (PRF). Construction and maintenance of secondary roads are funded by counties. This funding is provided for through a variety of federal, State, and local revenue.

Under current law, the DOT is prohibited from considering the first two excessive speed violations (within a 12-month period) of 10 mph or less on a highway with a speed limit between 34 mph and 56 mph for purposes of suspending a driver's license (Iowa Code section 321.210) or while a person is operating a motor vehicle during a probationary period (Iowa Code section 321.210C).

Assumptions

- The DOT will temporarily replace speed limit signs with an overlaying material before fully replacing speed limit signs. The timeline to permanently replace each sign is unknown.
- Under the jurisdiction of the State, there are an estimated 1,794 55-mph speed limit signs across the State that will cost an estimated $75 to overlay and an estimated $171 to replace under the jurisdiction of the DOT.
- The DOT will use existing FTE positions for both the overlay applications and permanent sign replacements.
- Counties will not use overlays but instead will change out signs.
- Counties will use existing FTE positions to replace the signs.
- Under the jurisdiction of counties, there are an estimated 3,465 55-mph speed limit signs across the State that will cost an estimated $111 each to replace. County signs are generally smaller than the signs used on state highways.

Fiscal Impact

Senate File 378 is estimated to have a one-time cost of $825,000 which will occur across two fiscal years, as shown in **Figure 1**. Of this amount, $518,000 will occur in FY 2027. Any costs incurred by the DOT will be paid from the PRF. Any costs for county sign replacement

will be paid by individual counties from the Secondary Road Fund. In FY 2028, the cost to the DOT to permanently replace signs is $307,000, paid from the Primary Road Fund.

Figure 1 — Implementation Costs of SF 378

Expenditure	FY 2027	FY 2028
DOT Temporary Overlay	$ 135,000	$ 0
DOT Sign Replacement	0	307,000
County Sign Replacement	383,000	0
Total Cost	$ 518,000	$ 307,000

Effective Date
This Act is effective July 1, 2026.

Enactment Date
This Act was approved by the General Assembly on April 22, 2026, and signed by the Governor on June 1, 2026.

Sources
Department of Transportation
Iowa County Engineers Association
Legislative Service Agency

SF 579 – Local Civil Rights Commission (LSB1493SV.1)
Staff Contact: Nathan Moore (515.725.0155) nathan.moore@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 579 modifies provisions related to local civil rights agencies or commissions operating under Iowa Code chapter 216. This Act provides that a city or local government shall not enact an ordinance or other law that is broader than, or that establishes categories of unfair or discriminatory practices different from, those provided under Iowa Code chapter 216. This Act permits cities of any population to maintain an independent local civil rights agency or commission. Current law requires cities with a population of 29,000 or greater to maintain a local civil rights commission.

This Act requires a local civil rights agency or commission to notify the Iowa Office of Civil Rights (IOCR) when a complaint is filed and after notice has been provided to all parties. A local civil rights agency or commission must also inform a person filing a complaint that the person may file the complaint with the IOCR in lieu of filing with the local agency or commission. This Act further requires that, if a complaint has been pending with a local civil rights commission or agency for at least 12 months as of this Act's effective date, the commission or agency must notify all parties of their right to transfer the complaint directly to the IOCR. The commission or agency must also notify the IOCR of those pending cases.

This Act takes effect upon enactment.

Background

Iowa currently has 25 local civil rights commissions pursuant to Iowa Code section 216.19. Local commissions may investigate complaints alleging violations of the Iowa Civil Rights Act of 1965 and may cross-file complaints with the IOCR.

The IOCR receives approximately 50.0% of its funding from the federal government and 50.0% from the State General Fund. The IOCR maintains federal workshare agreements with the Equal Employment Opportunity Commission (EEOC) for most employment cases and with the Department of Housing and Urban Development (HUD) for most housing cases. Federal reimbursement is not received for investigations involving education, public accommodation, or credit.

For FY 2026, the IOCR was appropriated $1.4 million in the annual Administration and Regulation Appropriations Act.

Assumptions

- Of the 25 existing local commissions, 10 currently conduct investigations.
- The number of complaints referred to the IOCR for investigation is expected to increase. Because the requirement for certain cities to maintain a civil rights commission would change from mandatory to permissive, some cities may choose to eliminate their commissions. If this occurs, all pending and future complaints from those jurisdictions would be transferred to the IOCR.

- The IOCR's workload is expected to increase as respondent-requested transfers at 12 months, and complaints pending longer than 12 months at the time of enactment, are transferred to the IOCR. This increase will require additional processes to complete existing investigations and to investigate transferred cases.
- The number of aged cases is unknown; therefore, the potential increase in investigative timelines cannot be determined. However, the IOCR indicates that timelines could increase by as much as 12 months.
- It is unknown how many transferred cases would qualify for federal reimbursement under existing workshare agreements. It is unknown whether federal workshare funding levels will increase, decrease, or remain stable.
- Cases transferred that are pending longer than 12 months from local commissions will not qualify for reimbursement under federal workshare agreements; therefore, additional general funds will be needed to process these complaints.
- The IOCR estimates that an additional 5.0 full-time equivalent (FTE) positions will be required to investigate and administratively process additional complaints. Cost estimates for these positions are based on starting salaries and benefits and include the following job classes:
  - 2.0 Attorney 1 FTE positions at an estimated cost of $170,000.
  - 2.0 Civil Rights Specialist FTE positions at an estimated cost of $148,000.
  - 1.0 Administrative Assistant 2 FTE position at an estimated cost of $69,000.

Fiscal Impact

Senate File 579 is estimated to result in a minimum cost of approximately $387,000 annually to the IOCR for 5.0 FTE positions. It is unknown what portion of this cost would be funded by the General Fund or through federal funding.

Effective Date

This Act is effective March 10, 2026.

Enactment Date

This Act was approved by the General Assembly on March 9, 2026, and signed by the Governor on March 10, 2026.

Source

Iowa Office of Civil Rights

SF 2114 – Intimidation with Dangerous Weapons (LSB5939SV)
Staff Contact: Justus Thompson (515.725.2249) justus.thompson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 2114 amends the crime of intimidation with a dangerous weapon by removing language that refers to the shooting, throwing, launching, or discharging of a dangerous weapon within an assembly of people, and thereby placing the occupants or people in reasonable apprehension of serious injury, from Iowa Code section 708.6 and adds language for the shooting, throwing, launching, or discharging of a dangerous weapon at another person.

Background

Penalties under Iowa Code section 708.6 range from a Class D felony to a Class C felony depending on the circumstances. 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.

In FY 2025, there were 98 convictions under Iowa Code section 708.6. Of those convictions, 89 offenders were involved. During the same time period, 59 individuals were admitted to prison, 43 individuals were admitted to probation, and 27 individuals were admitted to parole under an Iowa Code section 708.6 offense.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (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 this Act 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.

Correctional Impact

The correctional impact of this Act cannot be determined because the number of new convictions cannot be estimated. **Figure 1** shows sentencing estimates 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 Class C felony and Class D felony. Refer to the Legislative Services Agency (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.

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
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 Persons	89.1%	39.1	$23.07	30.1%	42.8	$8.00	$16.35	$50.00	27.2	$8.00

Minority Impact

The minority impact cannot be determined since it is not known how many additional convictions would result from the changes under this Act. However, this Act may disproportionately impact Black individuals if trends remain constant. Of the 89 individuals convicted under Iowa Code section 708.6 in FY 2025, 31.5% of offenders were White, 60.3% were Black, and 8.2% 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 this Act cannot be determined because the number of new convictions cannot be estimated. **Figure 2** shows the average State cost per offense for a Class C felony and Class D felony. 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 2 — Average State Cost Per Offense

Offense Class	Average Cost
Class D Felony	$13,000 to $18,100
Class C Felony	$15,000 to $25,200

Effective Date

This Act is effective on July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on March 23, 2026, and signed by the Governor on April 9, 2026.

Sources

Department of Corrections
Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)

SF 2168 – Reemployment Case Management and Unemployment Insurance Processing (LSB5501SV.5)
Staff Contact: Evan Johnson (515.281.6301) evan.johnson@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 2168 relates to workforce programs. This Act has 11 divisions.

The following divisions of this Act have minimal fiscal impacts:
- Division I — Iowa Registered Apprenticeship Act
- Division II — Iowa Plumber, Mechanical Professional, and Contractor Licensing Act — Apprenticeships
- Division IV — Career Training Physical Expansion Program
- Division V — Apprenticeship Training in School Districts
- Division VI — High-Demand Jobs and Scholarship Eligibility
- Division VII — Career and Technical Secondary Authorizations
- Division IX — Summer Youth Intern Pilot Program — Repeal
- Division X — Membership of Workforce Development Board

The following divisions of this Act have a fiscal impact and are described in further detail below:
- Division III — Iowa Apprenticeship Act
- Division VIII — Reemployment Case Management Program
- Division XI — Unemployment Compensation Reserve Fund — Transfer to Unemployment Trust Fund

Division III — Iowa Apprenticeship Act

Description

Division III of this Act adds intermediary sponsors as an entity eligible to provide apprenticeship training under Iowa Code chapter 84E. An apprenticeship sponsor whose apprentices receive contact hours from a lead apprenticeship sponsor is not eligible for financial assistance.

The Division increases a standing appropriation from the Workforce Development Fund (WDF) Account to the Apprenticeship Training Program Fund from $3.0 million to $4.5 million beginning in FY 2027. The Division also increases the maximum transfer of 260E withholding payments to the WDF Account from $7.8 million to $9.3 million.

Background

Under the 260E Program, a participating business partners with a community college, which sells bonds to finance the cost of training for new employee positions. The business diverts 1.5% of gross payroll from the State withholding taxes generated by the new positions to the community college to retire the bonds.

After the training obligation of a business under the 260E Program has been paid off, an amount equal to the withholding payments is credited to the WDF Account for 10 years, up to a maximum of $7.8 million annually. Moneys in the WDF Account are appropriated to Iowa Workforce Development (IWD) to be used for apprenticeship training and job training.

Assumptions
Participation in the 260E Program will not change during the projection period.

Fiscal Impact
Division III of this Act increases the annual standing appropriation from the WDF Account to the Apprenticeship Training Program Fund from $3.0 million to $4.5 million. The Division also increases the maximum transfer from the 260E withholding payments to the WDF Account from $7.8 million to $9.3 million.

Division VIII — Reemployment Case Management Program

Description
Division VIII of this Act codifies the Reemployment Case Management (RCM) Program and requires an individual to participate in the RCM Program in order to receive unemployment insurance benefits. The RCM Program provides individualized reemployment services to unemployment insurance claimants who are no longer attached to work. The Division requires IWD to adopt administrative rules regarding participation in the RCM Program.

Background
The RCM Program was created in January 2022 and has been operated using federal COVID-19 funds that must be expended by December 31, 2026. In FY 2025, approximately 19.0 full-time equivalent (FTE) positions were used to operate the RCM Program.

Assumptions
- Federal funds will be used to operate the RCM Program through December 31, 2026. State funding will not be used for the RCM Program during the first half of FY 2027.
- A funding source for operations beyond December 31, 2026, is not identified in this Act.
- Use of the unemployment insurance system and the RCM Program will not change during the projection period.
- The RCM Program created in this Act will be significantly similar to the RCM Program currently operated by IWD.
- The existing 19.0 FTE positions will continue to be used to operate the RCM Program beyond FY 2025.

Fiscal Impact
Division VIII of this Act is estimated to increase expenses to IWD by approximately $1.0 million in FY 2027 and by $2.0 million in each subsequent fiscal year.

Division XI — Unemployment Compensation Reserve Fund — Transfer to Unemployment Trust Fund

Description
Division XI of this Act amends 2024 Iowa Acts, chapter 1162 (Work-Based Learning Act), by transferring any remaining unencumbered or unobligated moneys in the Unemployment Compensation Reserve Fund (Reserve Fund) to the Unemployment Compensation Trust Fund (Trust Fund) on July 1, 2026. Interest earned on moneys in the Reserve Fund will be transferred to the Special Employment Security Contingency Fund on July 1, 2026.

Background
The balance of the Reserve Fund is $166.4 million as of March 6, 2026. 2024 Iowa Acts, chapter 1162, originally transferred moneys in the Reserve Fund to the following destinations:

- $30.0 million to the Workforce Opportunity Fund.
- Any interest earned to the Special Employment Security Contingency Fund.
- Any remaining unencumbered or unobligated moneys to the Trust Fund.

Assumptions
- The balance of the Reserve Fund will not change between March 6, 2026, and July 1, 2026.
- The Reserve Fund balance is unencumbered or unobligated.
- The total interest earned that will be transferred includes interest earned in prior fiscal years.

Fiscal Impact
Division XI of this Act is estimated to transfer $149.9 million to the Trust Fund and $16.5 million to the Special Employment Security Contingency Fund from the Reserve Fund on July 1, 2026.

Effective Date
Division IX of this Act, which repeals the Summer Youth Intern Pilot Program, is effective June 30, 2026. The remainder of this Act is effective July 1, 2026.

Enactment Date
This Act was approved by the General Assembly on May 1, 2026, and signed by the Governor on June 2, 2026.

Sources
Iowa Workforce Development
State Accounting System
Legislative Services Agency analysis

SF 2201 – Supplemental State Aid (LSB6843SV.4)
Staff Contact: Lora Vargason (515.725.1286) lora.vargason@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 2201 relates to public school funding by establishing the State percent of growth and the categorical State percent of growth for the budget year beginning July 1, 2026 (FY 2027), modifying provisions relating to property tax replacement payments (PTRPs) and transportation equity payments, modifying provisions relating to the regular program State cost per pupil (SCPP) and funding for shared operational functions, establishing a school district funding supplement, making appropriations, and including effective date provisions.

Division I — State and Categorical Percents of Growth and Property Tax Replacement Payments

Division I has three provisions with a fiscal impact. These provisions make the following changes:

- Establish a 2.0% State percent of growth rate to be applied to the SCPP for FY 2027 for a total State supplemental aid (SSA) increase of $160 per pupil.
- Establish a 2.0% State percent of growth rate to be applied to each of the State categorical cost per pupil amounts for FY 2027.
- Provide additional property tax replacement funding based on the per pupil increase that results from the establishment of the State percent of growth in FY 2027. This Act freezes the additional levy portion of the FY 2027 SCPP at $685 per pupil, regardless of the per pupil increase for FY 2027.

This Act specifies that current law requirements to enact allowable growth within 30 days of the transmission of the Governor's budget submission, which is required by February 12 during the regular legislative session, do not apply to this Act.

Division I takes effect upon enactment.

Division II — Transportation Equity Aid Funding

Division II establishes an annual $1.0 million cap per school district for payments from the transportation equity appropriation. This cap will apply beginning in FY 2027.

Division II takes effect upon enactment.

Division III — School District Budget Adjustment — FY 2026-2027

Division III modifies the FY 2027 budget adjustment guarantee provision to fully fund the budget adjustment guarantee from the General Fund in FY 2027.

Division III takes effect upon enactment.

Division IV — Education Support Personnel Salary Supplement — FY 2026-2027
Division IV appropriates $7.0 million to supplement education support personnel compensation and requires school districts that receive the Education Support Personnel Salary Supplement for FY 2027 to submit specified information to the Department of Education (DE). This Act provides the calculation and method of payment for the Supplement.

Division V — School District Enrollment and Budgeting
Division V changes the timing of payments to local education agencies from a current system of 10 monthly payments to a quarterly payment system. This Act requires the DE to provide the certified enrollment to the Department of Management (DOM) within 30 days after certification and provides for discrepancy resolution. This Act allows a local education agency to utilize an audit adjustment for one fiscal year, rather than the current practice, and provides a process for resolving enrollment disputes or inaccuracies.

This Act modifies the methodology used to determine a school district's annual basic enrollment from a single October enrollment count to a count based on the average of a district's actual enrollment for the base year and the district's adjusted enrollment for the base year. The adjusted enrollment is required to be determined annually on January 15, or the third Monday in January if January 15 falls on a Saturday or Sunday. This second enrollment count will be certified as the district's adjusted enrollment and submitted to the DE by February 15 of each year. The DE is required to promptly forward the adjusted enrollment to the DOM. This revised basic enrollment count will be used to calculate State aid and property taxes related to State aid.

The new adjusted enrollment methodology will apply to school budget years beginning in FY 2028.

Background

State Cost Per Pupil
The school aid formula funds school districts and Area Education Agencies (AEAs) through a mix of State aid and property taxes. In general, funding is generated on a per pupil basis, with the per pupil amounts providing an overall budget limitation (or spending authority). Five SCPP funding levels would be increased by a 2.0% State percent of growth for FY 2027 upon enactment of this Act.

Figure 1 provides the SSA amounts (also referred to as per pupil growth amounts) and SCPP for FY 2027 based on a 2.0% growth rate. The SSA amounts will be applied to all corresponding district and AEA cost per pupil amounts.

Figure 1 — FY 2027 State Cost Per Pupil Calculations

	FY 2026 State Cost Per Pupil	FY 2027 State Percent of Growth	FY 2027 Supplemental State Aid	FY 2027 State Cost Per Pupil
Regular Program	$ 7,988	2.00%	$ 160	$ 8,148
Special Education Program	7,988	2.00%	160	8,148
AEA Special Education Services	333.59	2.00%	6.67	340.26
AEA Media Services	62.19	2.00%	1.24	63.43
AEA Education Services	68.63	2.00%	1.37	70.00

In addition to the State percent of growth and SSA amounts for FY 2027, enrollments, weightings, and taxable valuations within each school district have an impact on total school aid funding, including the amount of State aid and local property tax required to generate the total funding.

State Categorical Supplements

The State categorical supplements are funded entirely through State aid and generate funds for each school district and AEA through the school aid formula on a per pupil basis. This Act increases the FY 2027 SCPP funding levels for the teacher salary supplement (district and AEA), professional development supplement (district only), early intervention supplement (district only), and Teacher Leadership and Compensation (TLC) supplement (district only) by a 2.0% State percent of growth. The State categorical supplements that provide each district and AEA with a minimum of the previous fiscal year's level of funding are funded entirely through State aid. **Figure 2** provides the per pupil growth and SCPP for categorical supplements for FY 2027 based on this Act.

Figure 2 — FY 2027 State Categorical Cost Per Pupil Calculations

	FY 2026 State Cost Per Pupil	FY 2027 State Percent of Growth	FY 2027 Supplemental State Aid	FY 2027 State Cost Per Pupil
Teacher Salary – Districts	$ 684.47	2.00%	$ 13.69	$ 698.16
Professional Development – Districts	77.52	2.00%	1.55	79.07
Early Intervention – Districts	84.44	2.00%	1.69	86.13
Teacher Leadership and Compensation – Districts	385.29	2.00%	7.71	393.00
Teacher Salary – AEAs	35.82	2.00%	0.72	36.54
Professional Development – AEAs	4.18			

Property Tax Replacement Payment (PTRP)

2013 Iowa Acts, chapter 121 (Education Reform Act), created the PTRP provision to replace local property taxes collected by school districts with State aid. The PTRP provision froze the additional levy portion of the SCPP at $750. Based on the State percent of growth enacted during the intervening fiscal years, the PTRP provision created $15 per pupil in property tax relief in FY 2014, which grew to $175 per pupil in FY 2023. The continual growth in PTRP is because the per pupil property tax relief of previous fiscal years is required to be carried forward into future fiscal years. This Act would freeze the additional levy portion of the SCPP at $685 for FY 2027. The per pupil property tax relief amount will be based on the State percent of growth enacted for FY 2027. **Figure 3** provides details regarding the SCPP funding levels as provided by a 2.0% growth rate for FY 2027 in this Act.

Figure 3 — FY 2027 Property Tax Replacement Payment Calculations

	FY 2026 State Cost Per Pupil	Increase Due to Supplemental State Aid Rate	FY 2027 State Cost Per Pupil
Regular Program	$ 7,988	$ 160	$ 8,148
Unadjusted Additional Levy	927	18	945
PTRP Portion	242	18	260
Fixed Additional Levy Portion	685	0	685

Transportation Equity Program. Iowa Code section 257.16C establishes the Transportation Equity Program. The Program was created to provide additional funding to school districts for public school transportation costs that exceed a statewide adjusted average cost per pupil. Unless otherwise provided, the appropriation increases at the categorical State percent of growth. Transportation equity payments may buy down transportation costs to the statewide average cost per pupil for providing transportation to public schools. If funding permits, school districts with per pupil transportation costs above the statewide average will receive transportation base funding payments on a per capita basis. This Act provides for a growth of 2.0%, the same as the categorical State percent of growth.

Assumptions

- The FY 2027 SCPP is $8,148, with $7,203 funded from the State General Fund, $260 funded from PTRPs funded from the State General Fund, and $685 funded from local property tax. The amount by which the district cost per pupil (DCPP) exceeds the SCPP is funded from local property tax.
- Estimates are based on October 2025 certified enrollments and supplementary weightings for estimated FY 2026, which were approved by the School Budget Review Committee (SBRC) in December 2025.
- The estimated increase in the uniform levy collected is not affected by the establishment of the State percent of growth rate. Property tax adjustment aid amounts are based on the statewide taxable valuation growth factor applied to each school district's FY 2027 taxable valuation amount.
- Total State aid includes funding from the State General Fund and other funds appropriated to or deposited into the Property Tax Equity and Relief (PTER) Fund, which is used to provide additional property tax relief through the school aid formula.
- Establishing an FY 2027 State percent of growth will also affect the amount of funding generated for the Statewide Voluntary Preschool Program. Funding for the Program is provided by State General Fund dollars and is included in the overall State aid total.
- This ***Fiscal Note*** is based upon current law. Any additional legislation that may change State aid and school aid-related property tax is not accounted for in this ***Fiscal Note***.

- The General Fund appropriation to the Transportation Equity Fund will increase by approximately $700,000. The appropriation may grow at the same rate as the State categorical cost per pupil rate in subsequent years. The cap on transportation equity payments to school districts will not affect the overall appropriation but will affect individual allocations to school districts.
- Students that graduate early or that are not enrolled by the January count date would not be included in the second count, therefore potentially reducing the average enrollment for a school district.

Fiscal Impact

Figure 4 provides the estimated fiscal impact of Senate File 2201, including the following provisions:

- A $7.5 million reduction[1] in State aid to the AEAs (current statute).
- A $146.0 million in PTRP funding, an increase of $8.7 million (6.31%) compared to estimated FY 2026.
- $760.1 million for the State categorical supplements for school districts and AEAs, an increase of $22.0 million (2.98%) compared to estimated FY 2026. This includes the following:
  - $472.7 million for the teacher salary supplement at the district and AEA levels.
  - $40.6 million for the professional development supplement at the district level.
  - $44.2 million for the early intervention supplement.
  - $202.6 million for the TLC supplement.
- $92.6 million for preschool formula funding, an increase of $1.3 million compared to estimated FY 2026. The preschool formula funding is included in the State aid total but is not included in the combined district cost total.
- The total property tax funds generated through the school aid formula are estimated to be $1,248.7 million, an increase of $50.8 million (4.24%) compared to estimated FY 2026. An additional $42.2 million in budget adjustment guarantee funding for 199 qualifying districts would be provided by the General Fund in place of property taxes. This is an increase of $17.9 million compared to the estimated FY 2026 budget adjustment guarantee. In previous fiscal years, the budget adjustment guarantee was fully funded by property taxes. For FY 2026, the budget adjustment guarantee was available for 157 school districts and totaled $24.3 million. The budget adjustment guarantee is calculated at the school district level so that eligible school districts receive 101.00% of their previous year's regular budgeted funding. Since FY 2000, the budget adjustment guarantee has been funded entirely through property taxes.
- The total State aid from the General Fund is estimated to be $3,981.7 million, a total increase of $98.9 million (2.55%), with $42.2 million in funding for the budget adjustment guarantee. **Figure 4** also includes the FY 2027 General Fund appropriation of $33.3 million to the Transportation Equity Fund, which is not included in the total State aid estimate. Although there will be no change to the total General Fund appropriation, the proposed
  $1.0 million cap will impact the transportation equity allocation to individual school districts.
- In FY 2027, the DE will deduct a calculated amount from State aid disbursed to school districts for students enrolled in charter schools during FY 2026 who were included in the fall 2025 certified enrollment count of their resident district.
- Division IV appropriates $7.0 million to the DE to supplement education support personnel compensation.

[1] Since FY 2018, the General Assembly has further reduced funding to AEAs by an additional amount per year. Historically, the additional reductions have been included in the annual Standing Appropriations Act. For FY 2027, HF 2800 (FY 2027 Standing Appropriations Act) reduced funding to AEAs for a total of $32.5 million.

- Any increase or decrease in enrollment generated from the adjusted enrollment may increase or decrease appropriations from the General Fund for total State aid. There may also be additional administrative costs to the DE, the DOM, and school districts to complete the second enrollment count. Impacts related to the change in payments from monthly to quarterly cannot be determined.

Any legislative action affecting FY 2027 school aid provisions may have an impact on school aid amounts. Additionally, any variations in the assumptions noted may result in changes in the FY 2027 estimates provided in **Figure 4**.

Figure 4 — SF 2201

Legislative Services Agency: FY 2027 School Aid Estimates (Statewide Dollars in Millions)

2.00%	*Set a State Percent of Growth*	State Supplemental Aid (SSA)	$	160
$ 0	*Set additional dollars to SCPP separate from the SSA*	Additional Dollars	$	0
Yes	*Select if the PTRP is renewed ("No" is current law)*	Total Change	$	160
$ 0	*Select AEA reduction in addition to current law ($7,500,000)*	FY 2027 State Cost Per Pupil (SCPP)	$	8,148
$ 0	*Transfer from Economic Emergency Fund FY 2027*	Total AEA Reduction	$	7,500,000

Program Funding:		FY 2026		Est. FY 2027		Est. Change	% Change
Regular Program District Cost	$	3,844.0	$	3,861.0	$	17.1	0.44%
Regular Program Budget Adjustment Guarantee		24.3		42.2		17.9	73.65%
Supplementary Weighting (District)		142.1		151.2		9.0	6.37%
Special Education Instruction (District)		552.7		567.4		14.7	2.65%
Teacher Salary Supplement (District)		440.7		453.6		12.9	2.93%
Professional Development Supplement (District)		39.4		40.6		1.3	3.17%
Early Intervention Supplement (District)		42.8		44.2		1.4	3.17%
Teacher Leadership Supplement (District)		196.3		202.6		6.3	3.20%
AEA Special Ed Support District Cost		191.8		193.2		1.4	0.71%
AEA Special Ed Support Adjustment		1.2		1.8		0.6	50.00%
AEA Media Services		33.8		34.2		0.3	1.04%
AEA Ed Services		37.4		37.7		0.4	1.04%
AEA Sharing		0.2		0.2		0.0	1.98%
AEA Teacher Salary Supplement		18.9		19.1		0.2	0.92%
AEA Professional Development Supplement		0.0		0.0		0.0	
AEA Statewide State Aid Reduction		-32.5		-7.5		25.0	-76.92%
Dropout and Dropout Prevention		153.9		153.9		0.0	0.00%
Combined District Cost	$	5,686.5	$	5,795.4	$	108.9	1.91%
Statewide Voluntary Preschool Program	$	91.3	$	92.6	$	1.3	1.37%

State Aid:		FY 2026		Est. FY 2027		Est. Change	% Change
Regular Program	$	2,177.2	$	2,141.5	$	-35.7	-1.64%
Supplementary Weighting		125.5		133.5		8.0	6.38%
Special Education Weighting		488.0		501.0		13.0	2.66%
Property Tax Adjustment Aid (1992)		6.2		5.9		-0.3	-5.02%
Property Tax Replacement Payment (PTRP)		137.3		146.0		8.7	6.31%
Adjusted Additional Property Tax - General Fund		24.0		24.0		0.0	0.00%
Statewide Voluntary Preschool Program		91.3		92.6		1.3	1.37%
Minimum State Aid		1.2		2.1		0.8	68.42%
School District Budget Adjustment Guarantee		0.0		42.2		42.2	
State Aid from General Fund	$	3,882.8	$	3,981.7	$	98.9	2.55%
Transfer from Economic Emergency Fund	$	21.9	$	0.0	$	-21.9	-100.00%
Charter School Adjustment		5.7		12.3		6.6	114.17%
*Adjusted Additional Property Tax - SAVE Fund		31.8		35.3		3.5	11.07%
Foundation Base Supplement (FBS)		10.2		14.0		3.8	37.39%

Local Property Tax:		FY 2026		Est. FY 2027		Est. Change	% Change
Uniform Levy Amount	$	1,197.9	$	1,248.7	$	50.8	4.24%
Additional Levy		601.0		616.6		15.7	2.61%
Total Levy to Fund Combined District Cost	$	1,798.8	$	1,865.3	$	66.5	3.70%
Comm/Ind - Uniform Levy Adjustments		18.7		19.2		0.5	2.59%
Comm/Ind - Additional Levy Adjustments		10.1		0.0		-10.1	

Miscellaneous Information:	FY 2026	Est. FY 2027	Est. Change	% Change
Budget Enrollment	480,665	473,329	-7,336	-1.53%
Number of Districts with Budget Adjustment Guarantee	157	199	42	26.75%
Percentage of Districts with Budget Adjustment Guarantee	48.31%	61.23%		
Statewide Categoricals Total	$ 738.1	$ 760.1	$ 22.0	2.98%
Property Tax Relief Payment Per Pupil	242	260	18	7.44%
Foundation Base Supplement Per Pupil	18	25	7	38.89%
Statewide AEA Funding	250.7	278.6	27.9	11.12%
Transportation Equity Program	32.7	33.3	0.7	2.00%

Notes:

Totals may not sum due to data duplication and exclusion. For example, other funds are provided by State Aid but not included in the State Aid section because they are represented in the Program Funding section listed above. The Transportation Equity Program is not included in State Aid totals.

Area Education Agency (AEA)

*Secure an Advanced Vision for Education (SAVE) Fund

The provision for Minimum State Aid requires that the State provide at least $300 per student.

Sources: Department of Management (School Aid File), LSA analysis and calculations.

Effective Date

Divisions I, II, and III of this Act take effect on February 26, 2026. The remainder of this Act takes effect on July 1, 2026. **Division V, Sections 11 through 13,** of this Act apply to enrollment determinations occurring on or after July 1, 2026, to be used for school budget years beginning on or after July 1, 2027.

Enactment Date

This Act was approved by the General Assembly on February 23, 2026, and signed by the Governor on February 26, 2026.

Sources

Department of Education, Certified Enrollment and Enrollment Projections File
Department of Management, School Aid File
Department of Revenue
Iowa Association of School Boards
Rural School Advocates of Iowa
School Administrators of Iowa
Urban Education Network
LSA analysis and calculations

SF 2218 – Educational Practitioner Licensing, Lawful Presence Verification (LSB5046SV.3)
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Fiscal Note Version – Final Action

Description

Senate File 2218 is comprised of six divisions and relates to verification of lawful presence and legal authorization matters, including education-related professions, providing false social security numbers, State employment and licensure, voter registration, and pretrial detention, and includes penalties and applicability provisions.

Division I — Education-Related Provisions

Description

Division I of this Act requires all initial applicants for licensure and all applicants for licensure renewal to provide evidence of their legal authorization to work in the United States to the Board of Educational Examiners (BOEE). After initial licensure, the applicant is required to provide evidence of legal work authorization every five years.

This Division also specifies the documents that may be accepted by the BOEE as proof of identification and employment eligibility. The BOEE has the exclusive authority to adopt administrative rules to implement this requirement.

Background

Under Iowa Code section 256.146, the BOEE requires that a background check be conducted by the Division of Criminal Investigation (DCI). This includes national criminal history background checks, sex offender registry information, child abuse registry information, and dependent adult abuse information. Current law does not require evidence of legal authorization to work in the United States.

The BOEE uses Fieldprint to complete the federal portion of required background checks for new applicants. The applicant pays a fee as part of the initial and renewal process, and a background check is conducted with each renewal. Additional resources, such as Iowa Courts Online, the child abuse registry, and the sex offender registry, are used in the process.

Currently, all license applications and renewals are only accepted online, and no paper submissions are accepted. Application and renewal processing can take a minimum of four to six weeks.

Assumptions

- The BOEE has processes that can be readily modified to incorporate the provisions of this Act.
- The DCI currently conducts fingerprint-based background investigations for initial applicants.

- The DCI's current process and involvement will not be affected by the additional requirements in this Act.

Fiscal Impact
No fiscal impact is anticipated for the BOEE or DCI. Any additional costs to implement the requirements of this Division will be absorbed by existing staff within the BOEE.

Costs associated with providing evidence of legal authorization to work in the United States, as well as additional fees, will be the responsibility of the applicant.

Division II — Providing False Social Security Numbers — Penalties

Description
Division II of this Act relates to providing a false social security number to an employer or prospective employer or to a potential employee.

The Division prohibits an employer from hiring or continuing to employ an employee whom the employer knows has provided the employer with a false social security number on any documentation for employment.

An employer violating this Act is subject to a $10,000 civil penalty to be collected by Iowa Workforce Development (IWD). For a fourth or subsequent violation, in addition to the civil penalty, an employer must cease operations at the location where the violation occurred until any individual who holds a majority ownership interest in the employer, and all managerial staff at the location, participate in training developed by IWD regarding compliance with this Act.

Under this Act, it is a fraudulent practice for a person, for the purpose of retaining or obtaining employment, or any other thing of value, to falsely provide an employer or prospective employer with a social security number that does not belong to the person. It is a fraudulent practice for an employer to knowingly provide a potential employee with a fraudulent social security number for the purpose of hiring the potential employee.

Penalties for fraudulent practices range from a simple misdemeanor to a Class C felony depending upon the amount of moneys or value of property or services involved.

Background
A simple misdemeanor is punishable by confinement for up to 30 days or a fine of at least $105 but not more than $855. A serious misdemeanor is punishable by confinement for up to one year and 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.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (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 this Act 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.
- Implementation and workload will require 3.0 additional full-time equivalent (FTE) positions. According to the IWD, the required job classes and costs of these positions will be as follows:
  - 1.0 Attorney FTE position with estimated base salary and benefits ranging from $107,000 to $124,000.
  - 2.0 Investigator 2 FTE positions with estimated total base salary and benefits for both positions ranging from $163,000 to $197,000.
- The IWD would incur ongoing indirect costs between $41,000 and $48,000.

Correctional Impact

Division II of this Act creates a new criminal offense, and the correctional impact cannot be estimated due to a lack of existing conviction data. **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, and Class C 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 Non-Persons	31.1%	9.3	$23.07	37.1%	28.4	$8.00	$16.35	$50.00	11.2	$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
C Felony Non-Persons	84.0%	16.8	$23.07	66.4%	51.4	$8.00	$16.35	$50.00	24.3	$8.00

Refer to the Legislative Services Agency (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
Division II of this Act creates a new criminal offense. As a result, the Department of Management (DOM) Division of Data, Planning, and Improvement (DPI) cannot use existing data to estimate the minority impact of this Act. 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 cost to IWD to add 3.0 FTE positions is approximately $311,000 to $369,000 annually.

The fiscal impact on the justice system cannot be determined because the number of convictions cannot be estimated. **Figure 2** 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 2 — 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

Division III — Immigration Status — Employment and Licensure

Description
Division III of this Act requires each house of the General Assembly; the Legislative Services Agency; the Ombudsman's Office; each head of a department or independent agency of the State; each Board of Regents (BOR) institution; public, nonpublic, and charter schools; counties; and cities to use the E-Verify system of the U.S. Citizenship and Immigration Services (USCIS) to confirm the employment eligibility of newly hired employees. The Division also requires the results of the E-Verify system check to be transmitted to the United States Immigration and Customs Enforcement (ICE) and other appropriate federal immigration agencies if the check shows that the subject of the check does not have legal status to be present in the United States, after the completion of any appeals.

Division III creates within the Department of Inspections, Appeals, and Licensing (DIAL) a Systematic Alien Verification for Entitlements (SAVE) program clearinghouse to process requests to verify the USCIS status of applicants for licensure and renewal of licensure and requires professional licensing boards to verify citizenship and immigration status. The Division also requires the results of the E-Verify system check to be transmitted to the United States ICE and other appropriate federal immigration agencies if the check shows that the

subject of the check does not have legal status to be present in the United States, after the completion of any appeals. The Division includes requirements for individuals challenging the results of E-Verify and SAVE system checks. The DIAL is directed to adopt administrative rules to implement provisions of this Division. Division III takes effect July 1, 2026.

Background

The SAVE online service is maintained by the U.S. Department of Homeland Security (DHS) and administered by the USCIS. The DIAL is currently required to access information maintained by the USCIS of the DHS when determining eligibility for professional license applicants as mandated by Executive Order 15 (EO15), signed on October 8, 2025.

The SAVE system is an online service for registered federal, State, territorial, tribal, and local government agencies to verify the immigration and citizenship status of applicants seeking benefits or licenses and is administered by the USCIS of the DHS. A user agency is charged a monthly service charge of $25 for each month in which the user agency submits at least one SAVE case. As of April 1, 2025, nonfederal user agencies are not charged a fee for each case run through SAVE.

The DIAL is currently undergoing a project to modernize, standardize, and simplify its licensing operations. The Administrative Licensing and Inspections Governance Network (ALIGN) system will consolidate existing systems into one unified licensing, permitting, inspection, and case management system.

According to the DIAL, costs associated with Division III of this Act have already been incurred in FY 2026 as a result of EO15 and include the following:

- 1.0 FTE position for an Executive Officer 2 to serve as the project sponsor for the SAVE clearinghouse at an annual cost of approximately $92,000 beginning in FY 2027. It is estimated that approximately one-third of this cost, or $31,000, will begin in FY 2026.
- $40,000 in FY 2026 to modify current licensing database systems.
- $60,000 in FY 2026 to make changes to the ALIGN system.
- $20,000 in annual expenses for continued support from the DOM Division of Information Technology (DoIT).

State agencies and the BOR are required by EO15 to use E-Verify to confirm the employment eligibility of newly hired employees. The Executive Order also requires State agencies to use the SAVE clearinghouse.

Assumption

Additional costs to other State agencies for the implementation of the E-Verify and SAVE systems are unknown but are not estimated to be significant.

Fiscal Impact

The estimated annual costs to the DIAL, beginning in FY 2027, are $20,000 for DOM DoIT support and $92,000 and 1.0 FTE position for a SAVE Program Sponsor, for a total annual cost of $112,000 and 1.0 FTE position.

Division IV — Voter Registration — Unauthorized Aliens

Description

Division IV of this Act disqualifies persons who are unauthorized aliens from registering to vote and voting. Division IV of this Act requires a person submitting a voter registration form to swear an oath that the person is qualified to register to vote and that the person has not submitted false information in the voter registration forms. A person falsely swearing this oath is guilty of election misconduct in the first degree, which is a Class D felony.

Division IV requires the State registrar of voters to attempt to verify all registered voters' United States citizenship using the SAVE system of the USCIS and to provide notice to each county commissioner of registration of the results of the citizenship verification for each registrant in the county. The Division includes requirements for the county commissioner and the registrant pertaining to notice, registration status, and proof of citizenship. The Division additionally requires the State Registrar of Voters to verify the citizenship status of newly registered voters monthly and to verify the citizenship status of all registered voters annually. The Registrar of Voters is directed to adopt administrative rules to implement provisions of this Division.

Division IV of this Act expands the scope of election misconduct in the first degree and provides that indictment or information for election misconduct in the first degree must be found within five years after the commission of the offense.

Background

Under current law, the indictment or discovery of information for election misconduct in the first degree must occur within three years after the commission of the offense. 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. In FY 2025, there were two convictions of election misconduct in the first degree.

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 this Act 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 DOC for supervision during a selected time period, based on the most serious offense committed.

- Counties report there may be an increase in costs associated with tracking and notifying registrants whose records have been designated as unconfirmed, but it cannot be estimated as it is unknown how many registrants will need to be notified.

Correctional Impact

The correctional impact of Division IV of this Act cannot be determined because the number of new convictions cannot be estimated. **Figure 3** shows estimates for sentencing to State prison, parole, probation, or CBC residential facilities; LOS in months under those supervisions; and supervision marginal costs per day for a Class D felony.

Figure 3 — 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
D Felony Non-Persons	84.2%	12.5	$23.07	69.4%	41.4	$8.00	$16.35	$50.00	15.5	$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

The minority impact cannot be determined since it is not known how many new convictions would result from the changes under Division IV of this Act. 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 Division IV of this Act cannot be determined because the number of new convictions cannot be estimated. The average State cost for a Class D felony is between $13,000 and $18,100. 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.

This Division of this Act is expected to increase costs associated with tracking and notifying unconfirmed registrants, but estimates cannot be determined.

Division V — Pretrial Detention

Description

Division V of this Act provides that a charge for a forcible felony creates a rebuttable presumption that the person is dangerous and that there is not sufficient surety or condition of release that will reasonably ensure the personal safety of another person or persons. If a court determines that there is probable cause to believe that the defendant committed a forcible felony, then the defendant must be held without

bail. Division V of this Act provides that it will be presumed that there are not sufficient sureties or conditions of release that will secure the appearance at trial of an unauthorized alien for an indictable offense. This presumption can be rebutted by demonstrating that adequate conditions of release will secure the appearance of the defendant at trial.

Fiscal Impact

The fiscal impact of Division V of this Act is unknown.

Division VI — Severability

Description

Division VI includes severability clauses stating that if any portions of this Act are held invalid or are enjoined by a federal court, the invalidity or the injunction does not affect the provisions or applications of this Act that can be given effect without the invalid provisions or applications.

This Act states that each division of this Act is to be construed as independent legislation, and that the invalidity of any one division is not to affect the validity of any other division. This Act also states that courts are to construe any invalidity as narrowly as possible to preserve maximum effect for the remaining provisions.

The requirements of this Act are to be suspended during times in which the federal government does not provide the State or its political subdivisions with access to the E-Verify or the SAVE systems, ceases to fund the E-Verify or the SAVE systems, or terminates any authorization that permits the State to access the federal verification systems.

Fiscal Impact

Division VI is anticipated to have no fiscal impact on the State.

Fiscal Impact Summary

Division I and **Division VI** of SF 2218 are anticipated to have no fiscal impact on the State.

Division II of SF 2218 is expected to require 3.0 additional FTE positions with costs of approximately $311,000 to $369,000 annually. The fiscal impact on the justice system cannot be determined because the number of convictions cannot be determined.

Division III of SF 2218 is estimated to increase expenditures by $112,000 annually.

The fiscal impact of **Division IV** and **Division V** cannot be determined.

Effective Date

This Act is effective July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on April 29, 2026, and signed by the Governor on June 2, 2026.

Sources

Board of Educational Examiners, Department of Education
Department of Corrections
Department of Inspections, Appeals, and Licensing
Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)
Division of Criminal Investigation, Department of Public Safety
Iowa Workforce Development
Iowa State Association of Counties
Legislative Services Agency analysis

SF 2220 – Gifted and Talented Programs (LSB5496SV.3)
Staff Contact: Serenity Lo (515.281.5661) serenity.lo@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 2220 modifies provisions related to the Iowa Statewide Assessment of Student Progress (ISASP) and programs for gifted and talented students and requires school districts to establish advance mathematics pathways and implement procedures for subject acceleration and whole-grade acceleration. This Act does the following:

- Changes the grade assessment for science to the last quarter of grades 5, 8, and 11.
- Requires school districts to establish systematic and uniform procedures for screening, referring, identifying, and serving gifted and talented children, based on evidence from multiple data sources as described in this Act.
- Prohibits any one criterion from being used to deny gifted and talented services to an otherwise qualified student.
- Once gifted and talented students are identified, requires school districts to provide education service options for them in the area in which they are gifted and talented. The progress of those students is required to be reviewed at least annually, and services must satisfy requirements outlined in this Act.
- Requires each school district to develop an advanced mathematics pathway that is designed to increase the number of students who complete higher-level mathematics courses in grades 9 through 12 and enable students to be prepared for and enroll in Algebra I as early as middle school but no later than the end of grade 9. School districts are required to automatically enroll a student in an advanced mathematics pathway if certain conditions are met.
- Requires each school district to establish and implement procedures for subject acceleration and whole-grade acceleration. Any student enrolled in grades 4 through 12 who meets all of the requirements outlined in this Act, including but not limited to advanced performance level achievement on the ISASP in mathematics or English language arts and demonstrating academic preparedness, shall be automatically enrolled in the next most rigorous level of advanced courses of programs offered by the school district in the next school year.
- Requires each school district to allow any student who is enrolled in an accelerated course to take the statewide summative assessment that corresponds to the content and level of the course.
- Requires school districts to pay costs required by this Act from State Foundation School Aid per Iowa Code section 25B.2 (state mandates).

Provisions related to the advanced mathematics pathway, grade acceleration, and automatic enrollment in advanced courses apply to school years beginning on or after July 1, 2027.

Background

The federal Every Student Succeeds Act (ESSA) requires that states annually assess all students on achievement of grade-level, state-adopted standards in mathematics, reading, and science. The ISASP is a summative accountability assessment for all Iowa students that meets the ESSA requirements. Assessments for English language arts and mathematics are administered in grades 3 through 11. Assessments for science are administered in grades 5, 8, and 10.

In the academic year 2024-2025, 35,513 out of 324,350 (10.9%) of public school students in grades 3 through 11 scored Advanced in English language arts and 47,776 out of 324,703 (14.7%) scored Advanced in mathematics.

Iowa Code section 257.44 defines "gifted and talented children" as those who are identified as possessing outstanding abilities and who are capable of high performance. This includes children with demonstrated achievement or potential in one or more of the following:

- General intellectual ability.
- Creative thinking.
- Leadership ability.
- Visual and performing arts ability.
- Specific ability aptitude.

Iowa Code section 257.42 requires school boards to annually submit program plans for gifted and talented students, as well as budget costs, to the Department of Education (DE). Iowa Code section 257.46 funds gifted and talented children's programs for school districts. The programs are funded annually on a basis of one-fourth or more from the district cost of the school district. The remaining amount is funded by supplemental State aid increases.

Iowa Administrative Code 281—98.20 outlines categorical funding included in the school district cost per pupil calculated each year by the supplemental State aid percentage. It accounts for no more than 75.0% of the school district's total gifted and talented program budget. The school district is also required to provide a local match from the district's regular program district cost, which must be a minimum of 25.0% of the total gifted and talented program budget. This categorical funding may be used for the salary and benefits of full-time equivalent (FTE) teachers, as well as resources, materials, software, supplies, equipment, and purchased services for gifted and talented students.

Unexpended funds carry forward for use in the next academic year. There is no supplementary weighting for students in advanced mathematics pathways, subject acceleration, or whole-grade acceleration.

For academic year 2025-2026, 41,190 students were reported as gifted and talented, representing 8.8% of total enrollment.

The DE reports on teacher vacancies by endorsement. For the 2026-2027 academic year, 28 mathematics teacher positions and 7 gifted education teacher positions were reported as unfilled.

Talented and gifted (TAG) funding is embedded with the school aid formula and accounted for within the General Fund. Based on FY 2025 data, the statewide TAG budget totaled approximately $47.1 million, consisting of $35.3 million (75.0%) generated through the TAG finance formula and $11.8 million (25.0%) in required local match. Districts reported approximately $24.8 million in TAG carryforward authority from FY 2024, although 106 of 325 districts (32.6%) reported no carryforward balance.

Assumptions
School districts will be required to create and maintain plans for gifted and talented programming. Costs associated with modifying district gifted and talented plans are anticipated to be minimal.

Iowa school districts collectively have ending surplus balances for gifted and talented programming, including $23.2 million in estimated FY 2025 and $24.8 million in FY 2024. Two hundred nineteen districts had a balance in FY 2025, and 168 school districts had a balance in FY 2019 through FY 2025.

The DE is currently required to employ a gifted and talented program consultant. The position provides implementation support to school districts and administers associated work with the DE.

Fiscal Impact
Senate File 2220 is anticipated to have no fiscal impact on the DE. School districts may incur costs related to the expenses of gifted and talented programs related to providing advanced pathways for an unknown number of students. These costs may include hiring teacher positions, providing online options through concurrent enrollment, and potential transportation costs if a student is offered advanced classes in a different school building. School districts may expend funds from existing balances in their gifted and talented categorical budgets to offset those costs. The balances cannot be used for the advanced pathways provision in this Act and for students who have not been identified as gifted and talented.

This Act requires school districts to pay costs required by this Act from State Foundation School Aid per Iowa Code section 25B.2(3).

Effective Date
This Act is effective July 1, 2026. Provisions related to the advanced mathematics pathway, grade acceleration, and automatic enrollment in advanced courses are effective July 1, 2027.

Enactment Date
This Act was approved by the General Assembly on April 16, 2026, and signed by the Governor on June 2, 2026.

Sources
Iowa Department of Education
Iowa Department of Management
Iowa Association of School Boards
Legislative Services Agency calculations

SF 2231 – Educational Programs, Eligibility of Sectarian Programs and Costs (LSB5898SV.2)
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Fiscal Note Version – Final Action

Description

Senate File 2231 requires the Director of the Department of Education (DE) to distribute to superintendents and principals the most recent version of the United States Department of Education's guidance related to constitutionally protected prayer and religious expression in public elementary and secondary schools. Each superintendent and principal will distribute this guidance as detailed in this Act. The DE is required to provide a link on its site to this most recent guidance. The DE will develop and distribute to public schools and community-based providers participating in the Statewide Voluntary Preschool Program (SWVPP) a professional development (PD) training program and a model policy regarding constitutionally protected prayer and religious expression in elementary and secondary schools.

This Act requires school districts to enter into 28E agreements with community-based providers to allow a community-based provider to provide high-quality instruction as part of the approved local preschool program.

This Act also removes exclusions of sectarian books and expenses that relate to the teaching of religion from the definitions of "textbooks" and "tuition" for the Tuition and Textbook Tax Credit (TTC), and removes exclusions of certain religious services, materials, or activities from the definition of early childhood development expenses for the Early Childhood Development (ECD) Tax Credit.

The removal of exclusions for the TTC and the ECD Tax Credit apply retroactively for tax years beginning on or after January 1, 2026.

This Act also provides for free speech protections and enforcement mechanisms including civil action and civil penalties.

Background

The SWVPP, established in Iowa Code chapter 256C, provides funding to school districts for eligible preschool-age children and programs. Under current law, only school districts that meet certain requirements established by the State Board of Education can participate in the SWVPP. School districts are currently allowed to contract with community-based providers for SWVPP services. State funding provided for the SWVPP is provided to school districts based on the number of eligible students enrolled in the preschool program. If the school district contracts with a community-based provider, any State funding passes from the school district to the community-based provider.

Over the last three years, the following number of school district and community-based partnerships have been in place:

- 2023-2024 academic year: 323 school district programs with 238 community partner locations.
- 2024-2025 academic year: 324 school district programs with 231 community partner locations.
- 2025-2026 academic year: 325 school district programs with 228 community partner locations.

The DE currently dedicates 3.0 full-time equivalent (FTE) positions to provide State oversight and technical assistance, including PD, coaching services, and program monitoring. Professional development is also provided through the Area Education Agencies (AEAs) as a fee-for-service option.

The TTC was created in 1987 Iowa Acts, chapter 233 (Appropriations and Programs Relating to Various Public Agencies Act), and is summarized in a ***Fiscal Topic**, Tax Credit: Tuition and Textbook Tax Credit*. In 2021 Iowa Acts, chapter 139 (Education Programs, Tax Credits, and Information Act), the expense cap was increased from $1,000 to $2,000 with a 25.0% credit ($500) against eligible education expenses.

According to the December 2025 Contingent Liabilities Report from the Iowa Department of Revenue (IDR), claims for the TTC totaled $23.8 million in FY 2025.

The ECD Tax Credit was created in 2005 Iowa Acts, chapter 148 (Early Care, Child Care, Education, Health, and Human Services Assistance Act), and is summarized in the ***Fiscal Topic,** Tax Credit: Early Childhood Development Tax Credit*. In 2021 Iowa Acts, chapter 177 (State and Local Revenue and Finance Act), the income eligibility limit was increased from $45,000 to $90,000, with a tax credit limit of 25.0% ($250) against a maximum of $1,000 in eligible expenses.

According to the December 2025 Contingent Liabilities Report from the IDR, claims for the ECD Tax Credit totaled $1.4 million in FY 2025.

Assumptions

The following assumptions are made regarding requiring school districts to enter into 28E agreements with community-based providers:

- Community-based providers will adhere to the same programmatic requirements and administrative tasks as those currently assumed by school districts, including annual program assurances, State data reporting, assessment requirements, and meeting preschool program standards as established by the State Board of Education.
- Licensing requirements for SWVPP personnel will be maintained.
- With a potential increase in community-based providers, the DE may require additional FTE positions to support State oversight and technical assistance services.
- The current State school aid for SWVPP is $4,074 per pupil.
- Each new community-based provider would be supporting classrooms with a maximum of 20.0 pupils at a State school aid cost of $81,480.
- The DE FTE salary and benefit cost for an Education Program Consultant is $160,000 and for a Data Analyst is $149,000.

The following assumptions are made regarding the TTC exclusions:

- Tax year (TY) 2026 impacts will primarily affect individual income tax revenue to the General Fund beginning in FY 2027, although a small amount of TY 2026 claims will materialize in FY 2026.

- According to TY 2024 data, approximately 13,000 households with dependents who attend private religious schools would have the ability to access the TTC under the $2,000 expenditure limit.
- The price of a textbook for K-12 students is $90.
- This Act affects both resident and nonresident individual income taxpayers.
- The income surtax for schools is a local option tax that is based on a taxpayer's Iowa income tax liability. Law changes that lower Iowa income tax liability also lower the amount of income surtax owed by any taxpayer subject to the surtax. For this projection, the surtax is assumed to equal 3.3% of State individual income tax liability.

The following assumptions are made regarding the ECD Tax Credit exclusions:
- Tax Year 2026 impacts will affect individual income tax revenue to the General Fund beginning in FY 2027.
- Approximately 400 households annually that have not reached the maximum $250 tax credit would be eligible to claim the credit.
- The average tax credit increase per household is $145, per the IDR.
- Approximately 15.0% of children from three to five years old are in faith-based child care that may purchase religious materials that are eligible expenses used to calculate the tax credit.
- This Act affects both resident and nonresident individual income tax payers.
- The tax credit is refundable and would have no impact on the income surtax for schools.

Fiscal Impact

The fiscal impact of the section of the Act requiring school districts to enter into 28E agreements with community-based providers is undetermined because it is unknown whether there will be an increase in SWVPP due to additional pupils participating in preschool programs provided by community-based providers. For each additional pupil participating in the SWVPP, there will be an additional cost to the General Fund of $4,074 based on the current State cost per pupil. In addition, the DE may incur additional administrative costs due to the increase of oversight and providing technical assistance to community-based providers.

The section of this Act affecting the TTC is estimated to decrease income surtax for schools by approximately $13,000 annually beginning in FY 2027, and decrease General Fund revenue in the following amounts:
- FY 2026 = $2,000
- FY 2027 = $397,000
- FY 2028 = $395,000
- FY 2029 = $395,000
- FY 2030 = $391,000
- FY 2031 = $385,000

The section of this Act affecting the ECD Tax Credit is estimated to decrease General Fund revenue in the following amounts:
- FY 2027 = $60,000
- FY 2028 = $59,000

- FY 2029 = $59,000
- FY 2030 = $59,000
- FY 2031 = $58,000

The provisions of this Act related to distributing guidance, providing PD, and distributing a model policy are expected to have no fiscal impact to the DE.

Effective Date

This Act is effective on July 1, 2026. **Sections 12 and 13** of this Act related to the TTC and ECD applies retroactively to tax years beginning on or after January 1, 2026.

Enactment Date

This Act was approved by the General Assembly on April 20, 2026, and signed by the Governor on May 19, 2026.

Sources

Department of Education
Iowa Department of Revenue
Bipartisan Policy Center
Legislative Services Agency analysis

SF 2280 – Crimes Against Judicial Officers and Professional Permits to Carry (LSB5545SV.2)
Staff Contact: Nathan Moore (515.725.0155) nathan.moore@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 2280 relates to the safety of persons in certain professions involved with the judicial system. This Act has four divisions.

Division I — Professional Permit to Carry Weapons

Description

Division I expands eligibility for a professional permit to carry weapons to include a member of the General Assembly, judicial officers, the Attorney General, deputy attorneys general, and assistant attorneys general. The Division grants authorization to go armed anywhere in the State at all times, including on school grounds. The Division adds that an application for a permit by the Attorney General, a deputy attorney general, or an assistant attorney general shall be delivered to the sheriff for the county in which the applicant resides. Such permits remain valid for the duration of the holder's period of employment unless otherwise canceled and must be surrendered upon termination of employment.

The Division requires that weapons carried inside a courtroom by a permit holder be concealed, except for peace officers or correctional officers performing their official duties. Further, the Supreme Court is allowed through rulemaking to impose additional training or other requirements on judicial officers possessing permits issued under Iowa Code section 724.6.

Fiscal Impact

Division I of this Act is estimated to have minimal fiscal impact.

Division II — Threats Against Members of the General Assembly or Judicial Officers — Immediate Family Members

Description

Division II establishes a new criminal offense for threatening a member of the General Assembly, a judicial officer, or an immediate family member of a member of the General Assembly or judicial officer. The Division prohibits a person from threatening a member of the General Assembly, a judicial officer, or an immediate family member of such officials with the intent to place an individual in fear of serious injury, prevent or interrupt the official's ability to carry out official duties, or retaliate against an official for the performance of official duties during the official's term of service. The penalty for this offense is a Class C felony.

Background

Under Iowa Code sections 708.3A(1) and 708.3A(2), convictions of similar conduct involving protected classes of persons results in a Class C felony. The penalty for a person convicted of a Class C felony under Iowa Code section 902.9 is confinement for up to 10 years and a

fine of at least $1,370 but not more than $13,660. In FY 2025, there were 29 convictions under Iowa Code sections 708.3A(1) and 708.3A(2), which result in a Class C felony.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (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 this Act 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.

Correctional Impact

Division II creates a new offense. The correctional impact cannot be determined because the number of new convictions under this Act is unknown. **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 Class C 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
C Felony Persons	89.1%	39.1	$23.07	30.1%	42.8	$8.00	$16.35	$50.00	27.2	$8.00

Refer to the Legislative Services Agency (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

Division II creates a new offense for threatening a member of the General Assembly, a judicial officer, or an immediate family member of such officials, and, as a result, existing data cannot be used to estimate the minority impact of this Act. 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 for Division II cannot be determined because the number of new convictions is unknown. The average State cost per Class C felony is between $15,000 and $25,200. This 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.

Division III — Malicious Sharing of Personal Information

Description
Division III creates a new criminal offense of malicious sharing of personal information of a member of the General Assembly, a judicial officer, or an immediate family member of such officials. Personal information is defined as a personal physical address, personal phone number, or physical location. The Division prohibits a person from sharing personal information with the intent to cause harm, place the individual in fear of serious harm, or prevent or interrupt the official's ability to carry out official duties. The penalty for this offense is a serious misdemeanor.

Background
A serious misdemeanor is punishable by confinement of no more than one year and a fine of at least $430 but not to exceed $2,560.

Assumptions
- Admissions are a count of individuals newly admitted to the DOC for supervision during a selected time period, based on the offense of malicious sharing of personal information of a judicial officer or an immediate family member of a judicial officer.
- 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 this Act 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 DOC for supervision during a selected time period, based on the most serious offense committed.

Correctional Impact
Division III creates a new offense. The correctional impact cannot be determined because the number of new convictions under this Act is unknown. **Figure 2** shows estimates for sentencing to State prison, parole, probation, or CBC residential facilities; LOS in months under those supervisions; and supervision marginal costs per day for a serious misdemeanor.

Figure 2 — Sentencing Estimates and 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

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

Division III creates a new offense of malicious sharing of personal information of a member of the General Assembly, a judicial officer, or an immediate family member of such officials, and, as a result, existing data cannot be used to estimate the minority impact of this Act. 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 for Division III cannot be determined because the number of new convictions is unknown. The average State cost per serious misdemeanor is between $350 and $6,200. This 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.

Division IV — Threats Including to Public Officials

Description

Division IV adds the communication of a true threat including an intent to cause bodily injury to a public official, if the official learns of the threat within a year of the communication, to the definition of harassment.

Background

Under current law, a person commits harassment when, with the intent of intimidating, annoying, or alarming another person, the person does certain prohibited acts, such as threatening bodily injury, communicating in a harassing way, or reporting false information to the police. Iowa Code section 708.7 categorizes harassment into three degrees. The first degree is punishable as an aggravated misdemeanor, the second is punishable as a serious misdemeanor, and the third is punishable as a simple misdemeanor. The harassment statute covers threats to bodily injury as a crime in the second degree and threats of forcible felony as a crime in the first degree, but this Division specifically directs that threats against public officials are harassment.

A simple misdemeanor is punishable by confinement for no more than 30 days and a fine of at least $105 but not to exceed $855. A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least $430 but not to exceed $2,560. An aggravated misdemeanor is punishable by confinement for no more than two years and a fine of at least $855 but not to exceed $8,540.

In FY 2025, there were 2,065 convictions under Iowa Code chapter 708 for harassment, of which 274 were for harassment in the second degree and 767 were for harassment in the first degree.

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 this Act 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 DOC for supervision during a selected time period, based on the most serious offense committed.

Correctional Impact

Division IV expands the crime of harassment. A correctional impact cannot be determined because the number of new convictions is unknown. **Figure 3** shows estimates for sentencing to State prison, parole, probation, or CBC residential facilities; LOS in months under those supervisions; and supervision marginal costs per day for a serious misdemeanor and an aggravated misdemeanor.

Figure 3 — Sentencing Estimates and 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 Persons	45.4%	9.8	$23.07	62.1%	27.6	$8.00	$16.35	$50.00	9.4	$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

Division IV expands the crime of harassment, and, as a result, existing data cannot be used to estimate the minority impact. 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 for Division IV cannot be determined because the number of new convictions is unknown. **Figure 4** shows the average State cost per relevant offense. This 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 4 — Average State Cost Per Offense

Offense Class	Average Cost
Simple Misdemeanor	$30 to $420
Serious Misdemeanor	$350 to $6,200
Aggravated Misdemeanor	$8,300 to $12,200

Effective Date

This Act is effective July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on April 8, 2026, and signed by the Governor on May 6, 2026.

Sources

Department of Corrections
Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)

SF 2320 – Concurrent Enrollment, Course Delivery Methods (LSB6565SV.1)
Staff Contact: Lora Vargason (515.725.1286) lora.vargason@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 2320 requires a student who is taking a community college concurrent enrollment course to take that course in person rather than online if both options are available. This requirement does not apply if the superintendent of the school district or the superintendent's designee authorizes the student to enroll in the online version of the class.

Background

Senior Year Plus serves as an umbrella for a variety of programs designed to provide high school students with access to courses that generate college credit. These programs are primarily offered through the community college concurrent enrollment program. The Iowa Community College Annual Joint Enrollment Report for academic year 2022-23 provided the following enrollments by academic year:

- Academic year 2018-2019 — 50,587 students
- Academic year 2019-2020 — 51,800 students
- Academic year 2020-2021 — 47,262 students
- Academic year 2021-2022 — 50,082 students
- Academic year 2022-2023 — 52,814 students

Supplementary weighting paid through the school aid formula provides additional weighting based on Iowa Code section 257.11(3). Supplementary weighting is calculated based on the modality of the class, meaning how the class is offered, and the type of class designation such as a liberal arts and sciences (A&S) course or a career and technical education (CTE) course.

Assumptions

- An estimated 56,401 students will be enrolled in concurrent enrollment classes.
- 30.0% percent of the courses taken are currently taken online.
- 70.0% percent of the courses will be in A&S.
- 30.0% percent of the courses will be in CTE.
- 10.0% percent of the online courses are taken for an "Offer and Teach" class, which does not receive supplementary weighting.
- 50.0% percent of the courses currently taken online will continue to be taken online.
- The following amounts are used for concurrent enrollment supplementary weightings:
  - $249.63 for an eight-period-day A&S course.
  - $147.78 for an online A&S course.
  - $349.48 for an eight-period-day CTE course.
  - $313.13 for an online CTE course.

Fiscal Impact
Senate File 2320 is estimated to increase supplementary weighting paid through the school aid formula by $626,000 for FY 2027. There is no anticipated fiscal impact on the Department of Education.

Effective Date
This Bill will not become effective.

Enactment Date
This Bill was approved by the General Assembly on April 14, 2026, and vetoed by the Governor on June 2, 2026.

Sources
Iowa Department of Education
Legislative Services Agency calculations and analysis

SF 2422 – Public Assistance, Verification and Eligibility (LSB6779SV.4)
Staff Contact: Louie Hoehle (515.281.6561) louie.hoehle@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 2422 modifies various public assistance programs under the Department of Health and Human Services (HHS).

This Act is comprised of eight divisions, four of which have a fiscal impact and four of which do not.

The following divisions of this Act have no fiscal impact:
- **Division II** — Supplemental Nutrition Assistance Program and Medicaid — Eligibility and Error Rate Reporting
- **Division III** — Supplemental Nutrition Assistance Program — Waivers
- **Division VI** — Medicaid — Hospital Directed Payment Program
- **Division VIII** — Effective Date

The following divisions of this Act have a fiscal impact and are described in further detail below:
- **Division I** — Public Assistance Programs — Verification
- **Division IV** — Medicaid and Iowa Health and Wellness Plan — Retroactive Eligibility
- **Division V** — Medicaid — Medicaid Managed Care Organization Health Care Tax Fund; Expenditure Neutrality; and Exceptions to Policy
- **Division VII** — Program Administration — Electronic Benefits Funds Payment

The Act takes effect upon enactment.

Division I — Public Assistance Programs — Verification

Description

Division I of this Act requires the HHS to use the Systematic Alien Verification for Entitlements (SAVE) online service maintained by the U.S. Department of Homeland Security (DHS) to verify immigration and citizenship information when determining eligibility for public assistance programs.

Division XII of 2026 Iowa Acts, House File 2800 (FY 2027 Standing Appropriations Act), modified this Act by providing that Division I takes effect on the date the HHS implements the Supplemental Nutrition Assistance Program (SNAP) and cash assistance eligibility system known as the eligibility determination for essential needs (EDEN) system. House File 2800 requires the HHS to notify the Iowa Code editor of the date of implementation on or before that date.

Background

The HHS is currently required to access information maintained by the U.S. Citizenship and Immigration Services (USCIS) of the DHS when determining eligibility for public assistance programs.

The SAVE system is an online service for registered federal, State, territorial, tribal, and local government agencies to verify the immigration and citizenship status of applicants seeking benefits or licenses and is administered by the USCIS of the DHS. A user agency is charged a monthly service charge of $25 for each month in which the user agency submits at least one SAVE case. As of April 1, 2025, nonfederal user agencies are not charged a fee for each case run through SAVE.

Assumptions

- The HHS may require one-time information technology (IT) costs of $3.0 million for the HHS's eligibility system to verify citizenship through the SAVE system.
- The State will pay 25.34% of IT costs, while the federal government will pay 74.66%.

Fiscal Impact

Division I of this Act is estimated to cost $3.0 million in FY 2027, of which the State share is $760,000 and the federal share is $2.2 million.

Division IV — Medicaid and Iowa Health and Wellness Plan — Retroactive Eligibility

Description

Division IV of this Act relates to Medicaid retroactive eligibility and does the following:

- Requires the HHS to adopt administrative rules and submit a Medicaid waiver to the Centers for Medicare and Medicaid Services (CMS) to allow for two months of retroactive eligibility for pregnant women, children, and residents of certain nursing facilities who apply for Medicaid.
- Prohibits the HHS from adopting administrative rules or submitting a request for a waiver or State plan amendment to the CMS to provide retroactive eligibility to any other adult applying for Medicaid or the Iowa Health and Wellness Plan (IHAWP).

Background

Federal law currently allows states to provide up to three months of retroactive eligibility for Medicaid. The One Big Beautiful Bill Act (OBBBA) reduces the retroactive eligibility period from three months to two months for traditional Medicaid and from three months to one month for Medicaid expansion, which, in Iowa, is IHAWP. The OBBBA changes are scheduled to take effect January 1, 2027.

Retroactive eligibility in Iowa is currently available to pregnant women, infants, and residents of certain nursing facilities. Traditional Medicaid members may receive up to three months of retroactive eligibility. Iowa does not provide retroactive eligibility to IHAWP members.

Assumptions

- The State will receive federal approval for the retroactive coverage changes.

- The retroactive coverage changes will become effective January 1, 2027, and will apply to half of FY 2027 and all of FY 2028 and FY 2029.
- Approximately 3,100 individuals may lose one month of retroactive coverage annually.
- The average annual cost per member for retroactive coverage is approximately $596.
- The reduced costs will be applied 36.67% to State costs and 63.33% to federal costs.
- The HHS will require one-time information technology (IT) costs of $225,000 for the HHS's eligibility system to implement the retroactive coverage changes.
- The Department of Management Division of IT (DOM DoIT) will require one-time IT costs of $63,000.
- The State will pay 25.34% of IT costs, while the federal government will pay 74.66%.

Fiscal Impact

Division IV of this Act may reduce net costs by $628,000 in FY 2027, of which $265,000 is for State costs and $364,000 is for federal costs. The total estimated reduction for FY 2028 is $1.8 million, of which $672,000 is for State costs and $1.2 million is for federal costs.

Division V — Medicaid — Medicaid Managed Care Organization Health Care Tax Fund; Expenditure Neutrality; and Exceptions to Policy

Description

Division V of this Actrelates to Medicaid waivers, state plan amendments (SPAs) and exceptions to policy and does the following:

- Prohibits the HHS from implementing a change to a Medicaid waiver or SPA approved by the CMS, or submitting a new request, if the change or new request is not expenditure-neutral or if the change or new request expands coverage under Medicaid unless expressly approved by the General Assembly through legislation prior to the implementation of the change or submission of the new request.
- Provides that the cost neutrality requirements do not apply when the HHS implements a federally approved change to, or submits a new request for, a Medicaid waiver or SPA that meets any of the following requirements:
  - The change or new request was submitted for federal approval prior to January 1, 2026, regardless of whether federal approval has been received by the HHS by January 1, 2026.
  - The change or new request is required by federal law or regulation or is necessary to comply with federal law or regulation.
  - The change or new request is necessary to comply with a settlement agreement, consent decree, or other resolution of a State violation of Medicaid. A change or new request initiated in this manner is required to be reported to the General Assembly, with an estimate of the fiscal impact, within 30 days of the date of the settlement agreement, consent decree, or other resolution of a State violation of Medicaid.
  - The change or new request involves the development or implementation of actuarially sound capitation rates consistent with 42 C.F.R. §438.4.
- Allows the HHS to adopt administrative rules to administer expenditure neutrality provisions in Division V.
- Requires the HHS to make information on exceptions to policy publicly available.

Background

Section 1115 waivers allow states to temporarily modify their Medicaid programs and evaluate specific policy approaches.

State plan amendments are the process in which states can make permanent changes to their Medicaid programs.

Assumptions

- The Medicaid waiver cost neutrality analysis will require 6.0 new FTE positions, which will cost the following annual amounts for salary and benefits:
  - 1.0 Compliance Officer 2 FTE position at $125,000.
  - 2.0 Management Analyst 3 FTE positions at $114,000 each.
  - 2.0 Budget Analyst 3 FTE positions at $114,000 each.
  - 1.0 Budget Analyst 4 FTE position at $125,000.
- Each FTE position will require support costs of $4,000 in the first year of employment and $2,000 for subsequent years.
- The State and the federal government will each pay 50.0% of costs for the cost neutrality FTE positions.
- The HHS will require increased annual actuarial services for the Medicaid waiver cost neutrality analysis.
- The State and the federal government will each pay 50.0% of costs for actuarial services.

Fiscal Impact

Division V of this Actis estimated to require 6.0 additional FTE positions and cost approximately $1.2 million in FY 2027 and FY 2028. The State cost is estimated to be approximately $615,000 in FY 2027 and $608,000 in FY 2028.

Division VII — Program Administration — Electronic Benefits Funds Payment

Description

Division VII requires the HHS, in coordination with the DOM DoIT, to seek the capacity to allow premium payments by program participants to be made by electronic benefits transfer for all programs administered by the HHS that require premium payments. Requires the HHS to allow premium payments made by participants of the Medicaid for Employed People with Disabilities (MEPD) program to be made by electronic benefits transfer.

Background

The MEPD program is a Medicaid coverage group that allows persons with disabilities to work and continue to have access to medical assistance. Currently, to be eligible for MEPD, members must earn a net family income of less than 250.0% of the federal poverty level (FPL). Members must also have resources of less than $12,000 for an individual and $24,000 for a married couple, with resources held in a retirement account, a medical savings account, or an assistive technology account being disregarded. Enrollees must pay a monthly premium for coverage if their income is above 150.0% of the FPL. The monthly premium amount for an enrollee at 250.0% of the FPL is $113. Medicare premiums and prescription services are also covered by MEPD.

Assumptions

- The online premium payment system will require implementation costs.
- The State and the federal government will each pay 50.0% of costs for the online premium payment system.
- The DOM DoIT will require one-time IT costs.
- The State will pay 25.0% of the DOM DoIT IT costs, while the federal government will pay 75.0%.

Fiscal Impact

Division VII of this Act is estimated to cost $466,000 in FY 2027, of which $231,000 is for State costs and $364,000 is for federal costs. The total estimated reduction for FY 2028 is $20,000, of which $10,000 is for State costs and $10,000 is for federal costs.

Fiscal Impact Summary

In addition to the costs specified for each division of this Act, there are estimated costs associated with multiple divisions of the Act in FY 2027, including the following:

- Waiver technical assistance costs.
- Additional IT costs.
- Implementation costs for the eligibility system.

The total anticipated costs for SF 2422 in FY 2027 are estimated to be $6.4 million and 6.0 FTE positions, of which the State cost is $1.9 million and the federal cost is $4.5 million. For FY 2028, SF 2422 is estimated to require 6.0 FTE positions and save $597,000, of which the State savings is $54,000 and the federal savings is $543,000. **Figure 1** shows the breakout of costs in FY 2027. **Figure 2** shows the breakout of costs in FY 2028. The figures include cost reductions from retroactive eligibility changes, offsetting costs.

Figure 1 — Senate File 2422 Estimated Costs for FY 2027

Division	Category	State	Federal	Total
I	Eligibility System	$ 760,000	$ 2,240,000	$ 3,000,000
IV	Retroactive Coverage Changes	-338,000	-579,000	-916,000
IV	Eligibility System	57,000	168,000	225,000
IV	DOM DoIT IT	16,000	47,000	63,000
V	Cost Neutrality FTE Positions	353,000	353,000	705,000
V	FTE Position Support Costs	12,000	12,000	24,000
V	Cost Neutrality Actuarial Services	250,000	250,000	500,000
VII	Premium Payment System	229,000	229,000	457,000
VII	DOM DoIT IT	2,000	6,000	8,000
Full Act	Waiver Tech. Assistance	50,000	50,000	100,000
Full Act	IT Costs	239,000	781,000	1,020,000
Full Act	Eligibility System	304,000	896,000	1,200,000
	Total	**$ 1,934,000**	**$ 4,452,000**	**$ 6,386,000**

Totals may not sum due to rounding.

Figure 2 — Senate File 2422 Estimated Costs for FY 2028

Division	Category	State	Federal	Total
IV	Retroactive Coverage Changes	$ -672,000	$ -1,161,000	$ -1,833,000
V	Cost Neutrality FTE Positions	353,000	353,000	705,000
V	FTE Position Support Costs	5,000	5,000	11,000
V	Cost Neutrality Actuarial Services	250,000	250,000	500,000
VII	Premium Payment System	10,000	10,000	20,000
	Total	**$ -54,000**	**$ -543,000**	**$ -597,000**

Totals may not sum due to rounding.

Effective Date

Section 12 of the Act, which modifies Iowa Code section 249A.13 (Medicaid Managed Care Organizations Premiums Fund), is effective on January 1, 2027. The remainder of the Act is effective on June 2, 2026.

Enactment Date

This Act was approved by the General Assembly on April 30, 2026, and signed by the Governor on June 2, 2026

Sources
Department of Health and Human Services
Department of Management Division of Information Technology
Legislative Services Agency analysis

SF 2426 – Commercial Driver's Licenses, English Proficiency (LSB5328SV.5)
Staff Contact: Garry Martin (515.281.4611) garry.martin@legis.iowa.gov
Fiscal Note Version – Final Action

Description

Senate File 2426 requires the Department of Transportation (DOT) to examine the English language proficiency of each person who applies for issuance or renewal of a commercial driver's license or commercial learner's permit and to deny the issuance or renewal of a license if an applicant fails to demonstrate proficiency sufficient to meet the requirements of 49 C.F.R. §383.133(b)(2). The DOT must administer the examination in a computer-based format, and an applicant will be allowed to retake the examination.

This Act prohibits a person who is not proficient in the English language from operating a commercial motor vehicle (CMV). A person who violates this provision commits a serious misdemeanor punishable by a $1,000 fine and imprisonment not to exceed one year.

However, in lieu of a criminal penalty, a peace officer must issue an out-of-service order to a person unable to demonstrate proficiency in the English language sufficient to meet the requirements of 49 C.F.R. §391.11(b)(2) if the person holds an unexpired commercial driver's license or commercial learner's permit that was issued by the DOT after completing an English language proficiency exam.

This Act prohibits a commercial motor carrier from employing the services of a commercial driver, including an independent contractor, who is not proficient in the English language. A carrier that violates this provision commits a simple misdemeanor punishable by a $10,000 scheduled fine.

A peace officer is required to issue an out-of-service order to a commercial motor carrier if an investigation, a safety audit, or normal business activity reveals that a carrier is allowing or has allowed within the previous 12 months a person who is not English proficient to operate a CMV or has been issued an out-of-service order by another state or the Federal Motor Carrier Safety Administration for allowing a person who is not English proficient to operate a CMV. An out-of-service order issued by a peace officer applies only in this state and prohibits a commercial motor carrier from operating a CMV owned, leased, or otherwise controlled by the carrier until the violation has been corrected or the fine has been paid.

The DOT and the Department of Public Safety (DPS) are each prohibited from complying with a provision of this Act if compliance would cause the denial of federal funds or services or would otherwise violate federal law. The DOT is not required to examine the English language proficiency of CDL and CLP applicants until March 1, 2027, or the date the DOT director submits a statement to the Iowa Administrative Code Editor that the applicable phase of the DOT's new record system is implemented, whichever is earlier. This Act authorizes the DOT to adopt administrative rules to administer this Act.

Background

Under Iowa Code section 321.188, the DOT administers CDL and CLP examinations in compliance with the procedures set forth in 49 C.F.R. §383.73 before issuing or renewing a CDL or CLP. Currently the DOT offers the CDL knowledge tests in Spanish, which is allowed by 49 C.F.R. §383.133(b)(3). The DOT performs the CDL skills test in English only, as required by 49 C.F.R. §383.133(c)(5).

Under 49 C.F.R. §383.133(b)(2), a person is qualified to drive a motor vehicle if he or she can read and speak the English language sufficiently to converse with the general public, to understand highway traffic signs and signals in the English language, to respond to official inquiries, and to make entries on reports and records.

A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least $430 but not more than $2,500. Moneys collected from fines and fees from commercial vehicle violation citations are deposited into the Road Use Tax Fund (RUTF) per Iowa Code section 602.8108(8).

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (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.
- 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.
- The DOT will have a one-time information technology (IT) cost of $74,000 for developing and implementing a computer-based test for commercial drivers.
- Between June 2025 and May 2026, there have been 309 out-of-service orders issued by the DPS related to English language proficiency. It is unknown how many annual out-of-service orders will be issued moving forward.

Correctional Impact

Senate File 2426 creates a new offense classified as a serious misdemeanor. The correctional impact of this Act cannot be determined because the number of new convictions cannot be estimated. **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.

Refer to the Legislative Services Agency (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

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

Minority Impact

The minority impact cannot be determined since the number of new convictions under this Act is unknown. 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 the correctional impact cannot be determined because the number of new convictions under this Act cannot be estimated. The average State cost per serious misdemeanor is between $350 and $6,200. 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.

Any fines issued for an out-of-service order will be deposited into the RUTF; however, total fine revenue cannot be determined at this time.

The DOT may incur a one-time IT cost of approximately $74,000 to develop and implement a computer-based test for commercial drivers. However, the DOT has indicated this cost will be funded within existing budget resources.

Effective Date
This Act is effective July 1, 2026. **Section 2** of this Act applies on or after March 1, 2027, or the date the DOT submits to the Iowa Administrative Code Editor for publication in the Iowa Administrative Bulletin, a statement by the Director of the DOT that the new records system has been implemented, whichever is earlier. The DOT will also forward a copy of the statement to the Iowa Code Editor.

Enactment Date
This Act was approved by the General Assembly on April 15, 2026, and signed by the Governor on May 2, 2026.

Sources
Department of Transportation
Department of Public Safety
Division of Data, Planning, and Improvement (DPI), Department of Management (DOM)

SF 2428 – Removal of Disruptive Students from Classrooms (LSB5879SV.4)
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Fiscal Note Version – Final Action

Description

Senate File 2428 requires the Department of Education (DE) to develop and administer a pilot program for a rural district and an urban district to establish attendance centers to be used to provide educational services to eligible students, with exceptions for an eligible student's participation. This Act provides conditions that must be met for participation. The rural school district and urban school district will be required to submit an annual report to the DE by June 1 of each year, and the DE is required to compile and submit these reports to the General Assembly by June 30 of each year. The pilot program is repealed July 1, 2031.

This Act also requires school districts and charter schools to initiate a disciplinary process when a student causes a violent or nonviolent disruption, with definitions. The process will include removal from the classroom, review of actions, and conditions for readmittance into the classroom or conditions for sustainment of removal. If the principal of a school determines disciplinary action should be taken against a student removed from the classroom, action must be taken and notice given to the parent or guardian of said student. Such action may include suspension or placement into an alternative learning environment, such as a therapeutic classroom. This Act gives teachers decision-making authority regarding whether a student may be readmitted to the classroom after removal. Trauma support for teachers, students, and other school employees affected by violent and nonviolent disruptions shall be offered, as well as paid leave for teachers and school employees for physical recovery.

This Act requires the Director of the DE to develop and distribute both model policies regarding disciplinary action to school districts and charter schools and the requirements for a least restrictive environment, pursuant to the federal Individuals with Disabilities Education Act (IDEA). The board of directors of each school district and charter school is then required to adopt and publish policies for different grade levels regarding student discipline that meet requirements outlined in this Act and under the IDEA. The board of directors must also ensure that conditions regarding each student's individual education program (IEP) plan are met.

Each school district employee responsible for the implementation of a student's IEP plan, as listed in this Act, must read all changes to the accommodations and modifications in the IEP plan. After reading the most recent changes, the regular education teacher shall provide written notice to the special education teacher who is part of the IEP team indicating they have read it.

An oversight review committee must also be established by the school district, consisting of two teachers at the attendance center and one administrative employee, mental health professional, or behavioral interventionist. The oversight review committee may issue recommendations related to the student removed from the classroom.

This Act requires school districts to pay costs required by this Act from State Foundation School Aid per Iowa Code section 25B.2(3) (State Mandates).

Background

The pilot program established by this Act may be similar to the Therapeutic Classroom Incentive Grant program but is associated with a different funding source and is not administered as a competitive grant program. There are currently 13 urban school districts and 1 rural school district that would meet the definitions of "urban school district" and "rural school district," respectively, in this Act.

The Therapeutic Classroom Incentive Grant program currently receives a $2.4 million appropriation annually in the Education Appropriations Act with additional claims-based pupil funding provided through a standing appropriation for Therapeutic Classroom Services. The DE oversees the current Therapeutic Classroom Incentive Grant program and released a 2025 Therapeutic Classroom Report detailing the history of the annually awarded grants.

Iowa Code section 256.9 requires the Director of the DE to develop and distribute to school districts and charter schools model policies outlining the school districts' and the charter schools' responsibilities relating to the discipline of a student for making a threat of violence or causing an incident of violence that results in injury, property damage, or assault.

Iowa Code section 279.65A outlines requirements for policies regarding the discipline of students who make threats of violence or cause incidents of violence. Current law does not include incidences of nonviolent disruptions, as defined in this Act.

The average daily cost to a school district for a substitute teacher ranges from $120 to $160 per day, depending on the district and length of assignment.

Assumptions

- The DE and board of directors for school districts and charter schools will be required to adopt and publish policies regarding the disciplinary process for students causing violent and nonviolent disruptions. Costs associated with implementing these policies are anticipated to be minimal.
- School districts and charter schools may need to provide an alternative learning environment for students who are removed from the classroom for violent or nonviolent disruptions.
- Substitute teachers may be needed to fill in for teachers attending oversight review meetings or taking a leave of absence after an incident with a disruptive student.
- One rural school district, which will be the only rural school district to meet the requirements of this Act, will participate in the pilot program.
- One of 13 urban school districts will be chosen to participate in the pilot program.
- The DE will have minimal additional administrative costs to meet the requirements of this Act.

Fiscal Impact

Senate File 2428 will require annual expenditures of $165,000 by a rural district and between $1.0 million and $4.4 million by an urban district to implement the pilot program. This Act directs the DE to fully fund the pilot program using moneys appropriated by the General Assembly for the program unless participating school districts have the funds for their participation in the program.

This Act is anticipated to have no fiscal impact on the DE for the implementation of policies regarding disruptive students. School districts and charter schools may incur costs related to providing alternative learning environments for students removed from the classroom. If an oversight review meeting takes place during the school day or if a teacher were to take time off due to an incident with a disruptive student, schools may be required to employ a substitute teacher. For meetings taking place beyond contract hours, teachers may also receive prorated pay. This Act requires school districts to pay costs required by this Act from State Foundation School Aid per Iowa Code section 25B.2(3).

Effective Date

This Act is effective July 1, 2026.

Enactment Date

This Act was approved by the General Assembly on April 29, 2026, and signed by the Governor on June 1, 2026.

Sources

Department of Education
Urban Education Network
Iowa Association of School Boards

SF 2453 – Regents Universities, Required Investment in Innovation Funds (LSB6901SV.2)
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Fiscal Note Version – Final Action

Description

Senate File 2453 requires that starting July 1, 2027, each institution under the control of the State Board of Regents (BOR) shall invest at least 1.0% of its total foundation-managed endowment assets, calculated based on the average quarterly market value of assets for the most recent fiscal year, into an innovation fund that supports the commercialization of institution technologies, spinouts, or research-derived innovations. A foundation-managed endowment may implement this investment requirement through direct commitments, reallocation of existing assets, or rolling commitments of capital. This requirement exempts any assets that are subject to donor restrictions or intent that expressly prohibit such an investment. The Economic Development Authority is required to maintain a public list of all innovation funds eligible for investment under the Bill.

The Bill allows a foundation board to grant a one-year waiver from these requirements if adequate innovation fund capacity is unavailable or market conditions would materially impair prudent investment. An institution may be granted more than one waiver under this exemption.

Each institution is required to submit annual reports to the BOR, which will compile the reports for submission to the General Assembly by December 1 of each year. The Bill takes effect December 31, 2026.

Background

Educational institutions fundraise from alumni and other donors and use the donations for investment. Institutions use investment earnings to fund scholarships and other academic initiatives while maintaining the principal in the endowment. Endowment funds are also subject to donor-imposed restrictions and must adhere to fiduciary standards defined in the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Endowments are managed in accordance with asset allocation decisions approved by the board of the educational institution. Colleges and universities often affiliate with private entities to administer their endowments and the endowments' earnings. The current foundation endowment assets as reported by the BOR are as follows:

- State University of Iowa (SUI): $1,800.0 million
- Iowa State University (ISU): $1,880.0 million
- University of Northern Iowa (UNI): $239.0 million

Additional information on each of the universities' endowment programs can be found here:

- SUI
- ISU
- UNI

Innovation funds, as defined in Iowa Code section 15E.52, are State-certified investment vehicles designed to support early-stage, high-growth companies and the commercialization of research within Iowa. As of June 30, 2025, five innovation funds have been certified by the Iowa Economic Development Authority Board. In FY 2025, these funds received approximately $7.5 million in total investments.

Assumptions

- The Bill assumes that 1.0% of the current foundation-managed endowment assets ($39.2 million) will need to be reinvested. It is unknown if the current asset allocation already fulfills a part or the entirety of the requirement or what proportion of assets are exempt under the donor restriction or prohibition standard.
- It is unknown if any new asset allocation will receive a similar return on investment as the current investment vehicle.
- Any potential costs related to the reallocation of investments are unknown.

Fiscal Impact

The fiscal impact of SF 2453 is unknown. There may be some costs associated with the reallocation of assets or varying returns on investments, but the potential impact cannot be estimated with the information available.

Effective Date

This Bill will not become effective.

Enactment Date

This Bill was approved by the General Assembly on May 3, 2026, and vetoed by the Governor on June 2, 2026.

Source

Board of Regents