

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

EXECUTIVE SUMMARY

AGRICULTURAL PROGRAMS, PRODUCTS, AND LAND ACT

SENATE FILE 2465

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

AGRICULTURAL PROGRAMS, PRODUCTS, AND LAND ACT

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

AGRICULTURAL PROGRAMS, PRODUCTS, AND LAND ACT***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.

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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

1 10 DIVISION I
 1 11 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP — PROMOTION —
 1 12 RENEWABLE FUEL INFRASTRUCTURE

1 13 Section 1. Section 159A.16, subsection 3, paragraphs a, b,
 1 14 and c, Code 2026, are amended to read as follows:
 1 15 ~~—a. For each fiscal year, not more than one million~~
 1 16 ~~seven hundred fifty thousand dollars shall be allocated to~~
 1 17 ~~support the renewable fuel infrastructure program for retail~~
 1 18 ~~motor fuel sites as provided in section 159A.14 to finance~~
 1 19 ~~the installation, replacement, or conversion of biodiesel~~
 1 20 ~~infrastructure as provided in that section.~~
 2 1 ~~—b. _a.~~ For each fiscal year, not more than one hundred
 2 2 fifty thousand dollars shall be allocated to the department to
 2 3 support the administration of the programs.
 2 4 ~~—c. _b.~~ For each fiscal year, the department may use up to
 2 5 three-quarters of one percent of the program funds to market
 2 6 the programs. Otherwise the moneys shall not be transferred,
 2 7 used, obligated, appropriated, or otherwise encumbered except
 2 8 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.

2 9 DIVISION II
 2 10 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP — PROMOTION
 2 11 PART A
 2 12 GENERAL

2 13 Sec. 2. Section 23A.2, subsection 8, Code 2026, is amended
 2 14 by adding the following new paragraph:
 2 15 NEW PARAGRAPH p. An activity carried out by the department
 2 16 of agriculture and land stewardship to promote the marketing
 2 17 of Iowa commodities and products, including as provided in
 2 18 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.

2 19 Sec. 3. Section 187.201, subsection 3, Code 2026, is amended
 2 20 to read as follows:
 2 21 3. Moneys in the fund are appropriated to the department and
 2 22 shall be used exclusively to administer the programs created
 2 23 in this ~~subchapter~~ chapter as determined and directed by the
 2 24 department, and shall not require further special authorization
 2 25 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](#).

2 26 PART B

2 27 CHOOSE IOWA PROMOTION PROGRAMS

2 28 Sec. 4. Section 187.301, Code 2026, is amended by adding the
2 29 following new subsection:

2 30 NEW SUBSECTION 1A. The department shall enroll a person as
2 31 a choose iowa member who is any of the following:

2 32 a. Actively participating in the program by producing,
2 33 processing, or marketing iowa agricultural products originating
2 34 as commodities produced on iowa farms.

2 35 b. Otherwise supporting the program as required by the
2 36 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.

2 37 Sec. 5. Section 187.301, subsection 2, Code 2026, is amended
2 38 by adding the following new paragraph:

2 39 NEW PARAGRAPH c. The department may adopt rules providing
3 1 for choose iowa membership criteria.

CODE: Allows the DALs to adopt administrative rules for Choose Iowa membership criteria.

3 2 Sec. 6. Section 187.303, subsections 1 and 2, Code 2026, are
3 3 amended to read as follows:

3 4 1. A person may apply to the department to ~~participate~~
3 5 enroll as a member in the choose iowa promotional program
3 6 according to procedures established by rules adopted by the
3 7 department. The department shall evaluate and approve or
3 8 disapprove ~~applications~~ an application based on criteria
3 9 established by rules adopted by the department. The department
3 10 may disapprove an application if the department determines the
3 11 applicant's use of the choose iowa logo would be associated
3 12 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.

3 13 2. The department may enter into a licensing agreement with
3 14 a person ~~participating~~ enrolled as a member in the program.
3 15 ~~The participating person~~ A member may use the choose iowa logo
3 16 to advertise a ~~feed item~~ product originating as an agricultural
3 17 commodity produced on an iowa farm, subject to terms and
3 18 conditions required by rules adopted by the department. A
3 19 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.

3 20 Sec. 7. NEW SECTION 187.307 CHOOSE IOWA SCHOOL PURCHASING
3 21 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:

CODE: Requires the DALs to administer the Choose Iowa School Purchasing Program according to 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.

- 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.

3 30 b. A school or school district is eligible to participate in
3 31 the program, if recognized by the department.

- A school or school district is eligible to participate in the Program if recognized by the DALs.

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.

- 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.

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 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.

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.

4 17 6. The department shall prepare and submit a report
 4 18 regarding its findings and recommendations to the governor and
 4 19 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.

4 20 Sec. 8. Section 187.331, Code 2026, is amended to read as
 4 21 follows:
 4 22 187.331 CHOOSE IOWA FOOD BANK PURCHASING PROGRAM.
 4 23 1. There is created within the department a choose Iowa food
 4 24 bank purchasing program.

CODE: Renames the Choose Iowa Food Purchasing Program to the Choose Iowa Food Bank Purchasing Program.

4 25 2. The department shall administer the program according to
 4 26 all of the following requirements:
 4 27 a. A farm or business ~~that owns or operates the farm source~~
 4 28 ~~shall be given a preference to participate in the program if~~
 4 29 ~~the farm or business is currently participating~~ eligible to
 4 30 participate in the program if the farm or business is enrolled
 4 31 as a member in the choose Iowa promotional program as provided
 4 32 in this part 1 of subchapter III. Otherwise, a farm or
 4 33 ~~business may participate in the program if the farm or business~~
 4 34 ~~has applied to participate in the choose Iowa promotional~~
 4 35 ~~program and the department determines that the application will~~
 4 36 ~~be approved.~~
 4 37 b. An eligible participant is limited to any Iowa food bank
 4 38 or an Iowa emergency feeding organization, recognized by the
 4 39 department.
 5 1 c. A qualified food product is limited to meat and poultry,
 5 2 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.

5 3 ~~3. a. Of the moneys appropriated to support the program in~~
 5 4 ~~a fiscal year, not more than two hundred thousand dollars shall~~
 5 5 ~~be used to reimburse Iowa food banks and Iowa emergency feeding~~
 5 6 ~~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.

5 7 ~~b. 3. a.~~ An eligible participant Iowa food bank or an
 5 8 emergency feeding organization purchasing a qualified food
 5 9 product from an eligible farm or business shall be reimbursed
 5 10 on a matching basis with the department contributing one dollar
 5 11 for every one dollar expended by the eligible participant Iowa
 5 12 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 ~~—e. 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.

6 7 one time in the fund during each fiscal year for purpose of
 6 8 paying costs associated with the administration of the program
 6 9 and fund incurred by the department during that fiscal year.
 6 10 Moneys expended from the fund shall not require further special
 6 11 authorization by the general assembly.

6 12 Sec. 13. REPEAL. Section 190A.6, Code 2026, is repealed.

CODE: Repeals the Farm-to-School Program established in Iowa Code section [190A.6](#).

6 13 Sec. 14. CODE EDITOR DIRECTIVE.

Provides direction to the Iowa Code Editor.

6 14 1. The Code editor is directed to make the following
 6 15 transfers:

6 16 a. Section 187.331 to section 187.308.

6 17 b. Section 159.25 to section 187.309.

6 18 2. The Code editor shall correct internal references in the
 6 19 Code and in any enacted legislation as necessary due to the
 6 20 enactment of this section.

6 21 PART C

6 22 INNOVATION AND REVITALIZATION PROGRAMS

6 23 Sec. 15. Section 187.311, Code 2026, is amended by adding
 6 24 the following new subsection:

6 25 NEW SUBSECTION 5A. The department may give priority to an
 6 26 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.

6 27 Sec. 16. NEW SECTION 187.315 BUTCHERY INNOVATION AND
 6 28 REVITALIZATION PROGRAM.

CODE: Creates a Butchery Innovation and Revitalization Program within the DALs to promote the development, modernization, and expansion of the State's butchery industry.

6 29 1. A butchery innovation and revitalization program is
 6 30 created within the department. The purpose of the program is
 6 31 to promote the development, modernization, and expansion of
 6 32 this state's butchery industry.

6 33 2. In administering the program, the department shall award
 6 34 financial assistance to eligible businesses to support projects
 6 35 that do one or more of the following:

6 36 a. To expand or refurbish an existing, or to establish a
 6 37 new, state-inspected small-scale meat processing business.

6 38 b. To expand or refurbish an existing, or to establish a
 6 39 new, federally inspected small-scale meat processing business.

7 1 c. To expand or refurbish an existing, or to establish a
 7 2 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.

7 3 d. To expand or refurbish an existing, or to establish a
 7 4 new, mobile slaughter unit that operates in compliance with
 7 5 the most current mobile slaughter unit compliance guide issued
 7 6 by the United States department of agriculture food safety and
 7 7 inspection service.
 7 8 e. To rent buildings, refrigeration facilities, freezer
 7 9 facilities, or equipment necessary to expand processing
 7 10 capacity, including mobile slaughter or refrigeration units
 7 11 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.

7 12 3. The department shall establish eligibility criteria for
 7 13 the program. The eligibility criteria must include all of the
 7 14 following:
 7 15 a. The business must be located in this state.
 7 16 b. The business must not have been subject to any regulatory
 7 17 enforcement action related to federal, state, or local
 7 18 environmental, worker safety, food processing, or food safety
 7 19 laws, rules, or regulations within the last five years.
 7 20 c. The business must only employ individuals legally
 7 21 authorized to work in this state.
 7 22 d. The business must not currently be in bankruptcy.
 7 23 e. The business must employ less than two hundred full-time
 7 24 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.

7 25 4. An eligible business seeking financial assistance under
 7 26 this section shall make application to the department in the
 7 27 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.

7 28 5. Applications for financial assistance under this section
 7 29 shall be accepted during one or more annual application periods
 7 30 established by the department. Upon reviewing and scoring all
 7 31 applications that are received during an application period,
 7 32 and subject to the availability of moneys, the department may
 7 33 award financial assistance to eligible businesses. A financial
 7 34 assistance award shall not exceed the amount of eligible
 7 35 project costs included in the eligible business's application.
 7 36 Priority shall be given to eligible businesses whose proposed
 7 37 project or projects under subsection 2 are most likely to do
 7 38 one or more of the following:
 7 39 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.

8 1 b. Create or expand opportunities for local small-scale
 8 2 farmers to market processed meat under private labels.
 8 3 c. Provide greater flexibility or convenience for local
 8 4 small-scale farmers to have animals processed.

- Provide greater flexibility or convenience for local small-scale farmers to have animals processed.

8 5 6. An eligible business that is awarded financial
 8 6 assistance under this section may apply for financial
 8 7 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.

8 8 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](#).

8 9 DIVISION III
 8 10 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP REGULATION —
 8 11 ANIMAL HEALTH

8 12 Sec. 18. Section 163.1, Code 2026, is amended by adding the
 8 13 following new subsection:
 8 14 NEW SUBSECTION 7A. Lease facilities in order to carry out
 8 15 and administer the provisions of this chapter related to an
 8 16 infectious or contagious disease or a foreign animal disease
 8 17 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.

8 18 Sec. 19. NEW SECTION 163.2B CONFIDENTIALITY.

8 19 1. Notwithstanding section 22.7, all information and
 8 20 records relating to an infectious or contagious disease
 8 21 received or collected by the department pursuant to this
 8 22 chapter, including rules adopted under this chapter by the
 8 23 department, is confidential to the extent it identifies any of
 8 24 the following:
 8 25 a. The name, address, and contact information of any person
 8 26 owning or caring for an animal suspected of or being affected
 8 27 with any infectious or contagious disease.
 8 28 b. Any location where an animal suspected of or being
 8 29 affected with any infectious or contagious disease has been
 8 30 kept.
 8 31 c. Information that when considered together leads to the
 8 32 identity of a person described in paragraph “a” or a location or
 8 33 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 .

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 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.~~

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

9 30 213.2—PHYSICAL UNITED STATES STANDARDS — CONFORMITY .
 9 31 ~~Weights and measures, which conform to the standards of the~~
 9 32 ~~United States national institute of standards and technology~~
 9 33 ~~existing as of January 1, 1979, that are metrologically~~
 9 34 ~~traceable to the United States standards supplied by the~~
 9 35 ~~federal government or approved as being in compliance with~~
 9 36 ~~its standards recognized by the national bureau institute of~~
 9 37 ~~standards and technology shall be the Iowa's state primary~~
 9 38 ~~standard of weights and measures as verified by the department.~~
 9 39 ~~Such The traceable standards of weights and measures shall~~
 10 1 ~~be verified upon their initial receipt of same by the~~
 10 2 ~~department and as often as deemed necessary by the secretary~~
 10 3 ~~of agriculture department. The secretary department may~~
 10 4 ~~provide for the alteration in revise the state primary standard~~
 10 5 ~~of weights and measures in order to maintain metrological~~
 10 6 ~~traceability with the standard standards of the United States~~
 10 7 ~~national institute of standards and technology. All such~~
 10 8 ~~alterations The verification or revision shall be made pursuant~~
 10 9 ~~to rules promulgated adopted by the secretary department in~~
 10 10 ~~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.

10 11 Sec. 23. Section 214.3, subsection 1, Code 2026, is amended
 10 12 to read as follows:
 10 13 1. A license fee is imposed on a person who uses or
 10 14 displays for use a commercial weighing and measuring device.
 10 15 The license fee is due the day the department issues the
 10 16 license. The amount of the license fee shall be calculated in
 10 17 accordance with the class or section for devices as established
 10 18 by handbook 44 of the ~~United States~~ national institute of
 10 19 standards and technology.

CODE: Removes "United States" when referencing the National Institute of Standards and Technology.

10 20 Sec. 24. Section 215.1, subsection 1, Code 2026, is amended
 10 21 to read as follows:
 10 22 1. a. "Commercial weighing and measuring device" or "device"
 10 23 means a weight or measure or weighing or measuring device
 10 24 used to establish size, quantity, area or other quantitative
 10 25 measurement of a commodity sold by weight or measurement, or
 10 26 ~~where~~ when the price to be paid for producing the commodity is
 10 27 based upon the weight or measurement of the commodity. The
 10 28 ~~term~~
 10 29 b. "Commercial weighing and measuring device" includes an any
 10 30 of the following:

CODE: Specifies that "device" means the same as a "commercial weighing and measuring device" in Iowa Code section [215.1](#).

10 31 (1) Anaccessory attached to or used in connection with
 10 32 a commercial weighing or measuring device when the accessory
 10 33 is so designed or installed that its operation may affect the
 10 34 accuracy of the device. ~~“Commercial weighing and measuring~~
 10 35 ~~device” includes a~~
 10 36 (2) Apublic scale or a commercial scanner.

10 37 Sec. 25. Section 215.1, Code 2026, is amended by adding the
 10 38 following new subsection:
 10 39 NEW SUBSECTION 3A. “National institute of standards and
 11 1 technology” means the national institute of standards and
 11 2 technology established within the United States department of
 11 3 commerce pursuant to 15 U.S.C. §272.

CODE: Provides a definition for "National Institute of Standards and Technology".

11 4 Sec. 26. Section 215.1A, Code 2026, is amended to read as
 11 5 follows:
 11 6 215.1A INSPECTIONS.
 11 7 1.—The Except as otherwise expressly provided by statute,
 11 8 the department shall regularly of agriculture and land
 11 9 stewardship may inspect all any commercial weighing and
 11 10 measuring devices, and when device. If the department
 11 11 receives a complaint is made to the department that any false
 11 12 or incorrect alleging weights or measures are being made
 11 13 inaccurately recorded by a device, the department shall inspect
 11 14 the commercial weighing and measuring devices which caused the
 11 15 complaint device.
 11 16 2. The department may inspect a prepackaged goods good to
 11 17 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.

11 18 3. a. The department may order the owner of the device
 11 19 or a service agency that installed, serviced, or repaired the
 11 20 device, to deliver to the department one or more of the service
 11 21 agency's most recent test reports documenting the device's
 11 22 accuracy.
 11 23 b. (1) Except as provided in subparagraph (2), the delivery
 11 24 of a report may be in lieu of an inspection.
 11 25 (2) The department shall provide for an inspection of any
 11 26 of the following:
 11 27 (a) A motor fuel pump as required in section 214.11.
 11 28 (b) A moisture-measuring device as required in section
 11 29 215A.2.
 11 30 (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.

11 31 in section 452A.41.

11 32 Sec. 27. Section 215.14, subsection 3, Code 2026, is amended
11 33 to read as follows:

11 34 3. Before approval by the department, the specifications
11 35 for a commercial weighing and measuring device shall be
11 36 furnished to the purchaser of the device by the manufacturer.
11 37 The approval shall be based upon the recommendation of the
11 38 ~~United States~~ national institute of standards and technology.

CODE: Removes "United States" when referencing the National Institute of Standards and Technology.

11 39 Sec. 28. Section 215.19, Code 2026, is amended to read as
12 1 follows:

12 2 215.19 AUTOMATIC RECORDERS ON SCALES.

12 3 Except for ~~scales~~ a scale used by ~~packers~~ a packer
12 4 slaughtering fewer than one hundred twenty head of livestock
12 5 per day, ~~all scales~~ a scale with a capacity over five hundred
12 6 pounds, ~~which are used for commercial purposes, in this~~
12 7 ~~state, and installed after January 1, 1981,~~ shall be equipped
12 8 with a type-registering weigh beam, a dial with a mechanical
12 9 ticket printer, an automatic weight recorder, or some similar
12 10 commercial weighing and measuring device, which shall be used
12 11 for printing or stamping the weight values on scale tickets.
12 12 A scale or similar device equipped with a malfunctioning
12 13 automatic weight recorder ~~may~~ shall not be used for ~~not~~ more
12 14 than seven days if the scale or similar device is unable to
12 15 print or stamp the ticket ~~so long as~~ and only if a repair to the
12 16 automatic recorder is immediately initiated and the user dates,
12 17 signs, and accurately handwrites the required information on
12 18 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.

12 19 Sec. 29. Section 215.23, subsection 2, Code 2026, is amended
12 20 to read as follows:

12 21 2. In determining a servicer's qualifications, the
12 22 department may consider the specifications of the ~~United States~~
12 23 national institute of standards and technology, handbook 44,
12 24 "Specifications, Tolerances, and Technical Requirements for
12 25 Weighing and Measuring Devices", or the current successor or
12 26 equivalent specifications adopted by the ~~United States~~ national
12 27 institute of standards and technology.

CODE: Removes "United States" when referencing the National Institute of Standards and Technology.

12 28 Sec. 30. Section 452A.40, Code 2026, is amended by adding
 12 29 the following new subsection:
 12 30 NEW SUBSECTION 5A. "National institute of standards and
 12 31 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](#).

12 32 Sec. 31. REPEAL. Sections 213.3 and 213.7, Code 2026, are
 12 33 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.

12 34 Sec. 32. CODE EDITOR DIRECTIVE.
 12 35 1. The Code editor is directed to make the following
 12 36 transfers:
 12 37 a. Section 213.1 to section 215.1B.
 12 38 b. Section 213.2 to section 215.1C.
 12 39 c. Section 215.18 to section 215.1D.
 13 1 d. Section 215.1A to section 215.1E.
 13 2 2. The Code editor shall correct internal references in the
 13 3 Code and in any enacted legislation as necessary due to the
 13 4 enactment of this section.

Provides direction to the Iowa Code Editor.

13 5 DIVISION V
 13 6 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP REGULATION —
 13 7 GRAIN MARKETING

13 8 PART A
 13 9 GRAIN DEALERS

13 10 Sec. 33. Section 203.3, subsection 4, paragraph b, Code
 13 11 2026, is amended by striking the paragraph and inserting in
 13 12 lieu thereof the following:
 13 13 b. The grain dealer shall submit, as required by the
 13 14 department, a financial statement that is accompanied by
 13 15 an unqualified opinion based upon an audit performed by a
 13 16 certified public accountant licensed in this state. However,
 13 17 the department may accept a qualification in an opinion that
 13 18 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.

13 19 generally accepted accounting principles. An opinion that
 13 20 is qualified because of a limited audit procedure or because
 13 21 the scope of an audit is limited shall not be accepted by
 13 22 the department. The department shall not require that a
 13 23 grain dealer submit more than one such unqualified opinion
 13 24 per year. The grain dealer, except as provided in section
 13 25 203.15, may elect to submit a financial statement that is
 13 26 accompanied by the report of a certified public accountant
 13 27 licensed in this state that is based upon a review performed
 13 28 by the certified public accountant in lieu of the audited
 13 29 financial statement specified in this paragraph. However, at
 13 30 any time the department may require a financial statement that
 13 31 is accompanied by the report of a certified public accountant
 13 32 licensed in this state that is based upon a review performed
 13 33 by a certified public accountant if the department has good
 13 34 cause. A grain dealer shall submit financial statements to
 13 35 the department in addition to those required in this paragraph
 13 36 if the department determines that it is necessary to verify
 13 37 the grain dealer's financial status or compliance with this
 13 38 subsection.

13 39 Sec. 34. Section 203.3, subsection 5, paragraph b, Code
 14 1 2026, is amended by striking the paragraph and inserting in
 14 2 lieu thereof the following:
 14 3 b. The grain dealer shall submit, as required by the
 14 4 department, a financial statement that is accompanied by
 14 5 an unqualified opinion based upon an audit performed by a
 14 6 certified public accountant licensed in this state. However,
 14 7 the department may accept a qualification in an opinion that
 14 8 is unavoidable by any audit procedure that is permitted under
 14 9 generally accepted accounting principles. An opinion that
 14 10 is qualified because of a limited audit procedure or because
 14 11 the scope of an audit is limited shall not be accepted by the
 14 12 department. The department shall not require that a grain
 14 13 dealer submit more than one such unqualified opinion per year.
 14 14 The grain dealer may elect, however, to submit a financial
 14 15 statement that is accompanied by the report of a certified
 14 16 public accountant licensed in this state that is based upon
 14 17 a review performed by the certified public accountant in
 14 18 lieu of the audited financial statement specified in this
 14 19 paragraph. However, at any time the department may require
 14 20 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.

14 21 certified public accountant licensed in this state that is
 14 22 based upon a review performed by a certified public accountant
 14 23 if the department has good cause. A grain dealer shall submit
 14 24 financial statements to the department in addition to those
 14 25 required in this paragraph if the department determines that it
 14 26 is necessary to verify the grain dealer's financial status or
 14 27 compliance with this section.

14 28 Sec. 35. Section 203.8, subsection 2, paragraph a, Code
 14 29 2026, is amended to read as follows:

14 30 a. (1) "Delivery" Subject to subparagraph (2), "delivery"
 14 31 means the transfer of title to and possession of grain by a
 14 32 seller to a grain dealer or to another person in accordance
 14 33 with the terms of an agreement of by the seller and the grain
 14 34 dealer.

14 35 (2) Unless title to grain was previously transferred
 14 36 pursuant to an ordinary cash-sale contract, title to grain sold
 14 37 by credit-sale contract is deemed to have transferred to the
 14 38 grain dealer when all of the following occurs:

14 39 (a) The credit-sale contract is signed by both the grain
 15 1 dealer and the seller.

15 2 (b) The grain dealer has possession of the grain or another
 15 3 person has possession of the grain in accordance with the terms
 15 4 of the credit-sale contract.

15 5 Sec. 36. Section 203.12, subsection 1, Code 2026, is amended
 15 6 to read as follows:

15 7 1. Upon the cessation of a grain dealer license by
 15 8 revocation, cancellation, or expiration pursuant to section
 15 9 203.10 or upon the filing of a petition in bankruptcy by a
 15 10 grain dealer, any claim for the purchase price of grain against
 15 11 the grain dealer shall be made in writing and filed with the
 15 12 grain dealer and with the issuer of a deficiency bond or of an
 15 13 irrevocable letter of credit and with the department within
 15 14 one hundred twenty days after the date of the cessation or the
 15 15 filing of a petition in bankruptcy, whichever occurs earlier.
 15 16 A failure to make this timely claim relieves the issuer and the
 15 17 grain depositors and sellers indemnity fund provided in chapter
 15 18 203D of all obligations to the claimant.

15 19 Sec. 37. Section 203.12A, subsection 5, Code 2026, is
 15 20 amended to read as follows:

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.

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.

CODE: Specifies that the Iowa Grain Indemnity Fund Board, upon written demand of the grain dealer, must file a

15 21 5. The Iowa grain indemnity fund board, upon written demand
 15 22 of the grain dealer, shall file a termination statement with
 15 23 the secretary of state, if after one hundred eighty days from
 15 24 the date that the lien is perfected the grain dealer's license
 15 25 has not ceased by revocation, cancellation, or expiration
 15 26 pursuant to section 203C.10. Upon filing the termination
 15 27 statement, the lien becomes unperfected. The board shall
 15 28 also deliver a copy of the termination statement to the grain
 15 29 dealer.

termination statement to the Secretary of State if after 180
 days from the date that the lien is perfected the grain dealer's
 licensed has not ceased pursuant to Iowa Code section
[203C.10](#).

15 30 Sec. 38. Section 203.15, subsection 4, Code 2026, is amended
 15 31 by striking the subsection and inserting in lieu thereof the
 15 32 following:

CODE: Provides criteria for a grain dealer who purchases
 grain through a credit sale contract.

15 33 4. a. A grain dealer shall not purchase grain on
 15 34 credit-sale contract during any time period in which the grain
 15 35 dealer fails to maintain fifty cents of net worth for each
 15 36 outstanding bushel of grain purchased under credit. The grain
 15 37 dealer may maintain a deficiency bond or an irrevocable letter
 15 38 of credit in the amount of two thousand dollars for each one
 15 39 thousand dollars or fraction thereof of deficiency in net
 16 1 worth.

16 2 b. A grain dealer who is also a warehouse operator licensed
 16 3 by the department under chapter 203C or the United States
 16 4 department of agriculture under the United States Warehouse
 16 5 Act, and who does not have a sufficient quantity or quality
 16 6 of grain to satisfy the warehouse operator's obligations
 16 7 based on an examination by the department or the United
 16 8 States department of agriculture shall not purchase grain on
 16 9 credit-sale contract to correct the shortage of grain.

16 10 c. (1) A grain dealer must meet at least either of the
 16 11 following conditions:

16 12 (a) The grain dealer's last financial statement required
 16 13 to be submitted to the department pursuant to section 203.3
 16 14 is accompanied by an unqualified opinion based upon an audit
 16 15 performed by a certified public accountant licensed in this
 16 16 state.

16 17 (b) The grain dealer files a bond with the department in
 16 18 the amount of one hundred thousand dollars payable to the
 16 19 department.

16 20 (2) (a) The bond filed with the department under this
 16 21 paragraph shall be used to indemnify sellers for losses
 16 22 resulting from a breach of a credit-sale contract as provided

16 23 by rules adopted by the department. The rules shall include
16 24 but are not limited to procedures and criteria for providing
16 25 notice, filing claims, valuing losses, and paying claims. The
16 26 bond provided in this paragraph shall be in addition to any
16 27 other bond required in this chapter.

16 28 (b) The bond shall not be canceled by the issuer on less
16 29 than ninety days' notice by certified mail to the department
16 30 and the principal. However, if an adequate replacement bond
16 31 is filed with the department, the department may authorize
16 32 the cancellation of the original bond before the end of the
16 33 ninety-day period.

16 34 (c) If an adequate replacement bond is not received by the
16 35 department within sixty days of the issuance of the notice of
16 36 cancellation, the department shall suspend the grain dealer's
16 37 license. The department shall cause an inspection of the
16 38 licensed grain dealer immediately at the end of the sixty-day
16 39 period. If a replacement bond is not filed within another
17 1 thirty days following the suspension, the department shall
17 2 revoke the grain dealer's license.

17 3 (3) When a license is revoked, the department shall provide
17 4 notice of the revocation by ordinary mail to the last known
17 5 address of each holder of an outstanding credit-sale contract
17 6 and all known sellers.

17 7 PART B

17 8 GRAIN OPERATORS

17 9 Sec. 39. Section 203C.6, subsection 4, paragraph b, Code
17 10 2026, is amended by striking the paragraph and inserting in
17 11 lieu thereof the following:

17 12 b. The warehouse operator shall submit, as required by
17 13 the department, a financial statement that is accompanied by
17 14 an unqualified opinion based upon an audit performed by a
17 15 certified public accountant licensed in this state. However,
17 16 the department may accept a qualification in an opinion that
17 17 is unavoidable by any audit procedure that is permitted under
17 18 generally accepted accounting principles. An opinion that
17 19 is qualified because of a limited audit procedure or because
17 20 the scope of an audit is limited shall not be accepted by the
17 21 department. The department shall not require that a warehouse
17 22 operator submit more than one such unqualified opinion per
17 23 year. The warehouse operator may elect, however, to submit

CODE: Provides conditions for financial statements submitted to the DALS when applying for a Class 1 warehouse operator license.

17 24 a financial statement that is accompanied by the report of
17 25 a certified public accountant licensed in this state that
17 26 is based upon a review performed by the certified public
17 27 accountant in lieu of the audited financial statement specified
17 28 in this paragraph. However, at any time the department may
17 29 require a financial statement that is accompanied by the report
17 30 of a certified public accountant licensed in this state that is
17 31 based upon a review performed by a certified public accountant
17 32 if the department has good cause. A warehouse operator shall
17 33 submit financial statements to the department in addition to
17 34 those required in this paragraph if the department determines
17 35 that it is necessary to verify the warehouse operator's
17 36 financial status or compliance with this subsection.

17 37 Sec. 40. Section 203C.6, subsection 5, paragraph b, Code
17 38 2026, is amended by striking the paragraph and inserting in
17 39 lieu thereof the following:

18 1 b. The warehouse operator shall submit, as required by
18 2 the department, a financial statement that is accompanied by
18 3 an unqualified opinion based upon an audit performed by a
18 4 certified public accountant licensed in this state. However,
18 5 the department may accept a qualification in an opinion that
18 6 is unavoidable by any audit procedure that is permitted under
18 7 generally accepted accounting principles. An opinion that
18 8 is qualified because of a limited audit procedure or because
18 9 the scope of an audit is limited shall not be accepted by the
18 10 department. The department shall not require that a warehouse
18 11 operator submit more than one such unqualified opinion per
18 12 year. The warehouse operator may elect, however, to submit
18 13 a financial statement that is accompanied by the report of
18 14 a certified public accountant licensed in this state that
18 15 is based upon a review performed by the certified public
18 16 accountant in lieu of the audited financial statement specified
18 17 in this paragraph. However, at any time the department may
18 18 require a financial statement that is accompanied by the report
18 19 of a certified public accountant licensed in this state that is
18 20 based upon a review performed by a certified public accountant
18 21 if the department has good cause. A warehouse operator shall
18 22 submit financial statements to the department in addition to
18 23 those required in this paragraph if the department determines
18 24 that it is necessary to verify the warehouse operator's
18 25 financial status or compliance with this subsection.

CODE: Provides conditions for financial statements submitted to the DALS when applying for a Class 2 warehouse operator license.

18 26 PART C

18 27 GRAIN DEPOSITORS AND SELLERS INDEMNIFICATION

18 28 Sec. 41. Section 203D.3A, subsection 2, Code 2026, is
 18 29 amended by adding the following new paragraph:
 18 30 NEW PARAGRAPH e. (1) If the per-bushel fee is passed
 18 31 on to a seller, the per-bushel fee shall occur at the time of
 18 32 payment.
 18 33 (2) As used in subparagraph (1), "payment" means the same as
 18 34 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](#).

18 35 Sec. 42. Section 203D.6, subsection 8, paragraph a, Code
 18 36 2026, is amended to read as follows:
 18 37 a. Upon a determination by the board that an eligible
 18 38 claim satisfies the requirements in subsection 4, the board
 18 39 shall indemnify the claimant as a depositor under subsection
 19 1 5, and a seller under subsection 6. Upon a determination by
 19 2 the board that an eligible repayment claim ~~was~~ filed by that
 19 3 seller under section 203D.6A, ~~derives from the same covered~~
 19 4 ~~transaction during the claim period, and the repayment loss~~
 19 5 ~~incurred for that claim, the board shall indemnify the claimant~~
 19 6 ~~as a seller~~ subject to the requirements of this section and
 19 7 ~~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.

19 8 Sec. 43. Section 203D.6A, subsection 2, Code 2026, is
 19 9 amended to read as follows:
 19 10 2. To be timely, a seller must file a repayment claim with
 19 11 the department not later than sixty days after the amount
 19 12 of the seller's loss is finalized by a bankruptcy court,
 19 13 whether by an order issued, judgment entered, or settlement
 19 14 agreement approved. However, if a seller's loss is based upon
 19 15 a bankruptcy court's default judgment, to be timely, the seller
 19 16 must file a repayment claim with the department not later than
 19 17 sixty days after the bankruptcy court's default judgment is
 19 18 entered or a subsequent settlement agreement is approved and
 19 19 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.

19 20 PART D

19 21 EFFECTIVE DATE

19 22 Sec. 44. EFFECTIVE DATE. This division of this Act, being
19 23 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.

19 24 DIVISION VI
19 25 DEPARTMENT OF TRANSPORTATION — IMPLEMENTS OF HUSBANDRY

19 26 Sec. 45. Section 321.457, subsection 2, paragraph f, Code
19 27 2026, is amended to read as follows:
19 28 f. (1) A trailer or semitrailer, laden or unladen, shall
19 29 not have an overall length in excess of fifty-three feet
19 30 when operating in a truck tractor-semitrailer combination
19 31 exclusive of retractable extensions used to support the load.
19 32 However, when a trailer or semitrailer is used exclusively
19 33 for the transportation of passenger vehicles, light delivery
19 34 trucks, panel delivery trucks, pickup trucks, recreational
19 35 vehicle chassis, or boats, the load carried on the trailer or
19 36 semitrailer may extend up to three feet beyond the front bumper
19 37 and up to four feet beyond the rear bumper of the trailer or
19 38 semitrailer.
19 39 (2) A lowboy semitrailer, laden or unladen, ~~which that~~ is
20 1 designed and exclusively used for the transportation of ~~either~~
20 2 construction equipment or an implement of husbandry shall not
20 3 have an overall length in excess of fifty-seven feet when used
20 4 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.

20 5 DIVISION VII
20 6 AGRICULTURAL TOURISM

20 7 Sec. 46. Section 673A.3, subsection 6, paragraph b, Code
20 8 2026, is amended to read as follows:
20 9 b. "Farm" includes but is not limited to a farm field,
20 10 orchard, tree farm, nursery, greenhouse, garden, elevator,
20 11 seedhouse, barn, warehouse, animal feeding operation structure,
20 12 winery, brewery, distillery, or any personal property located
20 13 on the land including machinery or equipment used in the
20 14 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](#).

20 15 Sec. 47. Section 673A.3, subsection 9, Code 2026, is amended
20 16 to read as follows:
20 17 9. "Farm crop" means a plant or fungus used for food, animal
20 18 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.

20 19 the following:

20 20 a. A forage or cereal plant, including but not limited to

20 21 alfalfa, barley, buckwheat, corn, flax, forage, millet, oats,

20 22 popcorn, rye, sorghum, soybeans, sunflowers, wheat, and grasses

20 23 used for forage or silage.

20 24 b. Edible or ornamental produce, including but not limited

20 25 to fruit such as apples, cherries, peaches, pears, berries, and

20 26 grapes; vegetables such as asparagus, broccoli, and carrots;

20 27 lentils; tubers; squashes and pumpkins; gourds; nuts; maple

20 28 syrup; mushrooms; Christmas trees; and flowers.

20 29 c. Honey.

20 30 DIVISION VIII

20 31 LAND USE

20 32 Sec. 48. Section 335.2, Code 2026, is amended by adding the

20 33 following new subsection:

20 34 NEW SUBSECTION 4. As used in subsection 1, an agricultural

20 35 purpose includes but is not limited to an agricultural tourism

20 36 activity or event, value-added agricultural processing,

20 37 direct-to-consumer marketing, or other on-farm enterprises that

20 38 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.

20 39 Sec. 49. Section 335.28, Code 2026, is amended to read as

21 1 follows:

21 2 335.28 AGRICULTURAL ~~EXPERIENCES~~ EXPERIENCE .

21 3 1. a. For purposes of this section, “agricultural

21 4 experience” includes but is not limited to any

21 5 agriculture-related activity, or agriculture-related

21 6 event, as a that constitutes a secondary use in conjunction

21 7 with agricultural production, on a farm which if the

21 8 agriculture-related activity, or agriculture-related event,

21 9 is located on a farm and open to the public with for the

21 10 intended purpose of promoting or educating the public about

21 11 agriculture, agricultural practices, agricultural activities,

21 12 or agricultural products.

21 13 b. “Agricultural experience” also includes any of the

21 14 following:

21 15 (1) Agricultural tourism activities, such as recreational,

21 16 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](#).

21 17 rental opportunities offered on a working farm, so long as the
 21 18 farm's primary use remains agricultural production.
 21 19 (2) A fair event conducted on a fairgrounds under the
 21 20 management or control of a fair as defined in section 174.1.
 21 21 2. To assist in the promotion of agricultural experiences,
 21 22 a county shall not require a conditional use permit, special
 21 23 use permit, special exception, or variance for an agricultural
 21 24 experiences experience on property of which the primary use is
 21 25 agricultural production.

21 26 Sec. 50. EFFECTIVE DATE. This division of this Act, being
 21 27 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.

21 28 Sec. 51. APPLICABILITY. Any conditional use permit,
 21 29 special use permit, special exception, or variance described
 21 30 in section 335.28, as amended by this division of this Act, is
 21 31 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.

21 32 DIVISION IX
 21 33 HONEYBEES — SALES AND USE TAX EXEMPTION

21 34 Sec. 52. Section 423.3, Code 2026, is amended by adding the
 21 35 following new subsection:
 21 36 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.

21 37 DIVISION X
 21 38 VETERINARY PRACTICE

21 39 PART A
 22 1 RURAL VETERINARIAN LOAN REPAYMENT PROGRAM

22 2 Sec. 53. Section 256.226, subsection 4, paragraph c, Code
 22 3 2026, is amended to read as follows:
 22 4 c. (1)—Secure Subject to subparagraph (2), secure an
 22 5 offer of employment or establish and maintain a practice in a
 22 6 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.

22 7 and engage in the full-time practice of veterinary medicine
 22 8 for a period of four consecutive years after entering into the
 22 9 agreement in the veterinary shortage area or rural service
 22 10 commitment area, ~~unless the loan repayment recipient receives.~~
 22 11 (2) (a) The loan repayment recipient may notify the
 22 12 commission that the loan repayment recipient will complete the
 22 13 years of full-time practice required under the agreement by
 22 14 securing new employment, or establishing and maintaining a new
 22 15 practice, in the same veterinary shortage area or rural service
 22 16 commitment area, according to rules adopted by the commission.
 22 17 (b) The commission may grant the loan repayment recipient a
 22 18 waiver from the commission to complete the years of full-time
 22 19 practice required under the agreement in another veterinary
 22 20 shortage area or rural service commitment area pursuant to
 22 21 subsection 7.

22 22 PART B
 22 23 INCOME TAX EXEMPTION

22 24 Sec. 54. Section 422.7, Code 2026, is amended by adding the
 22 25 following new subsection:
 22 26 NEW SUBSECTION 46. a. Subtract, to the extent included,
 22 27 loan repayments received under a program agreement entered into
 22 28 by a taxpayer who is a loan repayment recipient and the Iowa
 22 29 college student aid commission pursuant to section 256.226, if
 22 30 the taxpayer fulfills the obligation to engage in the practice
 22 31 of veterinary medicine according to terms of that section and
 22 32 the program agreement.
 22 33 b. The amount subtracted in paragraph "a" shall not exceed
 22 34 the following limits:
 22 35 (1) For any tax year, fifteen thousand dollars.
 22 36 (2) For the aggregate of all tax years, sixty thousand
 22 37 dollars.
 22 38 (3) In any case, the amount of the outstanding eligible
 22 39 loan.

23 1 Sec. 55. EFFECTIVE DATE. This part of this division of this
 23 2 Act takes effect January 1, 2027.

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.

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.

23 3 Sec. 56. APPLICABILITY. This part of this division of this
23 4 Act applies to tax years beginning on or after January 1, 2027.

Specifies that Division X of the Act related to income tax 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.

DEPARTMENT OF MANAGEMENT, RECORDS, FUNDS, AND CONTRACTS ACT

- 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

EXECUTIVE SUMMARY

DEPARTMENT OF MANAGEMENT, RECORDS, FUNDS, AND CONTRACTS ACT

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: • 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.	Page 13, Line 32

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
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EXECUTIVE SUMMARY

HOUSE FILE 1028

DEPARTMENT OF MANAGEMENT, RECORDS, FUNDS, AND CONTRACTS ACT

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

1 5 Section 1. Section 8.39, subsection 2, Code 2026, is amended
1 6 to read as follows:

1 7 2. If the appropriation of a department, institution,
1 8 or agency is insufficient to properly meet the legitimate
1 9 expenses of the department, institution, or agency, the
1 10 director of the department of management, with the approval of
1 11 the governor, may make an interdepartmental transfer from any
1 12 other department, institution, or agency of the state having
1 13 an appropriation in excess of its needs, of sufficient funds
1 14 moneys to meet that deficiency. Such transfer shall be to an
1 15 appropriation made from the same funding source and within
1 16 the same fiscal year. The amount of a transfer made from an
1 17 appropriation under this subsection shall be limited to not
1 18 more than one-tenth of one percent of the total of all
2 1 appropriations made from the funding source of the transferred
2 2 appropriation for the fiscal year in which the transfer is
2 3 made. An interdepartmental transfer to an appropriation which
2 4 is not an entitlement appropriation is not authorized when
2 5 the general assembly is in regular session and, in addition,
2 6 the sum of interdepartmental transfers in a fiscal year to
2 7 an appropriation which is not an entitlement appropriation
2 8 shall not exceed ~~fifty~~ one hundred percent of the amount of
2 9 the appropriation as enacted by the general assembly. For the
2 10 purposes of this subsection, ~~an entitlement appropriation is:~~

2 11 a. "Appropriation in excess of its needs" means the
2 12 amount appropriated by the general assembly for a purpose is
2 13 determined by the department, institution, or agency receiving
2 14 the appropriation to be more than the amount necessary to carry
2 15 out that purpose. An appropriation for an unspecified dollar
2 16 amount, whether the appropriation is limited to be sufficient
2 17 to carry out a particular purpose or is unlimited, shall not
2 18 be considered an appropriation in excess of a department's,
2 19 institution's, or agency's needs.

2 20 b. "Entitlement appropriation" means a line item
2 21 appropriation to the state public defender for indigent defense
2 22 or to the department of health and human services for foster
2 23 care, state supplementary assistance, medical assistance, or
2 24 for the family investment program.

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.

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](#).

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 uninterrupted
 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.

4 13 end of the fiscal year for which the appropriation was made.
 4 14 Notwithstanding section 12C.7, subsection 2, interest or
 4 15 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 16 ~~4.—Annually, on~~ On or before January 15 of each year, a
 4 17 ~~state agency that received an appropriation from this fund~~
 4 18 ~~the department of management~~ shall report to the legislative
 4 19 ~~services agency and the department of management general~~
 4 20 ~~assembly~~ the status of all projects funded under this section
 4 21 ~~that have been~~ completed since the previous report was
 4 22 submitted or that are in progress. The report shall ~~must~~
 4 23 include a description of the project, the progress of work
 4 24 completed, the total estimated cost of the project, a list of
 4 25 all revenue sources being used to fund the project, the amount
 4 26 of ~~funds~~ moneys expended, the amount of ~~funds~~ moneys obligated,
 4 27 and the date the project was completed or an estimated
 4 28 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.

4 29 Sec. 3. Section 8.78, Code 2026, is amended to read as
 4 30 follows:

4 31 8.78 BACKGROUND CHECKS.

4 32 An applicant for employment with the department, or
 4 33 an applicant for employment with a supported entity for a
 4 34 position as information technology staff, may be subject to a
 4 35 background investigation by the department. The background
 4 36 investigation may include, without limitation, a work history,
 4 37 financial review, request for criminal history data, and
 4 38 national criminal history check through the federal bureau of
 4 39 investigation. In addition, a contractor, vendor, employee, or
 5 1 any other individual performing work for the department, or an
 5 2 individual on the information technology staff of a supported
 5 3 entity, may be subject to a national criminal history check
 5 4 through the federal bureau of investigation at least once
 5 5 every ~~ten~~ five years, including, without limitation, any time
 5 6 the department or supported entity has reason to believe an
 5 7 individual has been convicted of a crime. The department may
 5 8 request the national criminal history check and, if requested,
 5 9 shall provide the individual's fingerprints to the department
 5 10 of public safety for submission through the state criminal
 5 11 history repository to the federal bureau of investigation.
 5 12 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.

5 13 national criminal history check to the department and the
 5 14 applicable supported entity. The department shall pay the
 5 15 actual cost of the fingerprinting and national criminal history
 5 16 check, if any, unless otherwise agreed as part of a contract
 5 17 between the department or supported entity and a vendor or
 5 18 contractor performing work for the department or supported
 5 19 entity. The results of a criminal history check conducted
 5 20 pursuant to this section shall not be considered a public
 5 21 record under chapter 22.

5 22 Sec. 4. NEW SECTION 8.94 CONTRACTS — PROHIBITED TERMS.

5 23 Provisions included in a contract entered into pursuant to
 5 24 this subchapter that impose terms or conditions prohibited by
 5 25 this section are void as contrary to public policy. Such a
 5 26 contract shall be interpreted and enforced as if the contract
 5 27 did not include the prohibited terms or conditions. Prohibited
 5 28 terms and conditions include all of the following:

5 29 1. A provision requiring the department or a supported
 5 30 entity to defend, indemnify, hold harmless another person, or
 5 31 otherwise assume the debt or liability of another person in
 5 32 violation of Article VII, section 1, of the Constitution of the
 5 33 State of Iowa.

5 34 2. A provision that seeks to impose a term that is unknown
 5 35 to the department or supported entity at the time of signing
 5 36 the contract or that can be unilaterally changed by an entity
 5 37 other than the department or a supported entity.

5 38 3. A provision that violates chapter 13 by not allowing
 5 39 the department or a supported entity to participate in its own
 6 1 defense through representation by the attorney general.

6 2 4. A provision that grants to a person other than the
 6 3 attorney general the authority to convey to a court or litigant
 6 4 the state's consent to any settlement of a suit involving the
 6 5 contract when such settlement could impose liability on the
 6 6 state.

6 7 5. A provision that specifies that the contract is governed
 6 8 by the laws of a foreign state or nation.

6 9 6. A provision that claims blanket confidentiality of the
 6 10 contract's terms.

6 11 7. A provision that claims that payment terms, including but
 6 12 not limited to cost proposals or other pricing information, of
 6 13 the contract are confidential.

6 14 8. A provision that authorizes or requires a venue for

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.

6 15 litigation other than an appropriate state or federal court
6 16 sitting in Iowa.

6 17 9. A provision that requires the department or a supported
6 18 entity to pay attorney fees, court costs, or other litigation
6 19 expenses in the event of a contractual dispute.

6 20 10. A provision that imposes on the department or a
6 21 supported entity binding arbitration or any other binding
6 22 extrajudicial dispute resolution process in which the final
6 23 resolution is not determined by the state.

6 24 11. A provision that waives the department's or a supported
6 25 entity's right to a jury trial.

6 26 12. A provision that obligates the department or a supported
6 27 entity to pay late payment charges not consistent with section
6 28 8A.514, interest greater than allowed under section 8A.514 or
6 29 other applicable law, or any cancellation charges, as such
6 30 charges constitute pledges of the state's credit.

6 31 13. A provision that obligates the department or a supported
6 32 entity to pay a tax.

6 33 14. A provision that imposes a prior notice obligation
6 34 on the department or a supported entity as a condition for
6 35 the automatic renewal of a software license. The department
6 36 or a supported entity may provide notice of its intent to
6 37 terminate a software license at any time before the renewal
6 38 date established in the contract.

6 39 15. A provision that obligates the department or a supported
7 1 entity to accept risk of loss before the receipt of items or
7 2 goods.

7 3 16. A provision that obligates the department or a supported
7 4 entity to have commercial insurance.

7 5 17. A provision that obligates the department or a supported
7 6 entity to grant to a nongovernmental entity full or partial
7 7 ownership of intellectual property developed pursuant to the
7 8 contract when the intellectual property is developed in whole
7 9 or in part using federal funding.

7 10 18. A provision that limits the time in which the department
7 11 or a supported entity may bring a legal claim under the
7 12 contract to a period shorter than that provided in Iowa law.

7 13 19. A boilerplate provision included in transactional
7 14 documents received by the department or a supported entity that
7 15 seeks to alter the terms of the contract or to impose new terms
7 16 in the contract.

7 17 Sec. 5. NEW SECTION 8.95 CONTRACTS — REQUIRED TERMS.

7 18 All of the following provisions shall be deemed to be
7 19 included in a contract entered into by the department or a
7 20 supported entity under this subchapter:

7 21 1. GOVERNING LAW. The contract shall be governed by
7 22 the laws of the state of Iowa, without giving effect to any
7 23 conflicts of law principles of Iowa law that may require the
7 24 application of another jurisdiction's law.

7 25 2. VENUE. Any litigation commenced in connection with the
7 26 contract shall be brought and maintained in an appropriate
7 27 state or federal court sitting in Iowa.

7 28 3. STATE DATA. "State data" means all data, records,
7 29 information, or content, in any form, that is provided by a
7 30 state governmental entity to a vendor or that is collected,
7 31 generated, or otherwise obtained by the vendor in the course of
7 32 providing a good or service to the state governmental entity.

7 33 "State data" does not include aggregated or deidentified data
7 34 collected by the vendor and used exclusively for the vendor's
7 35 internal purposes directly related to evaluating or improving
7 36 system performance, ensuring reliability, evaluating product
7 37 functionality, conducting system analytics, projecting needs
7 38 through capacity planning, ensuring license compliance, or
7 39 evaluating security. State data shall at all times remain the

8 1 sole and exclusive property of the state, and the vendor shall
8 2 use state data only as necessary to provide the contracted
8 3 services to the state. Upon request, the vendor shall provide
8 4 the state, at no cost, a current copy of all state data in a
8 5 commercially reasonable and state-acceptable digital format
8 6 that enables the state to readily use, transfer, or migrate
8 7 the state data. Except to the extent retention of state data
8 8 is required by law, grant, or other governmental requirement,
8 9 the vendor shall, after confirming that the state has received
8 10 a copy of the state data, permanently delete all state data
8 11 within a commercially reasonable period of time after the
8 12 conclusion or termination of the contract. At all times,
8 13 including any post-contract period in which state data is
8 14 retained due to record retention obligations, the vendor shall
8 15 protect state data in accordance with current state data
8 16 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.

8 17 Sec. 6. NEW SECTION 8.96 CONTRACTS — LIMITATION OF
8 18 LIABILITY — PROHIBITED TERMS.

8 19 Notwithstanding section 8A.311, subsection 22, and rules
8 20 adopted pursuant to that subsection, the director may include
8 21 a contractual limitation of vendor liability in information
8 22 technology goods and services contracts. A contractual
8 23 limitation of vendor liability must take into consideration the
8 24 public interest and the mitigation of risks associated with the
8 25 use of information technology goods or services. Any portion
8 26 of a contractual limitation of vendor liability that includes
8 27 a repudiation of all liability for cybersecurity incidents or
8 28 a limitation on the vendor's liability for intentional torts,
8 29 criminal acts, fraudulent conduct, intentional or willful
8 30 misconduct, gross negligence, death, bodily injury, damage to
8 31 real or personal property, intellectual property violations,
8 32 liquidated damages, compliance with applicable laws, violations
8 33 of confidential information obligations, or contractual
8 34 obligations of the vendor pertaining to indemnification shall
8 35 be void as a matter of law as contrary to public policy. A
8 36 contractual limit of vendor liability that does not apply
8 37 equally to the contracted parties or that limits a vendor's
8 38 liability to less than the contract value inclusive of all
8 39 possible extensions is void as a matter of law as contrary to
9 1 public policy.

CODE: Allows the Director of the DOM to include contractual limitations of vendor liability in information technology goods and services contracts.

9 2 Sec. 7. NEW SECTION 8.97 CONFIDENTIALITY OF COMMUNICATIONS
9 3 WITH CHIEF INFORMATION SECURITY OFFICER.

9 4 In the interest of facilitating communication between
9 5 the chief information security officer and other entities
9 6 concerning security incidents and security breaches, all such
9 7 communications and any documents generated based in whole or in
9 8 part on such communications are confidential. Notwithstanding
9 9 chapter 22 or any other provision of law to the contrary, the
9 10 department shall not release such communications pursuant to
9 11 state open records laws, and such communications shall not be
9 12 received into evidence, subject to discovery, or otherwise
9 13 used in a trial, hearing, or other proceeding in or before any
9 14 court, regulatory body, or other authority of the state or a
9 15 political subdivision of the state, unless the communications
9 16 are subject to a protective order that prohibits further
9 17 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.

9 18 filings of such communications to be made under seal. It is
 9 19 the intent of the general assembly that these prohibitions and
 9 20 restrictions also apply to federal courts, regulatory bodies,
 9 21 and other authorities and for purposes of federal open records
 9 22 laws, to the extent allowed by federal law and court rules.
 9 23 The chief information security officer shall not release such
 9 24 communications other than for any of the following purposes:
 9 25 1. Identifying a cybersecurity threat, including the source
 9 26 of the cybersecurity threat, or a security vulnerability, and
 9 27 then only to government officials for purposes of addressing
 9 28 the threat.
 9 29 2. Responding to, or otherwise preventing or mitigating,
 9 30 a specific threat of death, serious bodily harm, or serious
 9 31 economic harm.
 9 32 3. Responding to, investigating, prosecuting, or otherwise
 9 33 preventing or mitigating a serious threat to a minor, including
 9 34 sexual exploitation and threats to physical safety.
 9 35 4. Preventing, investigating, disrupting, or prosecuting an
 9 36 offense under state or federal law.
 9 37 5. Providing a confidential cybersecurity briefing to the
 9 38 governor or a member of the general assembly.

- Providing a confidential cybersecurity briefing to the Governor or a member of the General Assembly.

9 39 Sec. 8. NEW SECTION 8.98 CRIMINAL JUSTICE INFORMATION.
 10 1 1. The department is authorized to maintain an integrated
 10 2 information system that enables automated data sharing among
 10 3 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).

10 4 2. The department is designated as the Iowa statistical
 10 5 analysis center for the purpose of coordinating with data
 10 6 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,

10 7 to federal, state, and local governments. Notwithstanding any
 10 8 other provision of state law to the contrary, unless prohibited
 10 9 by federal law or regulation, the department shall be granted
 10 10 access, for purposes of research and evaluation, to all of
 10 11 the data listed in this subsection, except that intelligence
 10 12 data and peace officer investigative reports maintained
 10 13 by the department of public safety shall not be considered
 10 14 data for the purposes of this section. The department of
 10 15 management and any record, data, or information obtained by the
 10 16 department under this subsection is subject to the federal and
 10 17 state confidentiality laws and rules, including as described
 10 18 in chapter 22, applicable to the original record, data, or
 10 19 information, and to the original custodian of the record,
 10 20 data, or information. Authorized access under this subsection
 10 21 includes but is not limited to all of the following:
 10 22 a. Juvenile court records and all other information
 10 23 maintained under sections 232.147 through 232.151.
 10 24 b. Child abuse information under sections 235A.15 through
 10 25 235A.19.
 10 26 c. Dependent adult abuse records maintained under chapter
 10 27 235B.
 10 28 d. Criminal history data maintained under chapter 692.
 10 29 e. Sex offender registry information maintained under
 10 30 chapter 692A.
 10 31 f. Presentence investigation reports maintained under
 10 32 section 901.4.
 10 33 g. Corrections records maintained under sections 904.601 and
 10 34 904.602.
 10 35 h. Community-based correctional program records maintained
 10 36 under chapter 904.
 10 37 i. Parole records maintained under chapter 906.
 10 38 j. Deferred judgment, deferred or suspended sentence, and
 10 39 probation records maintained under chapter 907.
 11 1 k. Violation of parole or probation records maintained under
 11 2 chapter 908.
 11 3 l. Fine and victim restitution records maintained under
 11 4 chapters 909 and 910.
 11 5 m. Child welfare records maintained under chapter 235.

11 6 3. The department is authorized to provide data analysis and
 11 7 reporting on issues that may affect the state's correctional
 11 8 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 count 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.

PG LN	GA:91 HF1028	Explanation
12 6	by the department as an automated data processing unit of	• Mainframe data. • Storage of electronic information, such as on-premises server data storage or cloud data storage.
12 7	government or held by the department solely for storage for	
12 8	another department or establishment. Such records include but	
12 9	are not limited to all of the following:	
12 10	a. Electronic messaging system data.	
12 11	b. Mainframe data.	
12 12	c. Storage solutions or other electronic information, such	
12 13	as on-premises server data storage and cloud data storage.	
12 14	2. If the department receives a request pursuant to chapter	CODE: Requires the DOM to deny a request for records for which the DOM has determined it is not the lawful custodian.
12 15	22 for records over which the department has determined it is	
12 16	not the lawful custodian, the department shall deny the request	
12 17	and inform the requester to seek the information from the	
12 18	lawful custodian as provided in chapter 22. The department's	
12 19	determination that it is not the lawful custodian of records is	
12 20	presumed valid. The presumption may be rebutted by clear and	
12 21	convincing evidence to the contrary.	
12 22	3. The department shall provide assistance to the lawful	CODE: Requires the DOM to provide assistance to the lawful custodian of records to comply with production obligations of Iowa Code chapter 22 .
12 23	custodian of records held by the department so that the lawful	
12 24	custodian can comply with the production obligations of chapter	
12 25	22.	
12 26	4. If the department receives a subpoena in an	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.
12 27	administrative, civil, or criminal case for records for which	
12 28	the department is not the lawful custodian, the department	
12 29	shall notify the lawful custodian and the attorney general's	
12 30	office and cooperate in any efforts to resist the subpoena.	
12 31	Sec. 10. Section 216A.131A, Code 2026, is amended to read	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).
12 32	as follows:	
12 33	216A.131A CRIMINAL AND JUVENILE JUSTICE PLANNING.	
12 34	The department shall fulfill the responsibilities of	
12 35	this subchapter, including the duties specified in sections	
12 36	216A.133 , 216A.135, ~~216A.136~~ , ~~216A.137~~ , ~~216A.138~~ , and 216A.140.	
12 37	Sec. 11. Section 216A.133, subsection 1, paragraphs d, e, f,	CODE: Removes requirements for the HHS to perform the following duties:
12 38	i, and t, Code 2026, are amended by striking the paragraphs.	

- 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,
13 1 subparagraphs (1) and (6), Code 2026, are amended by striking
13 2 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
13 4 2026, is amended to read as follows:
13 5 s. Provide expertise and advice to the legislative
13 6 services agency, the department of management, the department
13 7 of corrections, the judicial branch, and others charged
13 8 with formulating fiscal, correctional, or minority impact
13 9 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
13 11 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
13 13 2026, is amended to read as follows:
13 14 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).

PG LN	GA:91 HF1028	Explanation
13 15	in section 216A.136 <u>8.98</u> .	
13 16	Sec. 16. Section 232.147, subsection 3, paragraph n, Code	CODE: Makes conforming changes to Iowa Code section 232.147(3)(n) (Confidentiality of Juvenile Court Records).
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 <u>8.98</u> .	
13 20	Sec. 17. Section 232.147, subsection 4, paragraph i, Code	CODE: Makes conforming changes to Iowa Code section 232.147(4)(i) (Confidentiality of Juvenile Court Records).
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 <u>8.98</u> .	
13 24	Sec. 18. Section 232.149, subsection 5, paragraph f, Code	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 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 <u>8.98</u> .	
13 28	Sec. 19. Section 232.149A, subsection 3, paragraph m, Code	CODE: Makes conforming changes to Iowa Code section 232.149A (3)(m) (Confidentiality Orders).
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 <u>8.98</u> .	
13 32	Sec. 20. REPEAL. Sections 216A.136, 216A.137, and	Repeals the following Iowa Code sections:
13 33	216A.138, Code 2026, are repealed.	
13 34	Sec. 21. EFFECTIVE DATE. The following take effect July 1,	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 35	2027:	
13 36	The portions of the section of this Act amending section	
13 37	8.57C, subsections 2 and 4.	
13 38	Sec. 22. APPLICABILITY. The following apply to contracts	Specifies that the following sections of this Act will apply to contracts entered into or renewed on or after July 1, 2026 (FY 2027):
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.	

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:

- FY 2028 = 25.0%.
- FY 2029 = 15.0%.
- FY 2030 = 5.0%.

Page 16, Line 8

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.

STAFF CONTACT: Lindsey Ingraham (515.281.6764) lindsey.ingraham@legis.iowa.gov

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

1 7 DIVISION I

1 8 EARLY CHILDHOOD AND FAMILY SERVICES SYSTEM

1 9 Section 1. NEW SECTION 234A.1 DEFINITIONS.

1 10 For the purposes of this chapter, unless the context

1 11 otherwise requires:

1 12 1. "Community resources" means locally focused,

1 13 strength-based programs and supports that aim to enhance family

1 14 functioning and resilience, promote child development and

1 15 safety, and prevent future involvement with child protective

1 16 services or the juvenile justice system.

1 17 2. "Department" means the department of health and human

1 18 services.

1 19 3. "Early childhood and family services district" or "ECFS

1 20 district" means a health and human services district utilized

1 21 for the purpose of administering the ECFS system.

1 22 4. "Early childhood and family services district advisory

1 23 council" or "ECFS district advisory council" means an advisory

1 24 council established under section 234A.3.

2 1 5. "Early childhood and family services district plan" or

2 2 "ECFS district plan" means a plan developed by the department

2 3 to outline the ECFS system infrastructure of a district and

2 4 the programs and services intended to be provided within that

2 5 district.

2 6 6. "Early childhood and family services state plan" or "ECFS

2 7 state plan" means the plan developed by the department that

2 8 describes the key components of the state's ECFS system.

2 9 7. "Early childhood and family services system" or "ECFS

2 10 system" means the system established in section 234A.2.

2 11 8. "Early childhood and family services system fund" or "ECFS

2 12 system fund" means the fund created in section 234A.6.

2 13 9. "Early intervention strategies" means services and

2 14 supports designed to proactively identify and address risk

2 15 factors and includes services that aim to strengthen families,

2 16 promote healthy development, and reduce the likelihood of abuse

2 17 or neglect by providing timely, targeted assistance to children

2 18 and caregivers through the ECFS system.

2 19 10. "Evidence-based" means practices, programs, and policies

2 20 grounded in the best available research and data, and that have

2 21 been scientifically tested and shown to be effective through

2 22 rigorous evaluation.

CODE: Establishes definitions for the purposes of the Early Childhood and Family Services (ECFS) system.

2 23 11. "Family support services" include group-based parent
 2 24 education and home visiting programs designed to strengthen
 2 25 protective factors including parenting skills, increase
 2 26 parental knowledge of child development, and increase family
 2 27 functioning and problem-solving skills. Family support
 2 28 services may be used as an early intervention strategy to
 2 29 improve birth outcomes, parental knowledge, family economic
 2 30 success, the home learning environment, family and child
 2 31 involvement with others, and coordination with other community
 2 32 resources. Family support services may have a specific focus
 2 33 on preventing child maltreatment or ensuring children are safe,
 2 34 healthy, and ready to succeed in school.

2 35 12. "Health and human services district" means the same as
 2 36 defined in section 217.1.

2 37 13. "HOPES-HFI program" means the healthy opportunities for
 2 38 parents to experience success – healthy families Iowa program
 2 39 established in section 234A.5.

3 1 14. "Ongoing family and community resources" means a
 3 2 continuum of sustained, accessible, and family-centered
 3 3 resources provided through the ECFS system that help families
 3 4 meet their needs, strengthen protective factors, and prevent
 3 5 child abuse and neglect.

3 6 15. "Primary prevention strategies" means a comprehensive
 3 7 set of services and supports provided through the ECFS system
 3 8 that are designed to strengthen families, promote healthy child
 3 9 development, and prevent adverse outcomes before they occur.
 3 10 These activities focus on addressing the underlying social,
 3 11 economic, and environmental conditions that place children and
 3 12 families at risk, such as poverty, social isolation, and lack
 3 13 of access to quality early care and education.

3 14 16. "Protective factor" means an inherent strength,
 3 15 resource, or capacity of a family, or a resource that helps a
 3 16 family thrive, buffer against stress, and reduce the likelihood
 3 17 of child abuse, neglect, or other poor outcome.

3 18 17. "Strength-based" means an approach that focuses
 3 19 on identifying and building upon the inherent strengths,
 3 20 resources, and capacities of a family to support the family's
 3 21 growth, resilience, and well-being.

3 22 Sec. 2. NEW SECTION 234A.2 EARLY CHILDHOOD AND FAMILY
 3 23 SERVICES SYSTEM — DEPARTMENT POWERS AND DUTIES.
 3 24 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

3 25 established under the control of the department for the
 3 26 purposes of implementing a statewide array of primary
 3 27 prevention strategies, early intervention strategies, and
 3 28 ongoing family and community resources for families and their
 3 29 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.

3 30 2. The ECFS system shall be administered in a manner to
 3 31 maximize funding opportunities, interagency collaboration, and
 3 32 integration of activities and services that support positive
 3 33 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 34 3. The ECFS system shall support equitable statewide access
 3 35 to all services, supports, and other resources offered through
 3 36 the ECFS system that, at a minimum, shall include all of the
 3 37 following:

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:

- 3 38 a. Evidence-based primary prevention strategies, including
 3 39 family support services, designed to assist families in
 4 1 establishing healthy, successful futures.
- 4 2 b. Tailored early intervention strategies for children and
 4 3 families to ensure long-term well-being, including economic
 4 4 self-sufficiency.
- 4 5 c. Ongoing family and community resources for children and
 4 6 families to address the root causes of child abuse and neglect
 4 7 and enhance protective factors.
- 4 8 d. Specific service components including early childhood
 4 9 services, evidence-based family support services, and community
 4 10 resources.

- 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 11 4. To the extent funding is available, the department
 4 12 shall do all of the following to develop and administer the
 4 13 ECFS system and carry out the department's duties under this
 4 14 chapter:

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:

- 4 15 a. Plan, establish, and maintain primary prevention
 4 16 strategies, early intervention strategies, and ongoing family
 4 17 and community resources.
- 4 18 b. (1) Develop an early childhood and family services state
 4 19 plan that is consistent with the department's agency strategic
 4 20 plan adopted pursuant to section 8E.204, and the state health
 4 21 improvement plan developed under section 217.17.
- 4 22 (2) When developing the ECFS state plan, the department
 4 23 shall do all of the following:
- 4 24 (a) Collaborate with stakeholders including but not

- 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.

5 28 with federal requirements.

5 29 5. The department may do all of the following to develop and
5 30 administer the ECFS system:

- 5 31 a. Cooperate with any state agency, political subdivision,
5 32 or federal governmental agency to apply for grants.
5 33 b. Solicit and accept for use any gift of money, by will or
5 34 otherwise, and any grant of money or services from the federal
5 35 government, the state, a political subdivision of the state or
5 36 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.

5 37 Sec. 3. NEW SECTION 234A.3 EARLY CHILDHOOD AND FAMILY
5 38 SERVICES DISTRICT ADVISORY COUNCILS.

5 39 1. The department shall establish an early childhood
6 1 and family services district advisory council in each ECFS
6 2 district. The department shall develop policies and procedures
6 3 for the operational functions of each ECFS district advisory
6 4 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.

6 5 2. An ECFS district advisory council shall consist of ten
6 6 members appointed by the department. Individuals eligible
6 7 for appointment include but are not limited to all of the
6 8 following:
6 9 a. Elected public officials who currently hold office within
6 10 the ECFS district.
6 11 b. Individuals who have experience or expertise related to
6 12 health, education, domestic assault response, abuse response,
6 13 or community-based child abuse prevention.
6 14 c. Individuals who are representative of the populations
6 15 served in the ECFS district advisory council's ECFS district.
6 16 d. Individuals who represent the faith community or
6 17 community partners in the ECFS district advisory council's ECFS
6 18 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.

6 19 3. An ECFS district advisory council shall do all of the
6 20 following:
6 21 a. Identify opportunities and address challenges based
6 22 on updates received from the department relating to the
6 23 implementation of the ECFS district plan for the ECFS district

CODE: Establishes required duties of an ECFS district advisory council.

6 24 advisory council's ECFS district.
 6 25 b. Provide feedback to the department while the department
 6 26 is developing ECFS system policies.
 6 27 c. Advise the department on how to best provide families
 6 28 access to primary prevention strategies, early intervention
 6 29 strategies, and ongoing family and community resources
 6 30 throughout the ECFS district advisory council's ECFS district.

6 31 4. An ECFS district advisory council shall perform the
 6 32 duties required under this section regardless of whether any
 6 33 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.

6 34 Sec. 4. NEW SECTION 234A.4 DATA COLLECTION AND USE.

6 35 1. The department shall perform all of the following actions
 6 36 related to ECFS system data:

6 37 a. (1) Collect, maintain, monitor, analyze, and utilize
 6 38 data, including but not limited to child welfare data, Medicaid
 6 39 data, ECFS system data, and other data depicting the status of
 7 1 children and families in the state, as necessary to issue cost
 7 2 estimates for serving populations, make and receive payments,
 7 3 conduct operations, and perform ECFS system activities.

7 4 (2) When performing duties under this paragraph, the
 7 5 department shall maintain compliance with applicable federal
 7 6 and state privacy laws to ensure the confidentiality and
 7 7 integrity of individually identifiable data.

7 8 (3) The department shall periodically assess the status of
 7 9 the department's compliance with subparagraph (2) to ensure
 7 10 that data collected and maintained by the department under this
 7 11 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.

7 12 b. To the extent possible, establish a record for each
 7 13 individual receiving publicly funded ECFS system services.
 7 14 Each record established under this paragraph shall include a
 7 15 unique client identifier for the purposes of identifying and
 7 16 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.

7 17 c. Consult with department contractors and other ECFS system
 7 18 stakeholders on an ongoing basis relating to the administration
 7 19 of the ECFS system, including but not limited to reviewing
 7 20 trends and outcomes as indicators for improving or modifying
 7 21 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.

7 22 d. Engage with entities that maintain information the
 7 23 department is required to collect pursuant to this section to
 7 24 integrate data relating to individuals receiving ECFS system
 7 25 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.

7 26 e. Engage with entities that maintain general population
 7 27 data relating to the ECFS system to develop action plans,
 7 28 create projections relating to a population's ECFS system
 7 29 needs, develop ECFS system policies, and otherwise perform
 7 30 activities as necessary to support families in achieving a
 7 31 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.

7 32 2. The department shall ensure that public and private
 7 33 agencies, organizations, and individuals that operate within
 7 34 the ECFS system use uniform methods to maintain statistical
 7 35 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.

7 36 Sec. 5. NEW SECTION 234A.5 HEALTHY FAMILIES PROGRAMS —
 7 37 HOPES-HFI PROGRAM.

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.

7 38 1. The department may establish the HOPES-HFI program to
 7 39 provide services to families and children during a child's
 8 1 prenatal through preschool years. If established, the
 8 2 HOPES-HFI program shall do all of the following:

DETAIL: The HOPES-HFI program is currently established and required under Iowa Code section [135.106](#).

8 3 a. Promote optimal child health and development.

8 4 b. Improve family coping skills and functioning.

8 5 c. Promote positive parenting skills and intrafamilial
 8 6 interaction.

8 7 d. Prevent child abuse, child neglect, infant mortality, and
 8 8 infant morbidity.

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.

8 9 2. The department shall administer the HOPES-HFI program,
 8 10 in whole or in part, by contracting with local organizations
 8 11 that use evidence-based home visiting models.

8 12 Sec. 6. NEW SECTION 234A.6 EARLY CHILDHOOD AND FAMILY
 8 13 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.

9 23 Sec. 14. DECATEGORIZATION FUNDING AND INITIATIVES.
9 24 1. For purposes of this section, unless the context
9 25 otherwise requires:

9 26 a. "Carryover funding" means unobligated or unencumbered
9 27 moneys described in section 232.188, subsection 5, paragraph
9 28 "b", Code 2026, at the close of the fiscal year beginning July
9 29 1, 2025.

9 30 b. "Decategorization initiative" means the services and
9 31 activities funded through a funding pool.

9 32 c. "Department" means the department of health and human
9 33 services.

9 34 d. "Funding" means moneys transferred to and remaining in a
9 35 funding pool at the close of the fiscal year that began July 1,
9 36 2025, and that consist of any of the following:

9 37 (1) Moneys appropriated by the general assembly and
9 38 designated for a decategorization initiative.

9 39 (2) Moneys appropriated by the general assembly to the
10 1 department for child welfare and juvenile justice services and
10 2 designated for a decategorization initiative by the department.

10 3 (3) Moneys appropriated to juvenile court services for
10 4 juvenile justice programs and designated for a decategorization
10 5 initiative.

10 6 (4) Carryover funding.

10 7 e. "Funding pool" means the same as defined in section
10 8 232.188, Code 2026.

10 9 f. "Governance board" means the same as defined in section
10 10 232.188, Code 2026.

10 11 2. a. Notwithstanding any provision of law to the contrary,
10 12 funding that consists of moneys designated for decategorization
10 13 initiatives and transferred to a funding pool by the department
10 14 that remains in a funding pool at the close of the fiscal year
10 15 beginning July 1, 2025, that has been encumbered or obligated
10 16 by the governance board for a decategorization initiative or
10 17 by contract beyond the end of that fiscal year, shall remain
10 18 available for expenditure to ensure continuation of such
10 19 decategorization initiative or contract until the close of the
10 20 succeeding fiscal year, unless otherwise determined by the
10 21 department under subsection 5.

Establishes definitions for the following terms: "carryover funding," "decategorization initiative," "department," "funding," "funding pool," and "governance board."

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

12 10 Sec. 17. Section 144.13A, subsection 5, paragraph a, Code
 12 11 2026, is amended to read as follows:
 12 12 a. Ten dollars of each registration fee is appropriated and
 12 13 shall be used for ~~primary and secondary~~ child abuse prevention
 12 14 ~~programs pursuant to section 235A.1~~, and ten dollars of each
 12 15 registration fee is appropriated and shall be used for the
 12 16 congenital and inherited disorders central registry established
 12 17 pursuant to section 136A.6. Notwithstanding section 8.33,
 12 18 moneys appropriated in this paragraph that remain unencumbered
 12 19 or unobligated at the close of the fiscal year shall not revert
 12 20 but shall remain available for expenditure for the purposes
 12 21 designated until the close of the succeeding fiscal year, and
 12 22 shall not be transferred, used, obligated, appropriated, or
 12 23 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).

12 24 Sec. 18. Section 422.12K, Code 2026, is amended to read as
 12 25 follows:
 12 26 422.12K INCOME TAX CHECKOFF FOR CHILD ABUSE PREVENTION
 12 27 ~~PROGRAM FUND~~ .
 12 28 1. A person who files an individual or a joint income tax
 12 29 return with the department of revenue under section 422.13 may
 12 30 designate one dollar or more to be paid to the ~~child abuse~~
 12 31 ~~prevention program~~ early childhood and family services system
 12 32 fund created in section 235A.2 234A.6, to be used for the
 12 33 purpose of child abuse prevention. If the refund due on the
 12 34 return or the payment remitted with the return is insufficient
 12 35 to pay the additional amount designated by the taxpayer to
 12 36 the ~~child abuse prevention program~~ early childhood and family
 12 37 services system fund, the amount designated shall be reduced to
 12 38 the remaining amount remitted with the return. The designation
 12 39 of a contribution to the ~~child abuse prevention program~~ early
 13 1 childhood and family services system fund under this section
 13 2 is irrevocable.
 13 3 2. The director of revenue shall draft the income tax form
 13 4 to allow the designation of contributions to the ~~child abuse~~
 13 5 ~~prevention program~~ early childhood and family services system
 13 6 fund on the tax return. The department of revenue, on or
 13 7 before January 31, shall transfer the total amount designated
 13 8 on the tax return forms due in the preceding calendar year to
 13 9 the ~~child abuse prevention program~~ early childhood and family
 13 10 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.

13 11 to this section shall be permitted, all liabilities on the
 13 12 books of the department and accounts identified as owing under
 13 13 section 421.65 shall be satisfied.
 13 14 3. The department of health and human services may authorize
 13 15 payment of moneys from the ~~child abuse prevention program~~ early
 13 16 childhood and family services system fund for the purpose
 13 17 of child abuse prevention in accordance with section 235A.2
 13 18 234A.6.
 13 19 4. The department of revenue shall adopt rules to administer
 13 20 this section.
 13 21 5. This section is subject to repeal under section 422.12E.

13 22 Sec. 19. REPEAL. Sections 235A.1, 235A.2, and 235A.3, Code
 13 23 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).

13 24 Sec. 20. CHILD ABUSE PREVENTION PROGRAM FUND — TRANSFER
 13 25 OF MONEYS. Any unencumbered or unobligated moneys remaining
 13 26 in the child abuse prevention program fund created in section
 13 27 235A.2, on June 30, 2026, shall be transferred to the early
 13 28 childhood and family services system fund created in section
 13 29 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.

13 30 Sec. 21. CHILD ABUSE PREVENTION PROGRAM — REVIEW OF
 13 31 CONTRACTS IMPACTED BY TRANSITION TO THE EARLY CHILDHOOD
 13 32 AND FAMILY SERVICES SYSTEM. With input from appropriate
 13 33 stakeholders, the department shall review the child abuse
 13 34 prevention program's contract for program administration and
 13 35 each grant project funded through the child abuse prevention
 13 36 program for the fiscal year beginning July 1, 2025, and ending
 13 37 June 30, 2026, impacted by this division of this Act. The
 13 38 department shall work with the child abuse prevention program's
 13 39 program administrator, local child abuse stakeholders, and
 14 1 grant project recipients to transition the funding and child
 14 2 abuse prevention administration and service delivery to the
 14 3 early childhood and family services system established in
 14 4 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.

14 5 Sec. 22. EFFECTIVE DATE. The section of this division of
 14 6 this Act relating to the review of contracts impacted by the
 14 7 transition of the child abuse prevention program to the early
 14 8 childhood and family services system, being deemed of immediate
 14 9 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.

14 10 Sec. 23. RETROACTIVE APPLICABILITY. The section of this
 14 11 division of this Act relating to the review of contracts
 14 12 impacted by the transition of the child abuse prevention
 14 13 program to the early childhood and family services system
 14 14 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.

14 15 DIVISION IV
 14 16 EARLY CHILDHOOD IOWA INITIATIVE — EARLY CHILDHOOD AND FAMILY
 14 17 SERVICES

14 18 Sec. 24. EARLY CHILDHOOD IOWA INITIATIVE — EARLY CHILDHOOD
 14 19 AND FAMILY SERVICES.

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."

14 20 1. For purposes of this section, unless the context
 14 21 otherwise requires:

14 22 a. "Department" means the department of health and human
 14 23 services.

14 24 b. "Early childhood Iowa area" means the same as defined in
 14 25 section 256I.1.

14 26 c. "Early childhood Iowa area board" means the same as
 14 27 defined in section 256I.1.

14 28 d. "Early childhood Iowa initiative" means the same as
 14 29 described in section 256I.2.

14 30 e. "ECFS system" means the same as defined in section
 14 31 234A.1, as enacted in division I of this Act.

14 32 2. If the department receives a request from an early
 14 33 childhood Iowa area board to transition administration of home
 14 34 visiting services to the ECFS system, the department shall
 14 35 develop and implement a plan to facilitate the transfer. The
 14 36 department's plan shall, at a minimum, include all of the
 14 37 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.

14 38 a. With input from appropriate stakeholders, the department
 14 39 shall identify each current home visiting services contract
 15 1 executed by the early childhood Iowa area board requesting the
 15 2 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

15 3 early childhood Iowa area board shall, if permitted by the
 15 4 terms of a contract, exercise the option to terminate the
 15 5 contract. If a contract does not permit early termination, the
 15 6 contract shall be terminated at the end of the current term of
 15 7 the contract. A contract identified under this paragraph shall
 15 8 not be renewed or extended at the end of the current contract
 15 9 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.

15 10 b. All debts, claims, or other liabilities owed to an early
 15 11 childhood Iowa area board, or the board's early childhood
 15 12 Iowa area, due to home visiting services provided or rendered
 15 13 pursuant to chapter 256I prior to transfer of administration
 15 14 of home visiting services to the ECFS system shall remain due
 15 15 and owing after administration of home visiting services is
 15 16 transferred to the ECFS system. Each fiscal agent contracted
 15 17 with an early childhood Iowa area board shall collect such
 15 18 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.

15 19 c. An early childhood Iowa area board or an agent of an
 15 20 early childhood Iowa area board shall not enter into, renew, or
 15 21 extend a home visiting services contract related to the early
 15 22 childhood Iowa initiative or related activities if the term
 15 23 of the contract extends past, or the deliverables under the
 15 24 contract would be provided after, the date administration of
 15 25 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.

15 26 d. The department shall ensure that individuals currently
 15 27 receiving home visiting services provided through the early
 15 28 childhood Iowa initiative by the early childhood Iowa area
 15 29 board requesting the transfer of administration of home
 15 30 visiting services have uninterrupted continuity of care during
 15 31 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.

15 32 e. The department shall maintain ongoing communication
 15 33 with, and provide a means to receive input from, the early
 15 34 childhood Iowa area board requesting the transfer of
 15 35 administration of home visiting services during the selection
 15 36 process for home visiting services providers in the early
 15 37 childhood Iowa area board's early childhood Iowa area. The
 15 38 department shall collaborate with the director of the early
 15 39 childhood Iowa area board when selecting a home visiting
 16 1 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:

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:

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

- 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.

17 2 providers and the department.
 17 3 c. The impact on rural and underserved communities.
 17 4 d. Possible courses of action to transition home visitation
 17 5 services to ensure the early childhood Iowa system remains
 17 6 viable and effective in the long term.

17 7 2. a. The study committee's voting members shall consist
 17 8 of the following:
 17 9 (1) Two members of the senate appointed by the senate
 17 10 majority leader.
 17 11 (2) One member of the senate appointed by the senate
 17 12 minority leader.
 17 13 (3) Two members of the house of representatives appointed
 17 14 by the house majority leader.
 17 15 (4) One member of the house of representatives appointed by
 17 16 the house minority leader.

17 17 b. The study committee's nonvoting members shall consist of
 17 18 the following:
 17 19 (1) Two members of the association of early childhood Iowa
 17 20 area boards and advocates appointed by the association of early
 17 21 childhood Iowa area boards and advocates.
 17 22 (2) Two early childhood Iowa stakeholders appointed by the
 17 23 association of early childhood Iowa area boards and advocates.
 17 24 (3) Two persons with relevant expertise appointed by the
 17 25 association of early childhood Iowa area boards and advocates.
 17 26 (4) Two representatives of the department of health and
 17 27 human services.
 17 28 (5) One representative of the department of education.
 17 29 (6) One representative of the department of workforce
 17 30 development.
 17 31 (7) One representative of the economic development
 17 32 authority.

17 33 3. The department of health and human services shall
 17 34 cooperate with any formal request for data from the study
 17 35 committee. All personal identifying information shall be
 17 36 redacted prior to submitting the requested data to the study
 17 37 committee.

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.

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.

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.

17 38 4. The study committee shall submit a final report with the
 17 39 study committee's findings and recommendations to the general
 18 1 assembly no later than January 8, 2027. In lieu of a final
 18 2 report, the study committee may submit a bill draft to the
 18 3 general assembly with proposed changes to the Code based on the
 18 4 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.

18 5 DIVISION VI
 18 6 CONFORMING CHANGES

18 7 Sec. 26. Section 232.69, subsection 1, paragraph b,
 18 8 subparagraph (5), Code 2026, is amended to read as follows:
 18 9 (5) An employee or operator of a licensed child care center,
 18 10 registered child development home, head start program, family
 18 11 development and self-sufficiency grant program under section
 18 12 216A.107, or healthy opportunities for parents to experience
 18 13 success – healthy families Iowa program under section ~~135.106~~
 18 14 234A.5.

CODE: Conforming change.

18 15 Sec. 27. Section 237A.30, subsection 1, Code 2026, is
 18 16 amended to read as follows:
 18 17 1. The department shall ~~work with the early childhood~~
 18 18 ~~Iowa program established in section 256I.5 in designing and~~
 18 19 ~~implementing~~ implement a voluntary quality rating system for
 18 20 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 designating and implementing a voluntary quality rating system.

18 21 Sec. 28. Section 256I.13, subsection 1, Code 2026, is
 18 22 amended to read as follows:
 18 23 1. In order to implement the legislative intent stated
 18 24 in ~~sections 135.106 and section~~ section 256I.9, that priority for
 18 25 family support program funding be given to programs using
 18 26 evidence-based or promising models for family support, it is
 18 27 the intent of the general assembly that ninety percent of state
 18 28 funds expended for family support programs shall be used for
 18 29 evidence-based or promising program models. The remaining ten
 18 30 percent of funds may be used for innovative program models that
 18 31 do not yet meet the definition of evidence-based or promising
 18 32 programs.

CODE: Conforming change.

18 33 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.

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 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.

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.

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

1 1 Section 1. Section 232.102, subsection 1, paragraph c, Code
1 2 2026, is amended to read as follows:
1 3 c. (1) A court shall not order placement of a child in a
1 4 category identified in paragraph "a", subparagraph (2), (3),
1 5 (4), or (5) without a specific finding that placement with
1 6 an adult relative is not in the child's best interests and
1 7 providing reasons for the court's finding.
1 8 (2) Notwithstanding any provision under this subsection
1 9 to the contrary, if the court finds, during the dispositional
1 10 hearing, that the child has been placed with an individual
1 11 licensed under chapter 237 to provide foster care for at least
1 12 nine months immediately preceding the dispositional hearing,
1 13 the court shall not order placement of a child in a category
1 14 identified in paragraph "a", subparagraph (1), (2), or (3),
1 15 without a specific finding that such placement is in the
1 16 child's best interests and providing reasons for the court's
1 17 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.

EXECUTIVE SUMMARY

HEALTH MAINTENANCE ORGANIZATION TAXES, SUPPLEMENTAL APPROPRIATIONS, AND TRANSFERS ACT

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

HEALTH MAINTENANCE ORGANIZATION TAXES, SUPPLEMENTAL APPROPRIATIONS, AND TRANSFERS ACT

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

EXECUTIVE SUMMARY

HEALTH MAINTENANCE ORGANIZATION TAXES, SUPPLEMENTAL APPROPRIATIONS, AND TRANSFERS ACT

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)

1 8	DIVISION I	
1 9	HEALTH MAINTENANCE ORGANIZATION TAXATION	
1 10	Section 1. Section 249A.13, subsection 1, Code 2026, is	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.
1 11	amended to read as follows:	
1 12	1. A Medicaid managed care organization ~~premiums~~ <u>health</u>	DETAIL: Medicaid received approximately \$101,700,000 from the MCO premium tax in FY 2025.
1 13	<u>care tax</u> fund is created in the state treasury under the	
1 14	authority of the department of health and human services.	
1 15	Moneys collected by the director of the department of revenue	
2 1	as taxes on ~~premiums~~ pursuant to section ~~432.1B~~ <u>432B.2</u> shall be	
2 2	deposited in the fund.	
2 3	Sec. 2. Section 432.1, unnumbered paragraph 1, Code 2026,	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).
2 4	is amended to read as follows:	
2 5	Every insurance company or association of whatever kind or	
2 6	character, not including fraternal beneficiary associations,	
2 7	<u>health maintenance organizations</u> , and nonprofit hospital and	
2 8	medical service corporations, shall, as required by law, pay to	
2 9	the director of the department of revenue, or to a depository	
2 10	designated by the director, as taxes, an amount equal to the	
2 11	following, except that the premium tax applicable to county	
2 12	mutual insurance associations shall be governed by section	
2 13	518.18:	
2 14	Sec. 3. Section 432.1, subsection 2, unnumbered paragraph	CODE: Adopts conforming changes to Iowa Code section 432.1 (2) (Tax on Gross Premiums — Exclusions).
2 15	1, Code 2026, is amended to read as follows:	
2 16	The “applicable percent” for purposes of subsection 1 of this	
2 17	section, ~~section 432.1B~~ , and section 432.2 is the following:	
2 18	Sec. 4. NEW SECTION 432B.1 DEFINITIONS.	CODE: Defines terms related to the health care-related taxes provided in this Act.
2 19	As used in this chapter:	
2 20	1. “Commissioner” means the commissioner of insurance.	
2 21	2. “Health maintenance organization” means the same as	
2 22	defined in section 514B.1. “Health maintenance organization”	
2 23	includes a health maintenance organization contracting with	
2 24	the department of health and human services to administer the	
2 25	medical assistance program under chapter 249A.	
2 26	3. a. “Taxable funds” means all of the following:	
2 27	(1) Payments received by the health maintenance	
2 28	organization for health care services, insurance, indemnity,	
2 29	or other benefits to which an enrollee is entitled through a	

2 30 health maintenance organization.
 2 31 (2) Payments made by the health maintenance organization
 2 32 to providers for health care services, to insurers, or to
 2 33 corporations authorized under chapter 514 for insurance,
 2 34 indemnity, or other authorized service benefits, except
 2 35 a payment made by a health maintenance organization that
 2 36 qualifies both as a payment received under subparagraph (1) and
 2 37 a payment made under this subparagraph, shall be considered
 2 38 taxable funds under subparagraph (1).

2 39 b. "Taxable funds" does not include payments made to a
 3 1 health maintenance organization by the United States secretary
 3 2 of health and human services under a contract issued under
 3 3 section 1833 or 1876 of the federal Social Security Act, or
 3 4 under section 4015 of the federal Omnibus Budget Reconciliation
 3 5 Act of 1987.

3 6 Sec. 5. NEW SECTION 432B.2 IMPOSITION OF HEALTH
 3 7 CARE-RELATED TAX.

3 8 1. Commencing with the calendar year beginning January
 3 9 1, 2026, and for subsequent calendar years, each health
 3 10 maintenance organization transacting business in this state
 3 11 shall be subject to a health care-related tax payable to
 3 12 the director of revenue in an amount equal to ninety-five
 3 13 hundredths of one percent of the applicable percentage of
 3 14 taxable funds.

3 15 2. The amounts received by the director of revenue from the
 3 16 imposition of the tax shall be deposited in the health care tax
 3 17 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.

3 18 Sec. 6. NEW SECTION 432B.3 DATE TAX DUE — METHOD OF
 3 19 PAYMENT — STATUTE OF LIMITATIONS.

3 20 1. Except as provided in subsection 2, the tax imposed
 3 21 under this chapter shall be paid on or before March 1 of the
 3 22 year following the calendar year for which the tax is due. The
 3 23 commissioner may suspend or revoke the license of a health
 3 24 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.

3 25 in this chapter that fails to pay the health care-related tax
3 26 on or before the due date.

3 27 2. a. Each health maintenance organization transacting
3 28 business in this state that is subject to the tax in section
3 29 432B.2 shall remit on or before June 1, on a prepayment basis,
3 30 an amount equal to one-half of the product of the rate in
3 31 section 432B.2 and the taxable funds in the prior calendar
3 32 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.

3 33 b. In addition to the prepayment amount in paragraph "a",
3 34 each health maintenance organization subject to the tax in this
3 35 chapter shall remit on or before August 15, on a prepayment
3 36 basis, an additional amount equal to one-half of the product of
3 37 the rate in section 432B.2 and the taxable funds in the prior
3 38 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.

3 39 c. (1) The sums prepaid by a health maintenance
4 1 organization under paragraphs "a" and "b" shall be allowed
4 2 as credits against the health maintenance organization's
4 3 health care-related tax liability for the calendar year during
4 4 which the payments are made. If a prepayment made under this
4 5 subsection exceeds the health maintenance organization's annual
4 6 health care-related tax liability, the excess shall be allowed
4 7 as a credit against the health maintenance organization's
4 8 subsequent prepayment or tax liabilities under this chapter.
4 9 The commissioner shall authorize the department of revenue
4 10 to make a cash refund to a health maintenance organization,
4 11 in lieu of a credit against subsequent prepayment or tax
4 12 liabilities under this section, if the health maintenance
4 13 organization demonstrates the inability to recoup the funds
4 14 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.

4 15 (2) The commissioner shall adopt rules establishing a
4 16 health maintenance organization's eligibility for a cash
4 17 refund, and the process for the department of revenue to make a
4 18 cash refund to an eligible health maintenance organization from
4 19 the Medicaid managed care organization health care tax fund
4 20 created in section 249A.13. The commissioner may suspend or
4 21 revoke the license of a health maintenance organization that
4 22 fails to make a prepayment on or before the due date under this
4 23 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.

4 24 3. The commissioner shall determine whether or not the tax
 4 25 remitted is correct. If the tax remitted is not sufficient,
 4 26 the commissioner shall notify the delinquent company of the
 4 27 amount of such delinquency and certify the amount to the
 4 28 department of revenue which shall proceed to collect the
 4 29 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 30 4. Within five years after the tax return is filed or within
 4 31 five years after the tax return became due, whichever is later,
 4 32 the commissioner shall examine the return and determine the
 4 33 tax. An assessment or a claim for credit must be made within
 4 34 five calendar years after the annual tax filing is made. For
 4 35 a five-year period preceding the current calendar year, a
 4 36 company may apply for a credit, or the commissioner may make
 4 37 an assessment, as appropriate. The period of examination and
 4 38 determination of the correct amount of tax is unlimited in the
 4 39 case of a false or fraudulent return made with the intent to
 5 1 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.

5 2 Sec. 7. Section 508C.19, Code 2026, is amended to read as
 5 3 follows:

CODE: Makes health care-related taxpayers eligible for credits for assessments paid.

5 4 508C.19 CREDITS FOR ASSESSMENTS PAID.

5 5 1. An insurer may offset an assessment made pursuant to
 5 6 section 508C.9 against its premium tax liability pursuant to
 5 7 chapter 432 or health care-related tax liability pursuant to
 5 8 chapter 432B to the extent of twenty percent of the amount of
 5 9 the assessment for each of the five calendar years following
 5 10 the year in which the assessment was paid. If an insurer
 5 11 ceases doing business, all uncredited assessments may be
 5 12 credited against its premium or health care-related tax
 5 13 liability for the year it ceases doing business.

5 14 2. Sums acquired by refund from the association which have
 5 15 been written off by contributing insurers and offset against
 5 16 premium taxes or health care-related taxes as provided in
 5 17 subsection 1 and are not then needed for purposes of this
 5 18 chapter shall be paid by the association to the commissioner.
 5 19 The commissioner shall remit the moneys to the treasurer of
 5 20 state to deposit in the state general fund.

5 21 Sec. 8. Section 514B.31, Code 2026, is amended by striking
 5 22 the section and inserting in lieu thereof the following:
 5 23 514B.31 HEALTH MAINTENANCE ORGANIZATION HEALTH CARE-RELATED
 5 24 TAXATION.
 5 25 Every health maintenance organization and including health
 5 26 maintenance organizations contracting with the department of
 5 27 health and human services to administer the medical assistance
 5 28 program under chapter 249A shall be subject to taxation under
 5 29 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.

5 30 Sec. 9. Section 514E.1, subsection 3, Code 2026, is amended
 5 31 to read as follows:
 5 32 3. "Carrier" means an insurer providing accident and
 5 33 sickness insurance under chapter 509, 514, 514A and includes a
 5 34 health maintenance organization established under chapter 514B
 5 35 if payments received by the health maintenance organization
 5 36 are ~~considered premiums pursuant to section 514B.31 and are~~
 5 37 ~~taxed under chapter 432~~ subject to the health care-related
 5 38 tax under chapter 432B. "Carrier" also includes a corporation
 5 39 which becomes a mutual insurer pursuant to section 514.23 and
 6 1 any other person as defined in section 4.1, subsection 20, who
 6 2 is or may become liable for the tax imposed by chapter 432 or
 6 3 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).

6 4 Sec. 10. Section 514E.2, subsection 13, Code 2026, is
 6 5 amended to read as follows:
 6 6 13. An insurer may offset an assessment made pursuant to
 6 7 this chapter against its premium tax liability pursuant to
 6 8 chapter 432 or against its health care-related tax liability
 6 9 pursuant to chapter 432B, as applicable, to the extent of
 6 10 twenty percent of the amount of the assessment for each
 6 11 of the five calendar years following the year in which the
 6 12 assessment was paid. If an insurer ceases doing business, all
 6 13 uncredited assessments may be credited against its premium or
 6 14 health care-related tax liability for the year it ceases doing
 6 15 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.

6 16 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).

6 17 Sec. 12. PREMIUM TAX — HEALTH MAINTENANCE
 6 18 ORGANIZATION. For purposes of imposing the premium tax
 6 19 under section 432.1, beginning with calendar year 2026, and
 6 20 subsequent calendar years, a health maintenance organization
 6 21 is not subject to the premium tax under section 432.1, if the
 6 22 health maintenance organization is subject to the imposition
 6 23 of the health care-related tax under chapter 432B, if enacted
 6 24 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.

6 25 Sec. 13. TEMPORARY PROVISIONS FOR THE HEALTH CARE-RELATED
 6 26 TAX AND PREPAYMENTS FOR CALENDAR YEAR 2026. Notwithstanding
 6 27 section 432B.2, subsection 1, if enacted by this division
 6 28 of this Act, each health care maintenance organization
 6 29 transacting business in this state shall be subject to a health
 6 30 care-related tax payable to the director of revenue in an
 6 31 amount equal to three and one-half percent of the applicable
 6 32 percentage of taxable funds as defined in section 432B.1,
 6 33 if enacted by this division of this Act, for the period in
 6 34 calendar year beginning January 1, 2026, and ending September
 6 35 30, 2026. The difference between the amount of taxes collected
 6 36 pursuant to this section and the amount of tax that would be
 6 37 collected by imposing the rate under section 432B.2, subsection
 6 38 1, if enacted by this division of this Act, shall not be
 6 39 subject to prepayment under section 432B.3, subsection 1, if
 7 1 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.

7 2 Sec. 14. CONTINGENT EFFECTIVE DATE. The following takes
 7 3 effect upon the date the department of health and human
 7 4 services notifies the general assembly and the Code editor of
 7 5 the approval by the federal centers for Medicare and Medicaid
 7 6 services of the United States department of health and human
 7 7 services of the method of taxation upon a health maintenance
 7 8 organization imposed pursuant to this division of the Act:
 7 9 The section of this division of this Act enacting the
 7 10 temporary provisions for the health care-related tax and
 7 11 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.

7 12 Sec. 15. EFFECTIVE DATE. Unless otherwise provided, this
 7 13 division of this Act, being deemed of immediate importance,
 7 14 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.

7 15 Sec. 16. RETROACTIVE APPLICABILITY. This division of this
 7 16 Act applies retroactively to January 1, 2026, for tax years
 7 17 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.

7 18 DIVISION II
 7 19 TAXPAYER RELIEF FUND TRANSFERS — SUPPLEMENTAL APPROPRIATIONS

7 20 Sec. 17. Section 8.54, subsection 5, paragraph b, Code 2026,
 7 21 is amended to read as follows:

7 22 b. (1) For fiscal years in which it is anticipated that
 7 23 moneys will be transferred from the taxpayer relief fund to
 7 24 the general fund of the state in accordance with section
 7 25 8.57E, subsection 2, paragraph “b”, the original state general
 7 26 fund expenditure limitation amount provided for in subsection
 7 27 3 shall not be readjusted to include the amount of moneys
 7 28 anticipated to be so transferred. This paragraph subparagraph
 7 29 is repealed July 1, 2029 2027.

7 30 (2) For the fiscal year beginning July 1, 2027, and each
 7 31 fiscal year thereafter, in which it is anticipated that moneys
 7 32 will be transferred from the taxpayer relief fund to the
 7 33 general fund of the state in accordance with section 8.57E,
 7 34 subsection 2, paragraph “b”, the original state general fund
 7 35 expenditure limitation amount provided for in subsection 3
 7 36 shall be readjusted to include the amount of moneys anticipated
 7 37 to be so transferred.

7 38 (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.

7 39 Sec. 18. Section 8.57E, subsection 2, paragraph b, Code
 8 1 2026, is amended by adding the following new subparagraph:
 8 2 NEW SUBPARAGRAPH (02) (a) For the fiscal year beginning
 8 3 July 1, 2027, the transfer pursuant to this paragraph shall not
 8 4 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.

8 5 revenue estimate, as defined in section 8.54, for the fiscal
 8 6 year and the net general fund appropriation for the fiscal
 8 7 year.
 8 8 (b) For the fiscal year beginning July 1, 2028, the transfer
 8 9 pursuant to this paragraph shall not exceed fifty percent
 8 10 of the difference between the adjusted revenue estimate, as
 8 11 defined in section 8.54, for the fiscal year and the net
 8 12 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.

8 13 Sec. 19. TAXPAYER RELIEF FUND TRANSFER — FEDERAL TAX LAW
 8 14 CHANGES.

Transfers \$347,013,889 from the TPRF to the General Fund in FY 2026.

8 15 1. On the effective date of this division of this Act, there
 8 16 is transferred from the taxpayer relief fund created in section
 8 17 8.57E to the general fund of the state, the following amount:
 8 18 \$ 347,013,889

8 19 2. The transfer under this section is made in accordance
 8 20 with section 8.57E, subsection 2, paragraph “a”, for state tax
 8 21 relief based on the reduction in state revenue for the fiscal
 8 22 year beginning July 1, 2025, associated with 2025 federal tax
 8 23 law changes pursuant to section 422.3, subsection 5, paragraph
 8 24 “b”, including but not limited to the allowance of income tax
 8 25 deductions for qualified tips, overtime compensation, and
 8 26 qualified passenger vehicle loan interest under the federal
 8 27 Internal Revenue Code, as amended by Pub.L. No.119-21,
 8 28 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](#).

8 29 3. Notwithstanding section 8.54, the state general fund
 8 30 expenditure limitation amount calculated for the fiscal year
 8 31 beginning July 1, 2026, shall be readjusted to include one
 8 32 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.

8 33 Sec. 20. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
 8 34 SUPPLEMENTAL APPROPRIATION. There is appropriated from the
 8 35 general fund of the state to the department of health and human
 8 36 services for the fiscal year beginning July 1, 2025, and ending
 8 37 June 30, 2026, the following amount, or so much thereof as is
 8 38 necessary, to be used for the purposes designated:
 8 39 To supplement the appropriation made for medical assistance
 9 1 program reimbursement and associated costs in 2025 Iowa Acts,
 9 2 chapter 169, section 9, unnumbered paragraph 2:
 9 3 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.

9 4 Notwithstanding section 8.33, moneys appropriated in this
9 5 section that remain unencumbered or unobligated at the close of
9 6 the fiscal year shall not revert but shall remain available for
9 7 expenditure for the purposes designated until the close of the
9 8 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.

9 9 Sec. 21. EFFECTIVE DATE. This division of this Act, being
9 10 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)
<u>Health and Human Services, Department of</u>					
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	<u>\$ 1,650,866,536</u>	<u>\$ 1,903,550,706</u>	<u>\$ 89,000,000</u>	<u>\$ 1,992,550,706</u>	
Total Health and Human Services	<u><u>\$ 1,650,866,536</u></u>	<u><u>\$ 1,903,550,706</u></u>	<u><u>\$ 89,000,000</u></u>	<u><u>\$ 1,992,550,706</u></u>	

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

EXECUTIVE SUMMARY
HUMAN TRAFFICKING, OMNIBUS ACT

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).

EXECUTIVE SUMMARY

HUMAN TRAFFICKING, OMNIBUS ACT

HOUSE FILE 1036

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

1 7 Section 1. Section 80.45, subsection 3, Code 2025, is
 1 8 amended by adding the following new paragraph:
 1 9 NEW PARAGRAPH i. Hold an annual meeting of stakeholders to
 1 10 develop legislative proposals to combat human trafficking, and
 1 11 submit a report, by December 15, 2025, and annually thereafter
 1 12 for a period of five years ending with the submission of
 1 13 the report in 2030, to the governor and general assembly.
 1 14 Participants shall include the following:
 1 15 (1) A representative of the department of public safety.
 1 16 (2) A representative of the office to combat human
 1 17 trafficking.
 1 18 (3) A representative of the attorney general's office.
 1 19 (4) A representative of the department of health and human
 1 20 services.
 1 21 (5) A representative of juvenile court services.
 1 22 (6) A chief of police or head law enforcement official of a
 1 23 city in this state.
 1 24 (7) A county sheriff.
 2 1 (8) A county attorney who serves on a child protection
 2 2 assistance team under section 915.35, subsection 4, paragraph
 2 3 "a".
 2 4 (9) A public defender or criminal law attorney with
 2 5 experience working on human trafficking cases.
 2 6 (10) A member of the public, or the person's legal
 2 7 representative, who is a former human trafficking victim.
 2 8 (11) A representative from the Iowa network against human
 2 9 trafficking.
 2 10 (12) A representative from a nonprofit organization whose
 2 11 primary focus is services for human trafficking survivors.
 2 12 (13) A representative from state court administration with
 2 13 expertise in child welfare law.

2 14 Sec. 2. Section 232.2, Code 2025, is amended by adding the
 2 15 following new subsection:
 2 16 NEW SUBSECTION 7A. "Commercial sexual exploitation" refers
 2 17 to a range of crimes and activities involving the sexual abuse
 2 18 or exploitation of a child for the financial benefit of any
 2 19 person or in exchange for anything of value including monetary
 2 20 and nonmonetary benefits given or received by any person.

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).

CODE: Defines the term "commercial sexual exploitation" under Iowa Code chapter [232](#) (Juvenile Justice).

2 21 Sec. 3. Section 232.28, subsection 2, Code 2025, is amended
2 22 to read as follows:

2 23 2. a. The court or its designee shall refer the complaint
2 24 to an intake officer who shall consult with law enforcement
2 25 authorities having knowledge of the facts and conduct a
2 26 preliminary inquiry to determine what action should be taken.
2 27 b. The court or its designee shall order every complaint to
2 28 be reviewed using a standardized human trafficking indicator
2 29 list. The court or its designee may order the child subject to
2 30 the complaint with the presence of an indicator to be screened
2 31 for commercial sexual exploitation using a standardized,
2 32 evidence-based, trauma-informed screening tool.

2 33 Sec. 4. Section 232.71B, subsection 1, paragraph a,
2 34 unnumbered paragraph 1, Code 2025, is amended to read as
2 35 follows:

2 36 If the department determines a report constitutes a child
2 37 abuse allegation, the department shall promptly have the child
2 38 subject to the child abuse allegation screened for commercial
2 39 sexual exploitation using a standardized, evidence-based,
3 1 trauma-informed screening tool, and shall commence either a
3 2 child abuse assessment within twenty-four hours of receiving
3 3 the report or a family assessment within seventy-two hours of
3 4 receiving the report.

3 5 Sec. 5. Section 614.8, subsection 2, Code 2025, is amended
3 6 to read as follows:

3 7 2. Except as provided in section 614.1, subsection 9, or
3 8 section 614.8A, the times limited for actions in this chapter,
3 9 or chapter 216, 659A, 669, or 670, except those brought for
3 10 penalties and forfeitures, are extended in favor of minors,
3 11 so that they shall have ~~one year~~ five years from and after
3 12 attainment of majority within which to file a complaint
3 13 pursuant to chapter 216, to make a claim pursuant to chapter
3 14 669, or to otherwise commence an action.

3 15 Sec. 6. Section 614.8A, Code 2025, is amended to read as
3 16 follows:

3 17 614.8A—DAMAGES COMMENCEMENT OF ACTION FOR CHILD OR MINOR
3 18 SEXUAL ABUSE OR HUMAN TRAFFICKING — TIME LIMITATION.

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.

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).

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.

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:

4 17 1. "Category "A" restitution" means fines, penalties, the
 4 18 payment of crime victim compensation program reimbursements,
 4 19 and surcharges.

CODE: Modifies the definition of "Category 'A' restitution" to include the payment of crime victim compensation program reimbursements.

4 20 2. "Category "B" restitution" means the contribution of
 4 21 funds to a local anticrime organization which that provided
 4 22 assistance to law enforcement in an offender's case, the
 4 23 payment of crime victim compensation program reimbursements,
 4 24 payment of restitution to public agencies pursuant to
 4 25 section 321J.2, subsection 13, paragraph "b", court costs,
 4 26 court-appointed attorney fees ordered pursuant to section
 4 27 815.9, including the expense of a public defender, and payment
 4 28 to the medical assistance program pursuant to chapter 249A for
 4 29 expenditures paid on behalf of the victim resulting from the
 4 30 offender's criminal activities including investigative costs
 4 31 incurred by the Medicaid fraud control unit pursuant to section
 4 32 249A.50.

CODE: Removes the payment of crime victim compensation program reimbursements from the definition of "Category 'B' restitution."

4 33 Sec. 10. DEPARTMENT OF HEALTH AND HUMAN SERVICES —
 4 34 RESTORATION FACILITIES. The department of health and human
 4 35 services shall develop a plan in consultation with nonprofit
 4 36 service providers who provide restoration services to
 4 37 victims of human trafficking to increase the availability of
 4 38 restoration facilities and protective services available to
 4 39 juvenile victims of human trafficking, including juvenile
 5 1 victims who are not, at the time of victimization, either
 5 2 a child in need of assistance or otherwise involved in
 5 3 the juvenile court system. The department shall consider
 5 4 developing a network with other states to provide housing
 5 5 outside of the state for victims at risk of returning to the
 5 6 person involved in the victim's trafficking. The department of
 5 7 health and human services shall present a report detailing the
 5 8 plan to the governor and the general assembly by December 15,
 5 9 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.

5 10 Sec. 11. EFFECTIVE DATE. The following takes effect July
 5 11 1, 2026:
 5 12 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).

NOTE: [HF 2800](#) (FY 2027 Standing Appropriations Act) amended this section making the effective date July 1, 2027 (FY 2028).

EXECUTIVE SUMMARY

JUVENILE HOMES, MAINTENANCE AND COSTS ACT

HOUSE FILE 2781

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

2 1 Section 1. Section 232.142, subsection 6, paragraph b, Code
 2 2 2026, is amended to read as follows:
 2 3 b. (1) Moneys deposited in the juvenile detention home
 2 4 fund during a fiscal year are appropriated to the department
 2 5 for the same fiscal year for distribution of an amount equal to
 2 6 a percentage of the costs of the establishment, improvement,
 2 7 operation, and maintenance of county or multicounty juvenile
 2 8 detention homes in the ~~prior~~ immediately preceding fiscal year.
 2 9 Such percentage shall be determined by the department based on
 2 10 the amount available for distribution from the fund.

CODE: Technical change.

2 11 (2) Moneys appropriated for distribution in accordance with
 2 12 this subsection shall be allocated ~~among eligible detention~~
 2 13 ~~homes, as follows:~~
 2 14 (a) One hundred fifty thousand dollars shall be distributed
 2 15 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.

2 16 (b) Appropriated moneys remaining after the distribution
 2 17 in subparagraph division (a) shall be prorated and distributed
 2 18 on the basis of an eligible county or multicounty juvenile
 2 19 detention home's proportion of the costs of all eligible
 2 20 county or multicounty juvenile detention homes in the prior
 2 21 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

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- 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

EXECUTIVE SUMMARY

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OIL AND GAS, DEVELOPMENT AND PRODUCTION ACT

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

EXECUTIVE SUMMARY

OIL AND GAS, DEVELOPMENT AND PRODUCTION ACT

SENATE FILE 2490

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

1 7 Section 1. Section 8.57A, Code 2026, is amended by adding
 1 8 the following new subsection:
 1 9 NEW SUBSECTION 3A. A severance tax account is created in
 1 10 the environment first fund. Moneys in the account in a fiscal
 1 11 year shall be used as appropriated by the general assembly for
 1 12 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.

2 1 Sec. 2. Section 22.7, Code 2026, is amended by adding the
 2 2 following new subsection:
 2 3 NEW SUBSECTION 78. Records received, collected, or
 2 4 created in the administration of severance tax for oil and gas
 2 5 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.

2 6 Sec. 3. Section 458A.2, Code 2026, is amended by adding the
 2 7 following new subsections:
 2 8 NEW SUBSECTION 01. "Casing" means the practice of
 2 9 providing structural integrity, stability for unstable geologic
 2 10 formations, and formation isolation, allowing for pressure
 2 11 control via blowout preventer equipment, and allowing for
 2 12 flowback if applicable.
 2 13 NEW SUBSECTION 2A. "Correlative rights" means the
 2 14 opportunity afforded to the owner of each property in a pool
 2 15 to produce, so far as it is reasonably practicable to do so
 2 16 without waste, a just and equitable share of the oil or gas, or
 2 17 both, in the pool.
 2 18 NEW SUBSECTION 5A. "Exploratory well" means a well drilled
 2 19 beyond the known producing limits of a pool.
 2 20 NEW SUBSECTION 20A. "Well log" means a record of geologic
 2 21 formations penetrated by the borehole with respect to both time
 2 22 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](#).

2 23 Sec. 4. Section 458A.4, subsection 1, Code 2026, is amended
 2 24 by adding the following new paragraph:
 2 25 NEW PARAGRAPH 0b. Every person acting as a principal or
 2 26 agent for another or independently engaged in the production,
 2 27 storage, transportation, except by railroad, refining,
 2 28 reclaiming, treating, marketing, or processing of oil or gas,
 2 29 or engaged in the exploration for or production of metallic
 2 30 minerals to file the following with the department on or before
 2 31 April 1 of each year:
 2 32 (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 33 (2) The name and contact information of the person,
 2 34 business, or businesses engaged in the activity.
 2 35 (3) The plan of organization.
 2 36 (4) For a corporation, the following filings apply:
 2 37 (a) The law under which the corporation is chartered.
 2 38 (b) The names and contact information for any person acting
 2 39 as a trustee.
 3 1 (c) The names of the manager, agent, or executive.
 3 2 (d) The names and contact information of all officers.
 3 3 (5) The names and contact information of all owners if the
 3 4 business is conducted under an assumed name.

3 5 Sec. 5. Section 458A.4, subsection 1, paragraph b, Code
 3 6 2026, is amended to read as follows:
 3 7 b. The making and filing of all mechanical well logs and
 3 8 the filing of directional surveys if taken, and the filing of
 3 9 reports on well location, drilling, and production, and the
 3 10 filing free of charge of samples and core chips and of complete
 3 11 cores less tested sections when requested in the department
 3 12 within six months after the completion or abandonment of the
 3 13 well, unless otherwise extended pursuant to section 458A.6A;

3 14 Sec. 6. Section 458A.4, Code 2026, is amended by adding the
 3 15 following new subsection:
 3 16 NEW SUBSECTION 4A. To allow for variances to any of the
 3 17 department's rules, regulations, or orders. A variance shall
 3 18 be granted in writing by the director without a hearing upon
 3 19 written request of an owner or applicant. The owner or the
 3 20 applicant requesting the variance shall demonstrate that it has
 3 21 made a good faith effort to comply or is unable to comply with
 3 22 the specific requirements contained in the rules, regulations,
 3 23 or orders from which it seeks a variance, and that the
 3 24 requested variance will not violate the basic intent of this
 3 25 chapter. Upon proper submission to the director, the director
 3 26 shall approve or deny the variance request within fourteen days
 3 27 of receipt. The director shall report any variance granted at
 3 28 the subsequent hearing or otherwise make public any variance
 3 29 granted.

3 30 Sec. 7. NEW SECTION 458A.6A CONFIDENTIAL INFORMATION.
 3 31 If an owner seeks to submit information that is listed
 3 32 as confidential, the owner will confer with the department

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.

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.

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.

3 33 prior to submitting the information to verify it qualifies
 3 34 as confidential pursuant to the department's rules or
 3 35 otherwise under law. If the information is determined to
 3 36 be confidential, the owner will submit hard copies of the
 3 37 information in nonredacted form but labeled confidential in a
 3 38 conspicuous location on the document. Confidential information
 3 39 shall be maintained as confidential and held without public
 4 1 access for a period of five years, unless otherwise extended
 4 2 by the director for good cause. Confidential information may
 4 3 include the following:

- 4 4 1. Monetary amounts, payment terms, drilling obligations,
 4 5 or personal information listed on surface use agreements, oil
 4 6 and gas leases, or rights-of-way agreements.
- 4 7 2. Information concerning ongoing commercial negotiations
 4 8 regarding potential or planned routing and location of
 4 9 off-lease midstream gathering systems or infrastructure.
- 4 10 3. Confidential geological or geophysical well records
 4 11 pertaining to exploratory wells.
- 4 12 4. Information about a proposed transfer of permits and
 4 13 assets.
- 4 14 5. Proprietary stimulation or completion chemicals that
 4 15 qualify as trade secrets.
- 4 16 6. Personal medical information.
- 4 17 7. Commercial information that, if disclosed, would be
 4 18 likely to cause substantial harm to the competitive position of
 4 19 the person providing the information.

4 20 Sec. 8. Section 458A.7, subsections 3 and 4, Code 2026, are
 4 21 amended to read as follows:

- 4 22 3. An order establishing spacing units for a pool shall
 4 23 specify the size and shape of each unit and the location and
 4 24 number of the permitted ~~well thereon~~ wells in accordance with
 4 25 a reasonably uniform spacing plan. Upon application, if the
 4 26 director finds that a well drilled at the prescribed location
 4 27 would not produce in paying quantities, or that surface
 4 28 conditions would substantially add to the burden or hazard
 4 29 of drilling such well, the director is authorized to enter
 4 30 an order permitting the a well to be drilled at a location
 4 31 other than that prescribed by such spacing order; however, the
 4 32 director shall include in the order suitable provisions to
 4 33 prevent the production from the spacing unit of more than its
 4 34 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.

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: 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.

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.

5 36 and operations of the unit. Each pooling order shall be
5 37 made after notice and hearing, and shall be upon terms and
5 38 conditions that are just and reasonable, and that afford to
5 39 the owner of each tract or interest in the spacing unit the
6 1 opportunity to recover or receive, without unnecessary expense,
6 2 a just and equitable share. Operations incident to the
6 3 drilling of a well upon any portion of a spacing unit covered
6 4 by a pooling order shall be deemed for all purposes to be the
6 5 conduct of the operations upon each separately owned tract in
6 6 the drilling unit by the several owners of the unit. That
6 7 portion of the production allocated to each tract included in a
6 8 spacing unit covered by a pooling order shall, when produced,
6 9 be deemed for all purposes to have been produced from the tract
6 10 by a well drilled on it.

6 11 —2. Each pooling order shall make provision for the drilling
6 12 and operation of a well on the spacing unit, and for the
6 13 payment of the reasonable actual cost of the well by the owners
6 14 of interests in the spacing unit, plus a reasonable charge for
6 15 supervision. In the event of any dispute as to such costs,
6 16 the department shall determine the proper costs. If an owner
6 17 shall drill and operate, or pay the expenses of drilling and
6 18 operating the well for the benefit of others, then, the owner
6 19 so drilling or operating shall, upon complying with the terms
6 20 of section 458A.10, have a lien on the share of production
6 21 from the spacing unit accruing to the interest of each of
6 22 the other owners for the payment of a proportionate share of
6 23 the expenses. All the oil and gas subject to the lien shall
6 24 be marketed and sold and the proceeds applied in payment of
6 25 the expenses secured by the lien as provided for in section
6 26 458A.10.

6 27 2. In the absence of voluntary pooling pursuant to
6 28 subsection 1, and only if the producer has identified pools
6 29 of existing natural hydrogen within the spacing unit, the
6 30 director, upon the application by the owner or owners of not
6 31 less than twenty-five percent of the area of the spacing unit,
6 32 shall enter an order pooling all interests in the spacing unit
6 33 for the development and operation thereof. Any such pooling
6 34 order may authorize cost recovery and risk penalties against
6 35 nonconsenting owners for a specific well. Each such pooling
6 36 order shall be made after notice and hearing and with terms and
6 37 conditions that are just and reasonable. Operations incident
6 38 to the drilling of a well upon any portion of a spacing unit

6 39 covered by a pooling order shall be deemed for all purposes
7 1 to be the conduct of such operations upon each separately
7 2 owned tract in the unit by the several owners thereof.
7 3 When produced, that portion of the production allocated or
7 4 applicable to each tract included in a unit covered by a
7 5 pooling order shall be deemed for all purposes to have been
7 6 produced from such tract by a well drilled thereon.
7 7 3. Each pooling order shall provide for the drilling and
7 8 operation of a well in the spacing unit, and for the payment of
7 9 the cost thereof, as provided in this subsection. The director
7 10 is specifically authorized to provide that the producer shall
7 11 be entitled to all production from the well that would be
7 12 received by the owner or owners, for whose benefit the well
7 13 was drilled or operated, after payment of royalty as provided
7 14 in the lease, if any, applicable to each tract or interest or
7 15 after payment of the royalty if required under subsection 4,
7 16 and obligations payable out of production, until the producers
7 17 have been paid the amount due under the terms of the pooling
7 18 order or order settling the dispute. In the event of any
7 19 disputed cost, the director shall determine the proper cost.
7 20 The pooling order shall determine the interest of each owner
7 21 in the unit, and may provide that each owner who agrees with
7 22 the producer for the payment by the owner of the owner's share
7 23 of the costs, unless the owner has agreed otherwise, shall be
7 24 entitled to receive, subject to royalty or similar obligations,
7 25 the share of the production of the well applicable to the tract
7 26 of the nonconsenting owner. Each owner who does not agree
7 27 shall be entitled to receive from the producer the owner's
7 28 share of the production applicable to the owner's interest
7 29 after the producer has recovered the following, subject to the
7 30 provisions of subsection 4:
7 31 a. One hundred percent of the nonconsenting owner's share
7 32 of the cost of any newly acquired surface equipment beyond
7 33 the wellhead connections, including stock tanks, separators,
7 34 treaters, or pumping equipment and piping, plus one hundred
7 35 percent of the nonconsenting owner's share of the cost of
7 36 operating the well commencing with first production and
7 37 continuing until the nonconsenting owner's relinquished
7 38 interest reverts under other provisions in this section.
7 39 b. Up to two hundred percent of that portion of the costs
8 1 and expenses of drilling, reworking, deepening or plugging
8 2 back, testing, and completing, after deducting any cash

8 3 contributions received, and up to two hundred percent of that
8 4 portion of the cost of newly acquired equipment in the well,
8 5 up to and including the wellhead connections, which would have
8 6 been chargeable to the nonconsenting owner if the owner had
8 7 participated therein, if the nonconsenting owner's tract or
8 8 interest is subject to a lease or other contract for oil and
8 9 gas development.

8 10 4. During the time the producer is recovering costs from
8 11 a nonconsenting owner as authorized in a pooling order issued
8 12 pursuant to subsection 2, a nonconsenting owner of a tract or
8 13 interest in a spacing unit that is not subject to a lease or
8 14 other contract for oil and gas development shall be entitled
8 15 to a cost-free royalty interest equal to twelve and one-half
8 16 percent.

8 17 5. Upon full payment of the recoverable costs as specified
8 18 in subsection 3, the following shall occur:

8 19 a. Within thirty days the producer shall notify the
8 20 nonconsenting owner to offer to the nonconsenting owner the
8 21 opportunity to participate under the pooling order as a working
8 22 interest owner. The notice shall state that the nonconsenting
8 23 owner may elect to participate in the pooling order or may
8 24 elect to continue receiving the royalty specified in subsection
8 25 4.

8 26 b. Within sixty days after receiving notice, the
8 27 nonconsenting owner shall inform the producer whether the
8 28 nonconsenting owner wishes to make an election to participate
8 29 under the pooling order as a working interest owner or continue
8 30 receiving the royalty specified in subsection 4.

8 31 c. If the nonconsenting owner fails to respond to the notice
8 32 within the time specified in paragraph "b", the nonconsenting
8 33 owner shall be deemed to elect to continue receiving the
8 34 royalty specified in subsection 4.

8 35 d. Within five business days after receiving notice of
8 36 election from a nonconsenting owner or upon expiration of the
8 37 time specified in paragraph "b", the producer shall notify the
8 38 director regarding the nonconsenting owner's election or lack
8 39 thereof.

9 1 6. An application for pooling shall provide at least the
9 2 following:

9 3 a. A certificate of service containing all persons that
9 4 have a royalty interest or are owners inside the drilling and
9 5 spacing unit.

- 9 6 b. The applicant's interest type in the drilling and spacing
 9 7 unit.
- 9 8 c. The legal description of the lands and the department
 9 9 docket number establishing the drilling and spacing unit sought
 9 10 to be pooled.
- 9 11 d. A statement that two or more separately owned tracts or
 9 12 separately owned interests in the drilling and spacing unit
 9 13 have not voluntarily pooled their interests and any valid
 9 14 pooling order for the drilling and spacing unit.
- 9 15 e. The American petroleum institute well number of the well
 9 16 subject to the application, if requesting cost recovery or risk
 9 17 penalties.
- 9 18 f. A list of all nonconsenting owners in the well that the
 9 19 applicant is seeking cost recovery and risk penalties against
 9 20 at the time of filing the application.
- 9 21 g. The cost recovery and risk penalties the applicant is
 9 22 requesting, if any.
- 9 23 7. An applicant shall provide at hearing at least the
 9 24 following:
- 9 25 a. A copy of the election letter, well proposal, and
 9 26 authorization for expenditure sent to the owners in the
 9 27 drilling and spacing unit.
- 9 28 b. The names and interests of all nonconsenting owners and
 9 29 unleased nonconsenting owners in the well.
- 9 30 c. Evidence to justify the application of a risk penalty.

9 31 Sec. 11. NEW SECTION 458A.26 PERMISSION TO ENTER SITE —
 9 32 NEGOTIATION OF SURFACE DAMAGES.

- 9 33 1. Before entering a site that is subject to a pooling
 9 34 order under section 458A.8, or that is within an exploratory
 9 35 spacing unit, for purposes of an oil and gas operation, an
 9 36 operator shall receive written permission from the surface
 9 37 owner to enter the site. If the surface owner does not grant
 9 38 written permission to the operator to enter the site, the
 9 39 operator shall not enter the site for purposes of an oil and
 10 1 gas operation.
- 10 2 2. a. Before entering a site that is subject to a pooling
 10 3 order under section 458A.8, or that is within an exploratory
 10 4 spacing unit, with heavy equipment for the purpose of drilling,
 10 5 an operator shall negotiate with the surface owner for the
 10 6 payment of any damages that may be caused by the drilling
 10 7 operation. If the parties agree and execute a written contract

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.

10 8 for payment of damages, the operator may enter the site to
10 9 drill. If the parties do not reach an agreement for payment of
10 10 damages, the operator shall not enter the site to drill.
10 11 b. Before entering into a negotiation under paragraph “a”,
10 12 the operator shall provide a written description of the opt-out
10 13 procedure described in paragraph “c”.
10 14 c. A surface owner may decline further communication with
10 15 an operator concerning a possible agreement for the payment
10 16 of any damage that may be caused by the drilling operation
10 17 by providing verbal or written notice to the operator that
10 18 states that the surface owner does not wish to discuss the
10 19 matter further, and by submitting to the attorney general
10 20 notice through mail or electronic means stating the same. Upon
10 21 receipt of such notice from the surface owner, the attorney
10 22 general shall forward a copy to the operator.
10 23 d. After receipt of notice from the surface owner pursuant
10 24 to paragraph “c”, the operator shall not initiate further
10 25 contact with the surface owner for purposes of an agreement
10 26 for the payment of any damages that may be caused by the
10 27 drilling operation, except that the operator shall continue to
10 28 provide the surface owner with notices otherwise required by
10 29 law. The surface owner may rescind such refusal by contacting
10 30 the operator and notifying the attorney general through mail
10 31 or electronic means. Unless the surface owner rescinds the
10 32 refusal, the surface owner’s land shall be deemed unavailable
10 33 for an agreement.
10 34 e. An operator violating the contact prohibition in
10 35 paragraph “d” is subject to a civil penalty of not less than ten
10 36 thousand dollars for each violation.
10 37 3. For purposes of this section, “oil and gas operation”
10 38 means the same as defined in section 458A.30.

10 39 Sec. 12. NEW SECTION 458A.27 IMPOSITION OF TAX — TAX RATE
11 1 — VALUATION TAXPAYERS.

11 2 1. For the privilege of severing or extracting oil or gas
11 3 from the lands within the state, there is levied a severance
11 4 tax on the value of the oil and gas extracted, which shall be in
11 5 addition to any other taxes imposed by law.
11 6 2. The severance tax shall be six percent of the fair market
11 7 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:

CODE: Requires severance tax revenues to be distributed to counties each year in the following ways:

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.

- 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.

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.

- 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:

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 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.

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:

CODE: Specifies criteria for projects in high-priority watersheds as follows:

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

- 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.

13 3 similar water quality practices. The division shall promote
13 4 field day events for purposes of allowing interested persons to
13 5 establish water quality practices on such persons' agricultural
13 6 land.

13 7 (e) The division shall conduct water quality evaluations
13 8 within supported subwatersheds. Within a reasonable period
13 9 after accumulating information from such evaluations, the
13 10 division shall create an aggregated database of water quality
13 11 practices. Any information identifying a person holding a
13 12 legal interest in agricultural land or specific agricultural
13 13 land shall be a confidential record.

13 14 (4) The moneys deposited pursuant to this paragraph shall
13 15 be used to support education and outreach in a manner that
13 16 encourages persons who hold a legal interest in agricultural
13 17 land used for farming to implement water quality practices,
13 18 including the establishment of such practices in watersheds
13 19 generally, and not limited to subwatersheds or high-priority
13 20 watersheds.

13 21 (5) The moneys deposited pursuant to this paragraph may be
13 22 used to contract with persons to coordinate the implementation
13 23 of efforts provided in this paragraph.

13 24 (6) The moneys deposited pursuant to this paragraph may be
13 25 used by the department of agriculture and land stewardship to
13 26 support urban soil and water conservation efforts, which may
13 27 include but are not limited to management practices related to
13 28 bioretention, landscaping, the use of permeable or pervious
13 29 pavement, and soil quality restoration. The moneys shall be
13 30 allocated on a cost-share basis as provided in chapter 161A.

13 31 (7) Notwithstanding any other provision of law to the
13 32 contrary, the department of agriculture and land stewardship
13 33 may use moneys deposited pursuant to this paragraph to carry
13 34 out the provisions of this paragraph on a cost-share basis
13 35 in combination with other moneys available to the department
13 36 of agriculture and land stewardship from a state or federal
13 37 source.

CODE: Requires the DALs to use funds to support education and outreach to encourage agricultural producers to establish water quality practices.

CODE: Permits the DALs to use funds for contracts that will assist with the implementation of the WQI.

CODE: Permits the DALs to use funds to support urban soil and water conservation practices and to allocate funds on a cost-share basis.

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.

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 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.

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

14 33 the department of revenue shall certify the valuation of the
 14 34 product to the county assessor of the county from which the oil
 14 35 or gas was produced, and such valuation shall be entered upon
 14 36 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.

14 37 3. Records received, collected, or created in the
 14 38 administration of the severance tax shall be confidential as
 14 39 follows:

CODE: Specifies that records received, collected, or created in the administration of the severance tax imposed on oil and gas are confidential as follows:

15 1 a. All taxpayer returns and return information shall be
 15 2 confidential and, except as authorized below, no current or
 15 3 former official, officer, employee, or agent of the state or
 15 4 any political subdivision thereof shall disclose any such
 15 5 information obtained in the course of service as an official,
 15 6 officer, employee, or agent. Taxpayer returns and return
 15 7 information shall include without limitation all statements,
 15 8 reports, summaries, and all other data and documents under
 15 9 audit or provided by the taxpayer in accordance with the
 15 10 provisions of this chapter regarding severance tax.
 15 11 b. Without written authorization from the taxpayer, no
 15 12 current or former official, officer, employee, or agent of
 15 13 the state or any political subdivision thereof shall release
 15 14 taxpayer returns and return information pertaining to taxes
 15 15 imposed by this chapter, except for any of the following
 15 16 reasons:
 15 17 (1) Information may be released to employees of the
 15 18 department of revenue and employees of the department of
 15 19 justice for official purposes.
 15 20 (2) Upon prior notice to the taxpayer, information may
 15 21 be released by the department of revenue, upon written
 15 22 application, to any other governmental entity if the entity
 15 23 shows sufficient reason to obtain the information for official
 15 24 business, subject to execution of a confidentiality agreement.
 15 25 (3) Information shall be admissible in court or
 15 26 administrative proceedings related to the severance tax or
 15 27 other taxes on oil or gas production or on income of producers
 15 28 or owners, or royalties.
 15 29 c. Units of production reported by the taxpayer and the
 15 30 taxpayer's taxable value are not confidential and may be
 15 31 released.

- 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.

15 32 4. Violations of this section shall be subject to the same
 15 33 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

15 34 confidentiality requirements applicable to data and records
 15 35 in the custody of the department of revenue for purposes of
 15 36 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.

15 37 Sec. 15. NEW SECTION 458A.30 EXCLUSIVE JURISDICTION AND
 15 38 EXPRESS PREEMPTION.

15 39 1. For purposes of this section:

16 1 a. "Commercially reasonable" means a condition that would
 16 2 allow a reasonably prudent operator to fully, effectively, and
 16 3 economically exploit, develop, produce, process, and transport
 16 4 oil and gas, as determined based on the objective standard of
 16 5 a reasonably prudent operator and not on an individualized
 16 6 assessment of an actual operator's capacity to act.

16 7 b. "Oil and gas operation" means an activity associated
 16 8 with the exploration, development, production, processing,
 16 9 and transportation of oil and gas, including drilling,
 16 10 testing, geological sampling, boring, excavation, hydraulic
 16 11 fracture stimulation, completion, maintenance, reworking,
 16 12 recompletion, disposal, plugging and abandonment, secondary and
 16 13 tertiary recovery, geophysical surveys related to oil and gas
 16 14 development, and remediation activities.

16 15 2. An oil and gas operation is subject to the exclusive
 16 16 jurisdiction of this state. Except as provided in subsection
 16 17 3, a county, city, or other political subdivision shall not
 16 18 enact or enforce an ordinance or other measure, or an amendment
 16 19 or revision of an ordinance or other measure, that bans,
 16 20 limits, or otherwise regulates an oil and gas operation within
 16 21 the boundaries or jurisdiction of the respective county, city,
 16 22 or political subdivision.

16 23 3. The authority of a county, city, or other political
 16 24 subdivision to regulate an oil and gas operation is expressly
 16 25 preempted, except that a county or city may enact, amend, or
 16 26 enforce an ordinance or other measure if the ordinance or other
 16 27 measure does all of the following:

16 28 a. Only regulates activity related to an oil and gas
 16 29 operation that occurs at or above the surface of the ground
 16 30 and concerns governing fire and emergency response, traffic,
 16 31 lights, or noise, or imposes notice or reasonable setback
 16 32 requirements.

16 33 b. (1) Is commercially reasonable.

16 34 (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
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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
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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

1 7 Section 1. Section 256.32A, subsection 5, Code 2026, is
 1 8 amended to read as follows:

1 9 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.

1 10 Sec. 2. DEPARTMENT OF EDUCATION — AUTOMATED EXTERNAL
 1 11 DEFIBRILLATOR AND CARDIAC EMERGENCY RESPONSE PLANS — REPORT.

1 12 1. As used in this section:

1 13 a. “Automated external defibrillator” means a lightweight,
 1 14 portable device that delivers an electric shock through the
 1 15 chest to the heart to stop an irregular heartbeat and allow
 1 16 normal heartbeat rhythm to resume following cardiac arrest.

1 17 b. “Cardiac emergency response plan” means a written
 1 18 document that establishes the specific steps to be taken by
 1 19 employees or contractors of a school to respond to incidents
 1 20 involving an individual experiencing cardiac arrest or a
 1 21 similar life-threatening emergency on school property, during
 1 22 physical education, during an extracurricular athletic activity
 1 23 or contest, during practice associated with an extracurricular
 1 24 athletic activity or contest, or during a school-sponsored
 1 25 activity, and to reduce the likelihood of the individual's
 2 1 death from cardiac arrest or a similar life-threatening
 2 2 emergency.

Establishes definitions for "automated external defibrillator" (AED), "cardiac emergency plan", and "school" as used in the Act.

2 3 c. “School” means all of the following:

- 2 4 (1) A school district organized pursuant to chapter 274.
- 2 5 (2) A charter school established pursuant to chapter 256E.
- 2 6 (3) A charter school or innovation zone school established
 2 7 pursuant to chapter 256F.

Establishes that the Act applies to public school districts, charter schools, and innovation zone schools.

2 8 2. The department of education, in coordination with each
 2 9 school, shall prepare a report that includes information
 2 10 related to all of the following:

2 11 a. The number of schools that have adopted and implemented a
 2 12 cardiac emergency response plan.

2 13 b. The number of automated external defibrillators owned
 2 14 by each school, regardless of whether any such automated
 2 15 external defibrillator is in good working order, and where each
 2 16 automated external defibrillator is located on the school's
 2 17 property.

2 18 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.

2 19 described in subsection 2 to the general assembly on or before
2 20 January 15, 2027.

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
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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
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EXECUTIVE SUMMARY

HOUSE FILE 2794

SEXUAL ASSAULT FORENSIC EXAMINATION CENTER GRANT PROGRAM ACT

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

1 4 Section 1. NEW SECTION 915.47 SEXUAL ASSAULT FORENSIC
1 5 EXAMINATION CENTER GRANT PROGRAM — FUND.

1 6 1. The terms defined in section 915.46 shall have the same
1 7 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
1 9 program is established in the department of justice.
1 10 Contingent upon funding, the attorney general shall contract
1 11 with an eligible nonprofit organization to operate and maintain
1 12 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
1 14 following to be eligible for a contract under this section:
1 15 a. Be a nonprofit organization incorporated in this state
1 16 pursuant to chapter 504 that is not owned, controlled, or
1 17 affiliated with any hospital, health system, or inpatient
1 18 medical facility.
1 19 b. Employ or otherwise retain services from sexual assault
1 20 nurse examiners.
1 21 c. Maintain, or be in the process of establishing, one or
1 22 more treatment facilities in this state that are primarily
1 23 dedicated to providing a diverse range of services to sexual
1 24 assault survivors, including but not limited to medical
1 25 forensic services.
2 1 d. Provide services for sexual assault survivors, including
2 2 providing sexual assault care and related trainings, as the
2 3 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;

2 4 4. The contracting nonprofit organization shall do all of
 2 5 the following:
 2 6 a. Provide services, including medical forensic services,
 2 7 to sexual assault survivors including adults, persons with
 2 8 disabilities, rural lowans, and other underserved populations.
 2 9 b. Offer or facilitate trainings to law enforcement
 2 10 officers, prosecuting attorneys, health care professionals, and
 2 11 members of the public regarding sexual assault services and
 2 12 sexual assault prevention.
 2 13 c. Provide a cooperative team approach regarding sexual
 2 14 assault services, deliver accessible services to sexual assault
 2 15 survivors, and establish an approach that emphasizes the best
 2 16 interests of the sexual assault survivor and that provides
 2 17 investigation, assessment, and rehabilitative services.
 2 18 d. Involve or consult with persons from various professional
 2 19 disciplines who have training and expertise in addressing
 2 20 special types of sexual assault as necessary to address serious
 2 21 cases of sexual assault such as those involving intimate
 2 22 partner violence, dating violence, domestic violence, incest,
 2 23 human trafficking, and drug-facilitated sexual assault. These
 2 24 persons may include but are not limited to physicians and other
 2 25 health care professionals, law enforcement, mental health
 2 26 professionals, social workers, child protection workers,
 2 27 attorneys, juvenile court officers, public health workers,
 2 28 educators, and advocates.
 2 29 e. Submit an annual report to the attorney general and the
 2 30 general assembly no later than January 15 of each calendar
 2 31 year describing, in aggregated and anonymized form, the types
 2 32 of services offered, total number of unduplicated clients
 2 33 served, demographic breakdown of clients served including age,
 2 34 gender, and county of residence, number of individuals by
 2 35 county trained, referrals made to other agencies or services,
 2 36 description of service gaps identified during the reporting
 2 37 period, and barriers to service access identified.

2 38 5. The requirements in subsection 4 are not intended
 2 39 to restrict or otherwise limit the contracting nonprofit

- Provide services for sexual assault survivors, including providing sexual assault care and related trainings, as the overall primary purpose of the organization.

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 lowans, 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.

CODE: Provides that the requirements in Subsection 4 of the Act are not intended to restrict or limit the contracting

3 1 organization from seeking funding or reimbursement from other
3 2 sources.

nonprofit organization from seeking funding or
reimbursement from other sources.

3 3 6. A sexual assault forensic examination center grant
3 4 program trust fund is created in the state treasury under
3 5 the control of the department of justice. The department of
3 6 justice may accept gifts, grants, bequests, and other private
3 7 contributions, as well as state or federal moneys, for deposit
3 8 in the fund. All moneys deposited in the trust fund are
3 9 appropriated and made available to the department of justice
3 10 to be used for the purposes meeting the requirements of this
3 11 section and to provide grants to sexual assault forensic
3 12 examination centers in this state. Notwithstanding section
3 13 12C.7, subsection 2, interest or earnings on moneys in the fund
3 14 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

Adopts corrective provisions.

Page 6, Line 2

Division III – National Electrical Code

Changes sections of the National Electrical Code.

Page 12, Line 5

Division IV – Local Laws — Civil Rights

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](#).

Page 14, Line 17

Division V – Political Party State Central Committees

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.

Page 14, Line 29

Division VI – Noxious Weeds

Adds Japanese knotweed (*Fallopia japonica*) as an identified noxious weed.

Page 15, Line 17

Division VII – Iowa State Fair Foundation — Nonresident Deer Hunting License

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.

Page 15, Line 23

Division VIII – Proprietary Treatment Systems

Provides definitions and requirements related to proprietary treatment systems.

Page 15, Line 35

Division IX – Poultry Association

Changes references to the Iowa Poultry Association to the North Central Poultry Association or its successor organization in Iowa Code.

Page 18, Line 20

Division X – Health Care Access and Innovation (HCAI) Tax Credit

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.*

Page 19, Line 13

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

EXECUTIVE SUMMARY
STANDING APPROPRIATIONS ACT

HOUSE FILE 2800

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.

STAFF CONTACTS:

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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

2 1 DIVISION I
 2 2 APPROPRIATIONS, DISTRIBUTIONS, TRANSFERS, AND EXPENDITURE
 2 3 AUTHORITY

2 4 Section 1. LIMITATIONS OF STANDING APPROPRIATIONS — FY
 2 5 2026-2027. Notwithstanding the standing appropriation in the
 2 6 following designated section for the fiscal year beginning July
 2 7 1, 2026, and ending June 30, 2027, the amount appropriated from
 2 8 the general fund of the state pursuant to that section for the
 2 9 following designated purpose shall not exceed the following
 2 10 amount:

2 11 For payment of claims for nonpublic school pupil
 2 12 transportation under section 285.2:

2 13 \$ 8,997,091

2 14 If total approved claims for reimbursement for nonpublic
 2 15 school pupil transportation exceed the amount appropriated in
 2 16 accordance with this section, the department of education shall
 2 17 prorate the amount of each approved claim.

2 18 Sec. 2. INSTRUCTIONAL SUPPORT STATE AID — FY 2026-2027. In
 2 19 lieu of the appropriation provided in section 257.20,
 2 20 subsection 2, the appropriation for the fiscal year
 2 21 beginning July 1, 2026, and ending June 30, 2027, for paying
 2 22 instructional support state aid under section 257.20 for the
 2 23 fiscal year is zero.

2 24 Sec. 3. DEPARTMENT OF WORKFORCE DEVELOPMENT — USE
 2 25 OF FEDERAL INCENTIVE PAYMENTS — FY 2025-2026 — FY
 2 26 2026-2027. For the fiscal year beginning July 1, 2025, and
 2 27 the fiscal year beginning July 1, 2026, the department of
 2 28 workforce development may use up to \$12,000,000 from incentive
 2 29 payments made to the state pursuant to the federal Assistance
 2 30 for Unemployed Workers and Struggling Families Act, Pub.L.
 2 31 No.111-5, Div.B, Tit.II, pursuant to a special transfer
 2 32 under section 903 of the federal Social Security Act, for

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.

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.

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.

2 33 administration of the unemployment compensation insurance
2 34 program and for unemployment compensation insurance systems
2 35 modernization.

2 36 Sec. 4. DEPARTMENT OF HEALTH AND HUMAN SERVICES INFORMATION
2 37 TECHNOLOGY FUND — TRANSFERS. On July 1, 2026, all of the
2 38 following shall be transferred to the information technology
2 39 fund created in section 217.25:

3 1 1. The unencumbered and unobligated balance, including all
3 2 interest and earnings thereon, of the Iowa coronavirus fiscal
3 3 recovery fund created in section 8.57G.

3 4 2. The unencumbered and unobligated balance, including all
3 5 interest and earnings thereon, of moneys available to the state
3 6 pursuant to the federal Coronavirus Aid, Relief, and Economic
3 7 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.

3 8 Sec. 5. DEPARTMENT OF HEALTH AND HUMAN SERVICES INFORMATION
3 9 TECHNOLOGY FUND — APPROPRIATIONS.

3 10 1. There is appropriated from the information technology
3 11 fund created in section 217.25 to the department of health and
3 12 human services for the fiscal year beginning July 1, 2026, and
3 13 ending June 30, 2027, the following amounts, or so much thereof
3 14 as is necessary, to be used for the purposes designated:

3 15 a. For the Medicaid management information system:
3 16 \$ 31,000,000

3 17 b. For the eligibility determination for essential needs
3 18 information technology modernization project:
3 19 \$ 30,500,000

3 20 c. For information technology projects associated with
3 21 child support services:
3 22 \$ 34,000,000

3 23 d. (1) For information technology costs associated with
3 24 implementation of 2023 Iowa Acts, chapter 104, and 2026 Iowa
3 25 Acts, Senate File 2422, if enacted:
3 26 \$ 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

4 19 the double up food bucks program to make fresh fruits and
 4 20 vegetables sold at farmers markets, grocery stores, and other
 4 21 participating locations accessible to individuals and families
 4 22 who reside in this state and receive assistance through the
 4 23 federal supplemental nutrition assistance program.
 4 24 (2) A grant recipient that receives funding pursuant to this
 4 25 paragraph shall provide at least a dollar-for-dollar match of
 4 26 the grant assistance.
 4 27 (3) Subsections 5 and 6 do not apply to moneys appropriated
 4 28 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).

4 29 Sec. 8. Section 84F.1, subsection 6, paragraph b, Code 2026,
 4 30 is amended to read as follows:
 4 31 b. Notwithstanding section 8.33, moneys appropriated to the
 4 32 department by the general assembly for purposes of this section
 4 33 that remain unencumbered or unobligated at the ~~end~~ close of
 4 34 the fiscal year shall not revert to the general fund but shall
 4 35 remain available for expenditure for the purposes designated
 4 36 in subsequent fiscal years by the department to operate and
 4 37 manage the Iowa office of apprenticeship established in section
 4 38 84D.3 or for other apprenticeship activities deemed appropriate
 4 39 by the department, not subject to the limitation set forth in
 5 1 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.

5 2 Sec. 9. Section 84F.2, subsection 7, paragraph b, Code 2026,
 5 3 is amended to read as follows:
 5 4 b. Notwithstanding section 8.33, moneys appropriated to the
 5 5 department by the general assembly for purposes of this section
 5 6 that remain unencumbered or unobligated at the ~~end~~ close of
 5 7 the fiscal year shall not revert to the general fund but shall
 5 8 remain available for expenditure for the purposes designated
 5 9 in subsequent fiscal years by the department to operate and
 5 10 manage the Iowa office of apprenticeship established in section
 5 11 84D.3 or for other apprenticeship activities deemed appropriate
 5 12 by the department, not subject to the limitation set forth in
 5 13 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.

5 14 Sec. 10. Section 257.35, subsection 2, Code 2026, is amended
 5 15 by striking the subsection and inserting in lieu thereof the
 5 16 following:
 5 17 2. The amounts specified for school districts in section
 5 18 257.10, 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

5 19 1, 2026, and each succeeding fiscal year, shall be reduced
 5 20 by the department of management by thirty-two million five
 5 21 hundred thousand dollars. The department of management shall
 5 22 calculate a state aid reduction such that such amounts shall be
 5 23 reduced proportionally to the amount that the district would
 5 24 otherwise have received under section 257.10, subsection 7.
 5 25 For the fiscal year beginning July 1, 2027, and each fiscal
 5 26 year thereafter, from the reduction under this subsection for
 5 27 that fiscal year there is appropriated ten million dollars to
 5 28 the department of education for division of special education
 5 29 general supervision, oversight, compliance, employee salaries,
 5 30 support, maintenance, and miscellaneous purposes within the
 5 31 area education agency regions and the department of education
 5 32 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).

5 33 Sec. 11. Section 257.35, subsections 3, 4, 5, 6, 7, 8, 9,
 5 34 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20, Code 2026, are
 5 35 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.

5 36 Sec. 12. EFFECTIVE DATE. The following, being deemed of
 5 37 immediate importance, takes effect upon enactment:
 5 38 The section of this division of this Act providing for
 5 39 the use of federal incentive payments by the department of
 6 1 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.

6 2 DIVISION II

6 3 CORRECTIVE PROVISIONS

6 4 Sec. 13. Section 135.61, subsection 16, paragraph a,
 6 5 subparagraph (1), subparagraph divisions (a) and (b), if
 6 6 enacted by 2026 Iowa Acts, House File 2635, section 14, are
 6 7 amended to read as follows:
 6 8 (a) Beginning on or after January 1, 2027, and before
 6 9 ~~December 31, 2031, January 1, 2032,~~ four million dollars.
 6 10 (b) Beginning on or after January 1, 2032, and before
 6 11 ~~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.

6 12 thousand dollars.

6 13 Sec. 14. Section 135.61, subsection 16, paragraph c,
6 14 subparagraphs (1) and (2), if enacted by 2026 Iowa Acts, House
6 15 File 2635, section 14, are amended to read as follows:

6 16 (1) Beginning on or after January 1, 2027, and before
6 17 ~~December 31, 2031~~, January 1, 2032, four million dollars.

6 18 (2) Beginning on or after January 1, 2032, and before
6 19 ~~December 31, 2036~~, January 1, 2037, four million five hundred
6 20 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.

6 21 Sec. 15. Section 135.61, subsection 16, paragraph e,
6 22 subparagraph (1), subparagraph divisions (a) and (b), if
6 23 enacted by 2026 Iowa Acts, House File 2635, section 14, are
6 24 amended to read as follows:

6 25 (a) Beginning on or after January 1, 2027, and before
6 26 ~~December 31, 2031~~, January 1, 2032, four million dollars.

6 27 (b) Beginning on or after January 1, 2032, and before
6 28 ~~December 31, 2036~~, January 1, 2037, four million five hundred
6 29 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.

6 30 Sec. 16. Section 135.61, subsection 16, paragraph f,
6 31 subparagraph (1), subparagraph divisions (a) and (b), if
6 32 enacted by 2026 Iowa Acts, House File 2635, section 14, are
6 33 amended to read as follows:

6 34 (a) Beginning on or after January 1, 2027, and before
6 35 ~~December 31, 2031~~, January 1, 2032, four million dollars.

6 36 (b) Beginning on or after January 1, 2032, and before
6 37 ~~December 31, 2036~~, January 1, 2037, four million five hundred
6 38 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.

6 39 Sec. 17. Section 135C.6, subsection 1, paragraph b, as
7 1 enacted by 2026 Iowa Acts, Senate File 572, section 2, is
7 2 amended to read as follows:

7 3 b. A supported community living service, as defined in
7 4 section ~~225C.24~~ 249A.38B, is not required to be licensed under
7 5 this chapter, but is subject to approval under section ~~225C.24~~
7 6 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.

7 7 Sec. 18. Section 135S.1, subsection 2, if enacted by 2026
7 8 Iowa Acts, House File 571, section 2, is amended to read as
7 9 follows:

Adopts corrective provisions related to 2026 Iowa Acts, [House File 571](#) (Health Care Providers, Facilities, and

7 10 2. “Discrimination” means an adverse action, including but
 7 11 not limited to any penalty, disciplinary, or retaliatory action
 7 12 taken against, or a threat of adverse action communicated
 7 13 to, a medical practitioner or health care institution as a
 7 14 result of the refusal of the medical practitioner or health
 7 15 care institution to participate in a health care service
 7 16 on the basis of conscience. “Discrimination” ~~not~~ does not
 7 17 include the negotiation or purchase of insurance or a health
 7 18 care service by a nongovernmental entity or individual, the
 7 19 refusal to use or purchase insurance or a health care service
 7 20 by a nongovernmental entity or individual, or a health care
 7 21 institution’s good-faith effort to accommodate a medical
 7 22 practitioner’s or health care institution’s exercise of
 7 23 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.

7 24 Sec. 19. Section 135S.2, subsection 1, paragraph a, if
 7 25 enacted by 2026 Iowa Acts, House File 571, section 3, is
 7 26 amended to read as follows:
 7 27 a. A medical practitioner or health care institution has
 7 28 the right not to participate in or pay for a health care
 7 29 service that violates the medical practitioner’s or health
 7 30 care institution’s conscience. A medical practitioner shall
 7 31 inform the medical practitioner’s employer of the nature
 7 32 of the ~~medical’s~~ medical practitioner’s objection based on
 7 33 the practitioner’s conscience. This paragraph shall not be
 7 34 construed to waive or modify a duty a medical practitioner or
 7 35 health care institution may have to participate in a health
 7 36 care service that does not violate the medical practitioner’s
 7 37 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.

7 38 Sec. 20. 2026 Iowa Acts, House File 2562, section 10, if
 7 39 enacted, is amended by striking the section and inserting in
 8 1 lieu thereof the following:
 8 2 SEC. 10. Section 144H.1, subsection 6, as enacted in section
 8 3 1 of this Act, is amended by striking the subsection and
 8 4 inserting in lieu thereof the following:
 8 5 6. “Person authorized to consent” means an individual,
 8 6 in the same order of priority prescribed in section 144A.7,
 8 7 subsection 1, paragraph “b”, who shall be guided by the express
 8 8 or implied intentions of the patient and who is reasonably
 8 9 available, willing, and competent to consent, refuse to
 8 10 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.

8 11 Sec. 21. Section 148.11A, subsection 2, paragraph b, as
 8 12 enacted by 2026 Iowa Acts, Senate File 2184, section 3, is
 8 13 amended to read as follows:

8 14 b. The board shall adopt rules pursuant to chapter 17A to
 8 15 set the term of an administrative medicine license, but shall
 8 16 not require an administrative medicine license to be renewed
 8 17 more often than once every three years. An administrative
 8 18 medicine license shall expire on the licensee's birthday.

8 19 Sec. 22. Section 256C.4, subsection 1A, paragraph b, if
 8 20 enacted by 2026 Iowa Acts, House File 2754, section 87, is
 8 21 amended to read as follows:

8 22 b. For the fiscal year beginning July 1, 2025 2026,
 8 23 and each succeeding fiscal year, of the amount of state
 8 24 preschool funding received by a community-based provider
 8 25 approved to directly participate in the preschool program for
 8 26 a fiscal year, not more than five percent may be used by the
 8 27 community-based provider for administering the approved local
 8 28 program. Outreach activities and rent for facilities not owned
 8 29 by the community-based provider are permissive uses of the
 8 30 administrative funds.

8 31 Sec. 23. Section 280.37, subsection 3, if enacted by 2026
 8 32 Iowa Acts, Senate File 2086, section 4, is amended to read as
 8 33 follows:

8 34 3. If the board of directors of a school district or the
 8 35 authorities in charge of an accredited nonpublic school offer
 8 36 the elective junior fire fighter program, then the board of
 8 37 directors of the school district or the authorities in charge
 8 38 of the accredited nonpublic school shall coordinate with a
 8 39 local fire department to ensure students are provided with the
 9 1 appropriate materials and training to successfully complete
 9 2 all components necessary for ~~fire-fighter~~ firefighter I
 9 3 certification, including the written certification examination
 9 4 and the practical certification examination.

9 5 Sec. 24. Section 280.37, subsection 4, paragraph a, if
 9 6 enacted by 2026 Iowa Acts, Senate File 2086, section 4, is
 9 7 amended to read as follows:

9 8 a. Be designed to prepare students to sit for certification
 9 9 testing from the fire service training bureau for ~~fire-fighter~~

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.

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.

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.

Adopts corrective provisions related to 2026 Iowa Acts,
[Senate File 2086](#) (Schools, Junior Fire Fighter Programs
 Act), in Section 4 of the Act.

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
9 12 Iowa Acts, House File 2667, section 2, is amended to read as
9 13 follows:

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 14 6. The statewide urban design and specifications board
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.

DETAIL: The Bill was approved by the General Assembly on March 31, 2026, and vetoed by the Governor on June 2, 2026.

9 20 Sec. 26. Section 452A.33, subsection 1, paragraph c,
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:

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 23 (2) (a) If a retail dealer fails to file a timely filed
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.

DETAIL: The Act was approved by the General Assembly on March 23, 2026, and signed by the Governor on April 16, 2026.

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
9 37 Iowa Acts, House File 2635, section 4, is amended to read as
9 38 follows:

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 39 5. The commissioner of insurance may adopt rules pursuant to
10 1 chapter 17A to administer and enforce this section.

DETAIL: The Act was approved by the General Assembly on March 5, 2026, and signed by the Governor on May 13, 2026.

10 2 Sec. 28. Section 537C.9, as enacted by 2026 Iowa Acts, House
10 3 File 2497, section 9, is amended to read as follows:

10 4 537C.9 PROGRAM AGREEMENT — APPROVED PARTIES.

10 5 1. A program shall only enter into a program agreement with
10 6 the following persons:

10 7 ~~—1.~~ a. A resident of this state who holds a driver's license
10 8 issued in this state that authorizes the person to operate a
10 9 vehicle of the class of the shared vehicle that is the subject
10 10 of the program agreement.

10 11 ~~—2.~~ b. A nonresident of this state who holds a driver's
10 12 license issued by the state or country of the person's
10 13 residence that authorizes the person to operate a vehicle of
10 14 the class of the shared vehicle that is the subject of the
10 15 program agreement, and is at least the minimum age required by
10 16 this state to operate a vehicle of that class.

10 17 ~~—3.~~ c. A person who is specifically authorized by this state
10 18 to operate a vehicle of the class of the shared vehicle that is
10 19 the subject of the program agreement.

10 20 ~~—4.~~ 2. A program shall keep permanent records of all of the
10 21 following:

10 22 a. The names and address of each shared vehicle driver.

10 23 b. The driver's license number and place of issuance of each
10 24 shared vehicle driver, and any other person who may operate a
10 25 shared vehicle under a program agreement.

10 26 Sec. 29. Section 910.2, subsection 3, as enacted by 2026
10 27 Iowa Acts, House File 2697, section 1, is amended to read as
10 28 follows:

10 29 3. Notwithstanding any other statute or rule of law, with
10 30 the consent of the defendant and the prosecuting attorney, the
10 31 court may order as part of the dismissal of a public offense
10 32 or violation of an ordinance that the defendant pay pecuniary
10 33 damages to the victim; and category "B" restitution, which
10 34 shall include court costs.

10 35 Sec. 30. 2026 Iowa Acts, House File 2739, section 13, is
10 36 amended to read as follows:

10 37 SEC. 13. TEMPORARY PROVISIONS FOR THE HEALTH CARE-RELATED
10 38 TAX AND PREPAYMENTS FOR CALENDAR YEAR 2026. Notwithstanding
10 39 section 432B.2, subsection 1, if enacted by this division
11 1 of this Act, each health care maintenance organization

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.

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.

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.

11 2 transacting business in this state shall be subject to a health
 11 3 care-related tax payable to the director of revenue in an
 11 4 amount equal to three and one-half percent of the applicable
 11 5 percentage of taxable funds as defined in section 432B.1,
 11 6 if enacted by this division of this Act, for the period in
 11 7 calendar year beginning January 1, 2026, and ending September
 11 8 30, 2026. The difference between the amount of taxes collected
 11 9 pursuant to this section and the amount of tax that would be
 11 10 collected by imposing the rate under section 432B.2, subsection
 11 11 1, if enacted by this division of this Act, shall not be
 11 12 subject to prepayment under section 432B.3, subsection 4 2, if
 11 13 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.

11 14 Sec. 31. 2026 Iowa Acts, House File 2757, sections 5 and 6,
 11 15 if enacted, are amended to read as follows:
 11 16 SEC. 5. APPLICABILITY. Except as otherwise provided, this
 11 17 Act applies to tangible personal property or specified digital
 11 18 ~~projects~~ products sold to or of services furnished to a nuclear
 11 19 electric generation facility when permissible under section
 11 20 423.3, subsection 111, paragraph “c”, if enacted by this Act.
 11 21 SEC. 6. RETROACTIVE APPLICABILITY. This Act applies
 11 22 retroactively to January 1, 2026, for tangible personal
 11 23 property or specified digital ~~projects~~ products sold to or of
 11 24 services furnished to a nuclear electric generation facility
 11 25 that is undertaking an activity described in section 423.3,
 11 26 subsection 111, paragraph “a”, subparagraph (1), subparagraph
 11 27 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.

11 28 Sec. 32. EFFECTIVE DATE. The following, being deemed of
 11 29 immediate importance, take effect upon enactment:
 11 30 1. The section of this division of this Act amending section
 11 31 256C.4, subsection 1A, paragraph “b”.
 11 32 2. The section of this division of this Act amending 2026
 11 33 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.

11 34 Sec. 33. RETROACTIVE APPLICABILITY. The following applies
 11 35 retroactively to the effective date of 2026 Iowa Acts, House
 11 36 File 2754, if enacted:
 11 37 The section of this division of this Act amending section
 11 38 256C.4, subsection 1A, paragraph “b”.

House File 2739 was approved by the General Assembly on March 24, 2026, and signed by the Governor on March 25, 2026.

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.

11 39 Sec. 34. RETROACTIVE APPLICABILITY. The following applies
 12 1 retroactively to January 1, 2026, for tax years beginning on
 12 2 or after that date:
 12 3 The section of this division of this Act amending 2026 Iowa
 12 4 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.

12 5 DIVISION III

12 6 NATIONAL ELECTRICAL CODE

12 7 Sec. 35. Section 103.1, Code 2026, is amended by adding the
 12 8 following new subsection:
 12 9 NEW SUBSECTION 12A. “National electrical code” means
 12 10 the national electrical code, 2023 edition, published by the
 12 11 national fire protection association, as modified by section
 12 12 103.1B, and excluding sections 210.52(C)(3), 230.67, and
 12 13 406.4(D)(4) of the national electrical code, 2023 edition.

CODE: Adds definition for “National Electrical Code” to Iowa Code section [103.1](#).

12 14 Sec. 36. NEW SECTION 103.1B NATIONAL ELECTRICAL CODE —
 12 15 ALTERATIONS.
 12 16 For purposes of the national electrical code:
 12 17 1. DWELLING UNITS. Section 210.8(A) of the national
 12 18 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

12 19 one hundred twenty-five volt through two hundred fifty volt
 12 20 receptacles supplied by single-phase branch circuits rated one
 12 21 hundred fifty volts or less to ground installed in a kitchen
 12 22 only require ground-fault circuit interrupter protection
 12 23 for personnel where receptacles are installed to serve the
 12 24 countertop surfaces and by striking section 210.8(A)(7) of the
 12 25 national electrical code, 2023 edition. In lieu of basements,
 12 26 section 210.8(A) of the national electrical code, 2023 edition,
 12 27 shall apply to unfinished portions or areas of the basement not
 12 28 intended as habitable rooms.

12 29 2. ARC-FAULT CIRCUIT INTERRUPTERS. Notwithstanding section
 12 30 210.12(B) of the national electrical code, 2023 edition,
 12 31 arc-fault circuit interrupters shall not be required for
 12 32 one-family and two-family dwellings and townhouses, and section
 12 33 210.12(B) of the national electrical code, 2023 edition, shall
 12 34 not apply to kitchens or laundry areas.

12 35 3. KITCHEN RECEPTACLES ON ISLANDS AND PENINSULAS. In lieu
 12 36 of the requirements of section 210.52(C)(2) of the national
 12 37 electrical code, 2023 edition, an electrical provision or
 12 38 at least one receptacle shall be installed at each island
 12 39 and peninsular countertop space with a long dimension of six
 13 1 hundred millimeters, or twenty-four inches, or greater and a
 13 2 short dimension of three hundred millimeters, or twelve inches,
 13 3 or greater, with a peninsular countertop being measured from
 13 4 the connected perpendicular wall.

13 5 4. LOAD CALCULATIONS. With respect to section 220.5(C)
 13 6 of the national electrical code, 2023 edition, the calculated
 13 7 floor area of a dwelling unit shall additionally exclude
 13 8 garages.

13 9 5. CEILING OUTLETS. In addition to the requirements of
 13 10 section 314.27(A)(2) of the national electrical code, 2023
 13 11 edition, outlet boxes mounted in the ceilings of family
 13 12 rooms, living rooms, parlors, libraries, dens, bedrooms,
 13 13 sunrooms, recreation rooms, and similar areas of dwelling
 13 14 occupancies, and located in an area of the ceiling typical
 13 15 for the installation of a ceiling-suspended paddle fan shall
 13 16 be installed to accommodate a ceiling-suspended paddle fan in
 13 17 accordance with section 314.27(C) of the national electrical
 13 18 code, 2023 edition.

13 19 6. BOXES AT CEILING-SUSPENDED PADDLE FAN OUTLETS. In lieu
 13 20 of the second paragraph of section 314.27(C) of the national
 13 21 electrical code, 2023 edition, where a ceiling-suspended paddle

paddle fan outlets, receptacles near bathtub and shower spaces, and ground-fault circuit interrupters.

13 22 fan is not installed, the outlet box shall comply with either
 13 23 section 314.27(C)(1) or 314.27(C)(2) of the national electrical
 13 24 code, 2023 edition.
 13 25 7. RECEPTACLES NEAR BATHTUB AND SHOWER SPACES. In lieu of
 13 26 the requirements of and exceptions to section 406.9(C) of the
 13 27 national electrical code, 2023 edition, receptacles shall not
 13 28 be installed within or directly over a bathtub or shower stall.
 13 29 8. GROUND-FAULT CIRCUIT INTERRUPTERS. Ground-fault circuit
 13 30 interrupter protection is not required for receptacles that
 13 31 serve sump pumps or refrigerators.

13 32 Sec. 37. NEW SECTION 103.1C ELECTRICAL CODE — AMENDMENTS
 13 33 — LIMITATIONS.
 13 34 1. A political subdivision shall not adopt a local
 13 35 electrical code that is more restrictive than the national
 13 36 electrical code.

13 37 2. Prior to adopting any changes to the national electrical
 13 38 code pursuant to section 103.6, including but not limited to by
 13 39 adopting the national electrical code, 2026 edition, published
 14 1 by the national fire protection association, the board shall
 14 2 conduct an analysis of the cost to consumers of any significant
 14 3 changes to the national electrical code. The analysis shall
 14 4 be submitted to the administrative rules coordinator and
 14 5 the administrative code editor for publication in the Iowa
 14 6 administrative bulletin along with the notice of intended
 14 7 action.

14 8 Sec. 38. FUTURE REPEAL. Section 103.1, subsection 12A, and
 14 9 section 103.1B, as enacted by this division of this Act, are
 14 10 repealed effective upon the adoption of the national electrical
 14 11 code, 2026 edition, published by the national fire protection
 14 12 association, by the electrical examining board. The electrical
 14 13 examining board shall inform the Iowa Code editor upon the
 14 14 adoption of the national electrical code, 2026 edition.

14 15 Sec. 39. EFFECTIVE DATE. This division of this Act, being
 14 16 deemed of immediate importance, takes effect upon enactment.

14 17 DIVISION IV
 14 18 LOCAL LAWS — CIVIL RIGHTS

CODE: Prohibits a political subdivision from adopting a local electrical code that is more restrictive than the National Electrical Code.

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.

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.

Specifies that Division III of this Act, related to the National Electrical Code, takes effect on June 2, 2026.

14 19 Sec. 40. Section 216.19, subsection 1, unnumbered paragraph
 14 20 1, Code 2026, as amended by 2026 Iowa Acts, Senate File 579,
 14 21 section 1, is amended to read as follows:

14 22 All cities shall, to the extent possible, protect the rights
 14 23 of the citizens of this state secured by the Iowa civil rights
 14 24 Act. A city or local government shall not enact or enforce
 14 25 any ordinance or other law which is broader or has different
 14 26 categories of unfair or discriminatory practices than those
 14 27 provided in this chapter. Nothing in this chapter shall be
 14 28 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](#).

14 29 DIVISION V
 14 30 POLITICAL PARTY STATE CENTRAL COMMITTEES

14 31 Sec. 41. Section 43.111, subsections 1 and 3, Code 2026, are
 14 32 amended to read as follows:

14 33 1. a. The state convention held by each political party
 14 34 pursuant to section 43.107 shall adopt a state platform, adopt
 14 35 or amend a state party constitution, and bylaws if desired, and
 14 36 transact other business which may properly be brought before
 14 37 it. A copy of the constitution and any bylaws so adopted
 14 38 or amended shall be kept on file in the office of the state
 14 39 commissioner.

CODE: Specifies that a State party constitution or bylaws cannot prohibit an elected official from serving on a State party central committee.

15 1 b. A state party constitution or bylaws shall not prohibit
 15 2 an elected official from serving on a state party central
 15 3 committee.

15 4 3. a. The state central committee so selected may organize
 15 5 at pleasure for political work as is usual and customary with
 15 6 such committees, adopt bylaws, provide for the governing
 15 7 of party auxiliary bodies, and shall continue to act until
 15 8 succeeded by another central committee selected as required by
 15 9 this section. The receipts and disbursements of each political
 15 10 party's state party central committee shall be audited annually
 15 11 by a certified public accountant selected by the state party
 15 12 central committee and the audit report shall be filed with the
 15 13 state commissioner.

15 14 b. Each political party's state central committee shall
 15 15 elect a chairperson, co-chairperson or vice chairperson,
 15 16 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.

15 17 DIVISION VI

15 18 NOXIOUS WEEDS

15 19 Sec. 42. Section 317.1A, subsection 1, paragraph a, Code
 15 20 2026, is amended by adding the following new subparagraph:
 15 21 NEW SUBPARAGRAPH (13) Japanese knotweed (*Fallopia*
 15 22 *japonica*).

CODE: Adds Japanese knotweed (*Fallopia japonica*) as an identified noxious weed.

15 23 DIVISION VII

15 24 IOWA STATE FAIR FOUNDATION — NONRESIDENT DEER HUNTING LICENSE

15 25 Sec. 43. Section 483A.24, subsection 3, unnumbered
 15 26 paragraph 1, Code 2026, is amended to read as follows:
 15 27 The director shall provide up to one hundred ~~twenty-five~~
 15 28 twenty-six nonresident deer hunting licenses for allocation as
 15 29 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.

15 30 Sec. 44. Section 483A.24, subsection 3, Code 2026, is
 15 31 amended by adding the following new paragraph:
 15 32 NEW PARAGRAPH c. One nonresident deer hunting license
 15 33 shall be allocated as determined by the Iowa state fair
 15 34 foundation established pursuant to section 173.22.

CODE: Allocates one deer hunting license as determined by the Iowa State Fair Foundation.

15 35 DIVISION VIII

15 36 PROPRIETARY TREATMENT SYSTEMS

15 37 Sec. 45. NEW SECTION 455B.241 DEFINITIONS.
 15 38 As used in this part 3 of subchapter III, unless the context
 15 39 otherwise requires:
 16 1 1. "Certified technician" means a person who is certified
 16 2 in accordance with the manufacturer to monitor, maintain, and
 16 3 inspect a proprietary treatment system.
 16 4 2. "Proprietary treatment system" means a system that
 16 5 is certified by an ANSI-accredited third-party certifier,
 16 6 including certification meeting standard NSF/ANSI40 for
 16 7 effluent from class I systems.

CODE: Adds definitions for "certified technician" and "proprietary treatment system" to Iowa Code section [455B.241](#).

16 8 Sec. 46. NEW SECTION 455B.242 MONITORING AND MAINTENANCE
 16 9 REQUIREMENTS.

16 10 1. A proprietary treatment system shall be inspected,
 16 11 monitored, and maintained by the certified technician in
 16 12 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

16 13 2. All maintenance and visual inspections of a proprietary
 16 14 treatment system shall be performed by a certified technician.
 16 15 A manufacturer-certified technician shall report results,
 16 16 as provided in section 455B.243, to the system owner and to
 16 17 the applicable administrative authority within thirty days
 16 18 following the inspection. The certified technician shall also
 16 19 report any discontinuance or proprietary treatment system
 16 20 maintenance to the applicable administrative authority. If
 16 21 the applicable administrative authority is not the department,
 16 22 the administrative authority must also submit the information
 16 23 to the department in the form and manner prescribed by the
 16 24 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.

16 25 Sec. 47. NEW SECTION 455B.243 REPORTING.

CODE: Requires a maintenance and visual inspection report to record the following information:

16 26 1. A maintenance and visual inspection report for a
 16 27 proprietary treatment system, as required under section
 16 28 455B.242, that was installed on or after January 1, 2018, shall
 16 29 record at least all of the following information:
 16 30 a. The date of the inspection.
 16 31 b. The manufacturer and model of the proprietary treatment
 16 32 system.
 16 33 c. Any sign of equipment malfunction, the cause or potential
 16 34 cause of the malfunction, and any corrective action taken.
 16 35 d. Results of effluent testing if the proprietary treatment
 16 36 system is subject to national pollution discharge elimination
 16 37 system general permit number four for private sewage disposal
 16 38 systems.
 16 39 e. If the proprietary treatment system appears to be
 17 1 functioning incorrectly, the primary cause or causes for the
 17 2 deficiency, including but not limited to any of the following:
 17 3 (1) Improper design.
 17 4 (2) Improper installation.
 17 5 (3) Lack of required maintenance.
 17 6 (4) Improper operation or malfunction.
 17 7 (5) Other damages or conditions contributing to the
 17 8 malfunction that require a repair or replacement.
 17 9 f. Whether the proprietary treatment system required repair
 17 10 outside of scheduled maintenance intervals, including the
 17 11 reason for the repair and whether the system was in a failed
 17 12 state at the time of repair.
 17 13 g. Any action taken to bring the proprietary treatment
 17 14 system back into operation as designed.

- 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.

17 15 h. Maintenance records as required by the manufacturer's
17 16 warranty for the proprietary treatment system.

17 17 2. The completed report shall be submitted to the department
17 18 by the certified technician in the form and manner prescribed
17 19 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.

17 20 3. The department shall compile the information submitted
17 21 pursuant to this section and shall maintain a publicly
17 22 accessible database summarizing inspection outcomes and
17 23 unscheduled failures or repairs. The information in the
17 24 database shall include the name of the proprietary treatment
17 25 system, product name, and model design. The database shall not
17 26 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.

17 27 4. The department shall not assess any fees associated
17 28 with the receipt or collection of reports required under this
17 29 section.

CODE: Prohibits the DNR from assessing any fees associated with the receipt or collection of required reports.

17 30 Sec. 48. NEW SECTION 455B.244 RULEMAKING AUTHORITY.
17 31 The department may adopt rules as necessary to administer
17 32 this part.

CODE: Allows the DNR to adopt administrative rules to administer Division VIII of this Act related to proprietary treatment systems.

17 33 Sec. 49. DEPARTMENT OF NATURAL RESOURCES — PROPRIETARY
17 34 TREATMENT SYSTEM REVIEW AND REPORT.

17 35 1. The department of natural resources shall review the
17 36 information regarding proprietary treatment systems, as defined
17 37 in section 455B.241, as enacted by this division of this Act,
17 38 reported to the department pursuant to section 455B.243, as
17 39 enacted by this division of this Act.

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.

18 1 2. The department shall review the information submitted
18 2 in annual inspection and maintenance reports, including
18 3 proprietary treatment system functionality, causes of
18 4 deficiencies, and maintenance practices. The department shall
18 5 also review any other data the department determines relevant
18 6 to evaluating system performance.

18 7 3. The review shall include analysis of inspection,
18 8 monitoring, and maintenance data collected from July 1,
18 9 2026, to December 1, 2028, for purposes of evaluating the
18 10 performance, reliability, maintenance needs, and common causes
18 11 of malfunction of proprietary treatment systems.

18 12 4. The department shall submit to the general assembly on or
 18 13 before January 10, 2029, a report detailing the department's
 18 14 findings and recommendations.

18 15 Sec. 50. APPLICABILITY. This division of this Act applies
 18 16 to the inspection, monitoring, and maintenance of proprietary
 18 17 treatment systems, as defined in section 455B.241, as enacted
 18 18 by this division of this Act, performed on or after July 1,
 18 19 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.

18 20 DIVISION IX
 18 21 POULTRY ASSOCIATION

18 22 Sec. 51. Section 163.3C, subsection 1, paragraph f, Code
 18 23 2026, is amended to read as follows:

18 24 f. The ~~Iowa north central~~ poultry association or its
 18 25 successor organization.

CODE: Changes references to the Iowa Poultry Association to the North Central Poultry Association or its successor organization in the Iowa Code.

18 26 Sec. 52. Section 165B.5, subsection 2, paragraph e, Code
 18 27 2026, is amended to read as follows:

18 28 e. An event sponsored or sanctioned by the Iowa turkey
 18 29 marketing council, the Iowa turkey federation, the national
 18 30 turkey federation, the ~~Iowa north central~~ poultry association
 18 31 or its successor organization, the Iowa egg council, the
 18 32 American egg board, or the American poultry association.

18 33 Sec. 53. Section 184.2, subsection 4, Code 2026, is amended
 18 34 to read as follows:

18 35 4. Immediately after passage of the question at the
 18 36 referendum, the secretary shall appoint seven members to the
 18 37 council in accordance with section 184.6 based on nominations
 18 38 made by the ~~Iowa north central~~ poultry association or its
 18 39 successor organization. The association shall nominate and
 19 1 the secretary shall appoint two members representing large
 19 2 producers, two members representing medium producers, and
 19 3 three members representing small producers. The department,
 19 4 in consultation with the association, shall determine initial
 19 5 classifications for small, medium, and large producers. The
 19 6 secretary shall complete the appointments within thirty days
 19 7 following passage of the question at the referendum.

19 8 Sec. 54. Section 267.2, subsection 2, paragraph d, Code
 19 9 2026, is amended to read as follows:

19 10 d. One poultry producer appointed by the north central
 19 11 poultry association, or its successor organization, who shall

19 12 serve an initial term of two years.

19 13 DIVISION X

19 14 HEALTH CARE ACCESS AND INNOVATION TAX CREDIT

19 15 Sec. 55. NEW SECTION 432.12P HEALTH CARE ACCESS AND
19 16 INNOVATION TAX CREDIT.

19 17 1. As used in this section:

19 18 a. "Department" means the department of revenue.

19 19 b. "Domestic insurer" means the same as defined in section
19 20 521A.1.

19 21 c. "Eligible taxpayer" means a domestic insurer that files
19 22 an annual statement pursuant to section 508.11, completes
19 23 the national association of insurance commissioner's health
19 24 statement test, and has policies in force issued pursuant to
19 25 chapter 513B.

19 26 d. "Expenditures" includes programs, payments, or grants.

19 27 e. "Health care access and innovation" means expenditures
19 28 that support one or more of the following:

19 29 (1) Improving access to health care services in rural areas
19 30 in this state.

19 31 (2) Value-based payments to a health care provider that
19 32 provides additional compensation to the health care provider
19 33 based on evidence-based metrics of the health care provider's
19 34 patient care or outcomes.

19 35 (3) Increasing the interoperability or transparency of
19 36 health care information to benefit health care consumers and
19 37 health care providers.

19 38 2. The tax imposed under this chapter shall be reduced by a
19 39 health care access and innovation tax credit authorized in this
20 1 section for tax years beginning on or after January 1, 2026,
20 2 but before January 1, 2034.

20 3 3. The amount of the health care access and innovation tax
20 4 credit shall equal twenty-five percent of the expenditures that
20 5 support health care access and innovation made by an eligible
20 6 taxpayer.

20 7 4. In order to claim the tax credit for a tax year,
20 8 an eligible taxpayer shall apply to the department in a
20 9 manner approved by the department, and shall provide any
20 10 other information related to the tax credit requested. The

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.

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.

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.

CODE: Limits the total HCAI tax credits across applicants to \$3,000,000 each tax year.

20 11 cumulative value of tax credits claimed in each tax year by
20 12 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.

20 13 5. The department, in consultation with the department of
20 14 insurance and financial services, may adopt rules pursuant to
20 15 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.

20 16 Sec. 56. RETROACTIVE APPLICABILITY. This division of this
20 17 Act applies retroactively to January 1, 2026, for tax years
20 18 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.

20 19 DIVISION XI
20 20 ALTERNATIVE NICOTINE AND VAPOR PRODUCTS — PEDIATRIC CANCER
20 21 RESEARCH

20 22 Sec. 57. Section 453A.35A, subsection 1, paragraph b,
20 23 subparagraph (1), if enacted by 2026 Iowa Acts, Senate File
20 24 2480, section 3, is amended to read as follows:
20 25 (1) For the fiscal year beginning July 1, 2027, and each
20 26 fiscal year thereafter, the first three million dollars
20 27 from the amount of tax collected that is attributable to the
20 28 additional taxes on alternative nicotine products and vapor
20 29 products pursuant to section 453A.43A is appropriated from the
20 30 health care trust fund to the state board of regents for the
20 31 purpose of conducting pediatric cancer research, and clinical
20 32 therapy access, ~~and providing physician-scientist leadership at~~
20 33 the state university of Iowa stead family children's hospital.
20 34 Moneys appropriated in this subparagraph shall not be used for
20 35 administrative or overhead costs, or activities not directly
20 36 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.

20 37 Sec. 58. Section 453A.45, subsection 5, paragraph c,
20 38 unnumbered paragraph 1, Code 2026, as amended by 2026 Iowa
20 39 Acts, Senate File 2480, section 8, if enacted, is amended to
21 1 read as follows:
21 2 c. Common carriers knowingly transporting tobacco products,
21 3 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.

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.

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:

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.

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

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:

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).

21 34 1. The section of this division of this Act amending section
 21 35 453A.35A.

21 36 2. The section of this division of this Act amending section
21 37 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.

21 38 Sec. 61. CONTINGENT EFFECTIVE DATE. The following takes
21 39 effect July 1, 2026, if 2026 Iowa Acts, Senate File 2480, is
22 1 enacted:
22 2 The section of this division of this Act appropriating
22 3 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.

22 4 DIVISION XII
22 5 PUBLIC ASSISTANCE PROGRAMS

22 6 Sec. 62. 2026 Iowa Acts, Senate File 2422, if enacted, is
22 7 amended by adding the following new section:
22 8 NEW SECTION SEC. 2A. CONTINGENT EFFECTIVE DATE. This
22 9 division of this Act takes effect on the date the department of
22 10 health and human services implements the supplemental nutrition
22 11 assistance program and cash assistance eligibility system known
22 12 as the eligibility determination for essential needs system.
22 13 The department of health and human services shall notify the
22 14 Iowa Code editor of the date of implementation on or before
22 15 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.

22 16 Sec. 63. EFFECTIVE DATE. This division of this Act, being
22 17 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.

22 18 DIVISION XIII
22 19 JUDICIAL BRANCH AND COUNTY ATTORNEY SALARIES

22 20 Sec. 64. Section 331.752, subsection 5, Code 2026, is
22 21 amended to read as follows:
22 22 5. The resolution changing the status of a county attorney
22 23 shall state the initial annual salary to be paid to the county
22 24 attorney when the full-time or part-time status is effective.
22 25 The annual salary specified in the resolution shall remain
22 26 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.

22 27 in counties having a population of more than two hundred
 22 28 thousand, the annual salary of a full-time county attorney
 22 29 shall be an amount which is between forty-five percent and one
 22 30 hundred percent of the annual salary received by a district
 22 31 court judge.

22 32 Sec. 65. Section 602.1401, subsections 1 and 5, Code 2026,
 22 33 are amended to read as follows:

22 34 1. The supreme court shall establish, and may amend, a
 22 35 personnel system and a pay and benefits plan for judicial
 22 36 officers, the state court administrator, and court employees.
 22 37 The personnel system shall include a designation by position
 22 38 title, classification, and function of each position or class
 22 39 of positions within the judicial branch. Reasonable efforts
 23 1 shall be made to accommodate the individual staffing and
 23 2 management practices of the respective clerks of the district
 23 3 court. The personnel system, in the employment of court
 23 4 employees, shall not discriminate on the basis of race, creed,
 23 5 color, sex, national origin, religion, physical disability, or
 23 6 political party preference. The supreme court, in establishing
 23 7 the personnel system, shall implement the comparable worth
 23 8 directives issued by the state court administrator under
 23 9 section 602.1204, subsection 2. The personnel system
 23 10 shall include the prohibitions against sexual harassment of
 23 11 full-time, part-time, and temporary employees set out in
 23 12 section 19B.12, and shall include a grievance procedure for
 23 13 discriminatory harassment. The personnel system shall develop
 23 14 and distribute at the time of hiring or orientation, a guide
 23 15 that describes ~~for employees~~ the applicable sexual harassment
 23 16 prohibitions and grievance, violation, and disposition
 23 17 procedures. This subsection does not supersede the remedies
 23 18 provided under chapter 216.

23 19 5. The pay and benefits plan shall set the compensation and
 23 20 benefits of judicial officers, the state court administrator,
 23 21 and court employees within the funds appropriated by the
 23 22 general assembly.

23 23 Sec. 66. Section 602.1502, subsection 1, Code 2026, is
 23 24 amended by striking the subsection.

CODE: Adds judicial officers and the State Court
 Administrator to the personnel system of the Judicial Branch.

CODE: Adds judicial officers and the State Court
 Administrator to the list of employees to be paid from funds
 appropriated by the General Assembly.

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 ~~602.1504~~
 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.

24 15 Sec. 71. 2026 Iowa Acts, House File 2769, section 4, if
 24 16 enacted, is amended to read as follows:
 24 17 SEC. 4. JUDICIAL OFFICER — UNPAID LEAVE. Notwithstanding
 24 18 the annual salary rates for judicial officers established by
 24 19 ~~2025 Iowa Acts, chapter 158, section 6, pursuant to section~~
 24 20 602.1401 for the fiscal year beginning July 1, 2026, and
 24 21 ending June 30, 2027, the supreme court may by order place all
 24 22 judicial officers on unpaid leave status on any day employees
 24 23 of the judicial branch are placed on temporary layoff status.
 24 24 The biweekly pay of the judicial officers shall be reduced
 24 25 accordingly for the pay period in which the unpaid leave date
 24 26 occurred in the same manner as for noncontract employees of the
 24 27 judicial branch. Through the course of the fiscal year, the
 24 28 judicial branch may use an amount equal to the aggregate amount
 24 29 of salary reductions due to the judicial officer unpaid leave
 24 30 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.

24 31 Sec. 72. REPEAL. 2026 Iowa Acts, House File 2706, sections
 24 32 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.

24 33 Sec. 73. REPEAL. Section 602.1501, Code 2026, is repealed.

CODE: Repeals statutory language related to judicial compensation set by the General Assembly.

24 34 Sec. 74. JUDICIAL OFFICERS — CURRENT SALARY RATES
 24 35 SUPERSEDED. For purposes of 2025 Iowa Acts, chapter 158,
 24 36 section 6, subsection 1, this division of this Act shall be
 24 37 deemed as the provision of salary rates for judicial officers
 24 38 by the general assembly for fiscal years subsequent to the
 24 39 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).

25 1 Sec. 75. EFFECTIVE DATE. This division of this Act takes
 25 2 effect June 19, 2026.

Establishes that the effective date of Division XIII of this Act is June 19, 2026.

25 3 DIVISION XIV
 25 4 CIVIL LITIGATION ABUSE

25 5 Sec. 76. NEW SECTION 611.24 CIVIL LITIGATION ABUSE —
 25 6 CAUSE OF ACTION.
 25 7 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.

25 8 a. "Civil legal process" means a procedure used in a civil
 25 9 action, including but not limited to filing a petition, issuing
 25 10 a subpoena, noticing a deposition, or seeking an injunction,
 25 11 attachment, or similar relief.

25 12 b. "Private party" means an individual, corporation,
 25 13 partnership, or other legal entity that is not acting on behalf
 25 14 of a governmental body.

25 15 c. "Ulterior purpose" means using a civil legal process
 25 16 mainly to obtain a result the civil legal process was not
 25 17 intended to achieve, including but not limited to coercing
 25 18 action on an unrelated matter, interfering with employment
 25 19 or business relationships, or causing financial harm through
 25 20 harassment.

25 21 2. a. This section applies to the use of civil legal
 25 22 processes by a private party against another private party.

25 23 b. This section abrogates the common law cause of action for
 25 24 abuse of process for actions between private parties.

25 25 c. This section does not apply to criminal proceedings or
 25 26 to actions involving the state, a political subdivision, or an
 25 27 officer or employee of the state or a political subdivision
 25 28 acting in an official capacity.

25 29 3. A private party may bring a civil action for civil
 25 30 litigation abuse against another private party who initiated or
 25 31 caused to be initiated a civil legal process for an ulterior
 25 32 purpose.

25 33 4. To prevail in a civil action brought under this section,
 25 34 the plaintiff must prove all of the following:

25 35 a. The defendant used a civil legal process against the
 25 36 plaintiff.

25 37 b. The civil legal process was used primarily for an
 25 38 ulterior purpose.

25 39 c. The defendant engaged in a specific, willful act in use
 26 1 of the civil legal process that was not proper in the regular
 26 2 course of the proceeding.

26 3 d. The underlying civil action or proceeding was resolved in
 26 4 favor of the plaintiff bringing the claim under this section.

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.

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.

CODE: Authorizes a civil cause of action when a private party initiates or causes a legal process to be used for an improper purpose.

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.

26 5 5. A private party may bring a civil action under this
 26 6 section without showing a special or extraordinary injury.
 26 7 Attorney fees and costs incurred in responding to the misuse of
 26 8 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.

26 9 6. A private party found liable under this section is liable
 26 10 for actual damages, as defined in section 714H.2, including
 26 11 reasonable attorney fees and costs.

CODE: Provides for recovery of actual damages, including attorney fees and costs, for a prevailing plaintiff.

26 12 Sec. 77. APPLICABILITY. This division of this Act applies
 26 13 to civil actions or proceedings that are resolved on or after
 26 14 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.

26 15 DIVISION XV
 26 16 HUMAN TRAFFICKING

26 17 Sec. 78. Section 232.71B, subsection 1, paragraph a,
 26 18 unnumbered paragraph 1, Code 2026, is amended to read as
 26 19 follows:
 26 20 If the department determines a report constitutes a child
 26 21 abuse allegation, the department shall promptly commence either
 26 22 a child abuse assessment within twenty-four hours of receiving
 26 23 the report or a family assessment within seventy-two hours of
 26 24 receiving the report. During a child abuse assessment, if the
 26 25 department identifies known risk factors for commercial sexual
 26 26 exploitation, a screening shall be conducted by a trained child
 26 27 protection worker, considering the child's age, cognitive and
 26 28 emotional functioning, and the specific circumstances of the
 26 29 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.

26 30 Sec. 79. 2026 Iowa Acts, House File 1036, section 11, if
 26 31 enacted, is amended to read as follows:
 26 32 SEC. 11. EFFECTIVE DATE. The following takes effect July
 26 33 1, 2026 2027:
 26 34 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.

26 35 Sec. 80. REPEAL. 2026 Iowa Acts, House File 1036, sections
 26 36 1 and 4, if enacted, are repealed.

CODE: Repeals Sections 1 and 4 of 2026 Iowa Acts, [House File 1036](#) (Human Trafficking, Omnibus Act).

26 37 Sec. 81. REPORT. Notwithstanding 2026 Iowa Acts, House
 26 38 File 1036, section 10, if enacted, the report described in that
 26 39 section is due by December 15, 2026.

DETAIL: The Act was approved by the General Assembly on May 2, 2026, and signed by the Governor on May 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.

27 1 Sec. 82. CONTINGENT EFFECTIVE DATE. This division of this
 27 2 Act takes effect July 1, 2026, if 2026 Iowa Acts, House File
 27 3 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.

27 4 DIVISION XVI
 27 5 FEDERAL GRANTS AND LOANS — NOTIFICATION

27 6 Sec. 83. Section 8.9, Code 2026, is amended by adding the
 27 7 following new subsection:
 27 8 NEW SUBSECTION 3. a. Once per month, the office of grants
 27 9 enterprise management shall notify by electronic mail the
 27 10 chairpersons and ranking members of the standing committees on
 27 11 appropriations of the senate and house of representatives, the
 27 12 chairperson and ranking member of the house of representatives
 27 13 appropriations subcommittee on federal and other funds, and the
 27 14 legislative services agency of all of the following:
 27 15 (1) Each federal grant or loan of five million dollars
 27 16 or more that a department or establishment has applied for
 27 17 or received in the prior month. This subparagraph does not
 27 18 apply to the department of public defense or the state board
 27 19 of regents or its institutions.
 27 20 (2) Each federal grant or loan requiring state matching
 27 21 moneys that a department or establishment has applied for or
 27 22 received in the prior month.
 27 23 b. This subsection does not apply to block grants described
 27 24 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](#).

27 25 Sec. 84. NEW SECTION 602.1306 FEDERAL GRANTS AND LOANS —
 27 26 NOTIFICATION OF GENERAL ASSEMBLY.
 27 27 Within thirty days of applying for or receiving a federal
 27 28 grant or loan of five million dollars or more, or a federal
 27 29 grant or loan requiring state matching moneys, the judicial
 27 30 branch shall notify by electronic mail the chairpersons and
 27 31 ranking members of the standing committees on appropriations of
 27 32 the senate and house of representatives, the chairperson and
 27 33 ranking member of the house of representatives appropriations
 27 34 subcommittee on federal and other funds, and the legislative
 27 35 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.

27 36 DIVISION XVII
 27 37 AREA EDUCATION AGENCIES — QUARTERLY PAYMENTS — FY 2026-2027

27 38 Sec. 85. Section 257.35, subsection 1, paragraph a,
 27 39 subparagraph (3), unnumbered paragraph 1, Code 2026, as amended
 28 1 by 2026 Iowa Acts, Senate File 2201, section 17, is amended to
 28 2 read as follows:
 28 3 For the fiscal year beginning July 1, 2025, ~~and the fiscal~~
 28 4 ~~year beginning July 1, 2026~~, the department of management shall
 28 5 deduct the following from the state aid due to each school
 28 6 district pursuant to this chapter and shall pay the amounts to
 28 7 the respective area education agencies on a monthly basis from
 28 8 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.

28 9 Sec. 86. Section 257.35, subsection 1, paragraph a,
 28 10 subparagraph (4), unnumbered paragraph 1, as enacted by 2026
 28 11 Iowa Acts, Senate File 2201, section 18, is amended to read as
 28 12 follows:
 28 13 For the fiscal year beginning July 1, ~~2027~~ 2026, and each
 28 14 fiscal year thereafter, the department of management shall
 28 15 deduct the following from the state aid due to each school
 28 16 district pursuant to this chapter and shall pay the amounts to
 28 17 the respective area education agencies on a quarterly basis
 28 18 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.

28 19 Sec. 87. Section 257.35, subsection 21, unnumbered
 28 20 paragraph 1, Code 2026, as amended by 2026 Iowa Acts, Senate
 28 21 File 2201, section 19, is amended to read as follows:
 28 22 For the fiscal year beginning July 1, 2025, ~~and the fiscal~~
 28 23 ~~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).

28 24 management may deduct the following from the state aid due to
 28 25 each school district pursuant to this chapter and shall pay the
 28 26 amounts to the respective area education agencies on a monthly
 28 27 basis from September 15 through June 15 during each school year
 28 28 for purposes of providing services to students enrolled in
 28 29 nonpublic schools within the boundaries of the area education
 28 30 agency:

DETAIL: The Act was approved by the General Assembly on February 23, 2026, and signed by the Governor on February 26, 2026.

28 31 Sec. 88. Section 257.35, subsection 21A, unnumbered
 28 32 paragraph 1, as enacted by 2026 Iowa Acts, Senate File 2201,
 28 33 section 20, is amended to read as follows:

CODE: Aligns a date reference in 2026 Iowa Acts, [Senate File 2201](#) (Supplemental State Aid Act).

28 34 For the fiscal year beginning July 1, ~~2027~~ 2026, and each
 28 35 fiscal year thereafter, the director of the department of
 28 36 management may deduct the following from the state aid due
 28 37 to each school district pursuant to this chapter and shall
 28 38 pay the amounts to the respective area education agencies on
 28 39 a quarterly basis from July 15 through April 15 during each
 29 1 school year for the purposes of providing services to students
 29 2 enrolled in nonpublic schools within the boundaries of the area
 29 3 education agency:

DETAIL: The Act was approved by the General Assembly on February 23, 2026, and signed by the Governor on February 26, 2026.

29 4 DIVISION XVIII
 29 5 HIGHER EDUCATION — CIVIC PROFICIENCY

29 6 Sec. 89. NEW SECTION 262.100 GENERAL EDUCATION
 29 7 REQUIREMENTS AND CORE CURRICULA — COURSES ON AMERICAN HISTORY
 29 8 AND AMERICAN GOVERNMENT.

CODE: Establishes new general education and core curriculum requirements for the BOR in American History and American Government. Requirements include:

29 9 1. The state board of regents shall require each institution
 29 10 of higher education governed by the board to establish as
 29 11 a requirement for the completion of any general education
 29 12 requirements or core curricula that an undergraduate student
 29 13 complete an introductory survey course in American history
 29 14 and an introductory survey course in American government. An
 29 15 institution shall assign a value of at least three semester
 29 16 hours of credit to each course. A course required by this
 29 17 section shall be a comprehensive survey of all American history
 29 18 and American government.
 29 19 2. A course required by this section shall fulfill the
 29 20 general education or core curriculum requirement for social
 29 21 sciences or humanities, as designated by the institution, that
 29 22 a student is required to complete as a condition of graduation.
 29 23 3. An institution shall provide equivalent credit toward

- 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.

29 24 the courses required by this section to a student transferring
 29 25 to the institution for previous coursework completed by the
 29 26 student that is substantially similar to a required course.
 29 27 4. This section does not apply to a student completing a
 29 28 degree program designated by an institution as a degree program
 29 29 of three years or less in duration.
 29 30 5. a. Annually, the center for cyclone civics at the Iowa
 29 31 state university of science and technology and the center
 29 32 for civic education at the university of northern Iowa shall
 29 33 designate courses at their respective institutions that satisfy
 29 34 the requirements of this section.
 29 35 b. The center for intellectual freedom at the state
 29 36 university of Iowa shall be the sole academic unit at the
 29 37 state university of Iowa responsible for offering courses that
 29 38 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.

29 39 Sec. 90. APPLICABILITY. This division of this Act applies
 30 1 to undergraduate students beginning enrollment at institutions
 30 2 of higher education governed by the board of regents in
 30 3 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.

30 4 DIVISION XIX
 30 5 CHARTER SCHOOLS — IPERS

30 6 Sec. 91. Section 97B.1A, subsection 8, paragraph a,
 30 7 subparagraph (13), if enacted by 2026 Iowa Acts, House File
 30 8 2754, section 69, is amended to read as follows:
 30 9 (13) Persons employed by a charter school established
 30 10 pursuant to chapter 256E, ~~subchapter 1~~, that satisfies all
 30 11 applicable requirements under federal law for participation in
 30 12 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.

30 13 Sec. 92. Section 97B.1A, subsection 9, paragraph a, Code
 30 14 2026, as amended by 2026 Iowa Acts, House File 2754, section
 30 15 70, if enacted, is amended to read as follows:
 30 16 a. "Employer" means the state of Iowa, the counties,
 30 17 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)

30 18 schools established pursuant to chapter 256E, ~~subchapter~~
 30 19 ~~1~~, that satisfy all applicable requirements under federal
 30 20 law for participation in the retirement system, all
 30 21 political subdivisions, and all of their departments and
 30 22 instrumentalities, including area agencies on aging, other than
 30 23 those employing persons as specified in subsection 8, paragraph
 30 24 “b”, subparagraph (7), and joint planning commissions created
 30 25 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.

30 26 Sec. 93. EFFECTIVE DATE. This division of this Act, being
 30 27 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.

30 28 Sec. 94. RETROACTIVE APPLICABILITY. This division of this
 30 29 Act applies retroactively to the effective date of 2026 Iowa
 30 30 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.

30 31 DIVISION XX

30 32 INCENTIVES — SCHOOL DISTRICTS

30 33 Sec. 95. Section 257.3, subsection 2, paragraph d, Code
 30 34 2026, is amended to read as follows:
 30 35 d. For purposes of this section, a reorganized school
 30 36 district is one which absorbs at least thirty percent of the
 30 37 enrollment of the school district affected by a reorganization
 30 38 or dissolved during a dissolution and in which action to bring
 30 39 about a reorganization or dissolution is initiated by a vote
 31 1 of the board of directors or jointly by the affected boards of
 31 2 directors to take effect on or after July 1, 2007, and on or
 31 3 before July 1, ~~2024~~ 2035. Each district which initiated, by
 31 4 a vote of the board of directors or jointly by the affected
 31 5 boards, action to bring about a reorganization or dissolution
 31 6 to take effect on or after July 1, 2007, and on or before July
 31 7 1, ~~2024~~ 2035, shall certify the date and the nature of the
 31 8 action taken to the department of education by January 1 of the
 31 9 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.

31 10 Sec. 96. Section 257.11, subsection 2, paragraph c, Code
 31 11 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

31 12 c. Pupils attending class for all or a substantial portion
 31 13 of a school day pursuant to a whole grade sharing agreement
 31 14 executed under sections 282.10 through 282.12 shall be eligible
 31 15 for supplementary weighting pursuant to this subsection. A
 31 16 school district which executes a whole grade sharing agreement
 31 17 and which adopts a resolution jointly with other affected
 31 18 boards to study the question of undergoing a reorganization
 31 19 or dissolution to take effect on or before July 1, ~~2024~~ 2035,
 31 20 shall receive a weighting of one-tenth of the percentage of
 31 21 the pupil's school day during which the pupil attends classes
 31 22 in another district, attends classes taught by a teacher who
 31 23 is jointly employed under section 280.15, or attends classes
 31 24 taught by a teacher who is employed by another school district.
 31 25 A district shall be eligible for supplementary weighting
 31 26 pursuant to this paragraph for a maximum of three years.
 31 27 Receipt of supplementary weighting for a second and third year
 31 28 shall be conditioned upon submission of information resulting
 31 29 from the study to the school budget review committee indicating
 31 30 progress toward the objective of reorganization on or before
 31 31 July 1, ~~2024~~ 2035.

supplementary weighting and extends the incentives to July 1, 2035.

31 32 Sec. 97. Section 257.11A, subsections 1 and 2, Code 2026,
 31 33 are amended to read as follows:
 31 34 1. In determining weighted enrollment under section 257.6,
 31 35 if the board of directors of a school district has approved a
 31 36 contract for sharing pursuant to section 257.11 and the school
 31 37 district has approved an action to bring about a reorganization
 31 38 to take effect on and after July 1, 2007, and on or before July
 31 39 1, ~~2024~~ 2035, the reorganized school district shall include,
 32 1 for a period of three years following the effective date of
 32 2 the reorganization, additional pupils added by the application
 32 3 of the supplementary weighting plan, equal to the pupils added
 32 4 by the application of the supplementary weighting plan in the
 32 5 year preceding the reorganization. For the purposes of this
 32 6 subsection, the weighted enrollment for the period of three
 32 7 years following the effective date of reorganization shall
 32 8 include the supplementary weighting in the base year used for
 32 9 determining the combined district cost for the first year of
 32 10 the reorganization. However, the weighting shall be reduced by
 32 11 the supplementary weighting added for a pupil whose residency
 32 12 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.

32 13 2. For purposes of this section, a reorganized district is
 32 14 one in which the reorganization was approved in an election
 32 15 pursuant to sections 275.18 and 275.20 and takes effect on or
 32 16 after July 1, 2007, and on or before July 1, ~~2024~~ 2035. Each
 32 17 district which initiates, by a vote of the board of directors
 32 18 or jointly by the affected boards, action to bring about a
 32 19 reorganization or dissolution to take effect on or after July
 32 20 1, 2007, and on or before July 1, ~~2024~~ 2035, shall certify the
 32 21 date and the nature of the action taken to the department of
 32 22 education by January 1 of the year in which the reorganization
 32 23 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).

32 24 DIVISION XXI
 32 25 EXTRACURRICULAR INTERSCHOLASTIC ELIGIBILITY

32 26 Sec. 98. 2026 Iowa Acts, House File 2591, sections 4, 5, and
 32 27 6, if enacted, are amended to read as follows:
 32 28 SEC. 4. EMERGENCY RULES. The state board of education shall
 32 29 adopt emergency rules under section 17A.4, subsection 3, and
 32 30 section 17A.5, subsection 2, paragraph "b", to implement the
 32 31 section of this Act amending section 256.7. The rules shall
 32 32 be effective ~~no later than~~ August 1, 2026. Any rules adopted
 32 33 in accordance with this section shall also be published as a
 32 34 notice of intended action as provided in section 17A.4.
 32 35 SEC. 5. EFFECTIVE DATE. The following take effect August
 32 36 1, 2026:
 32 37 1. The section of this Act amending section 256.7.
 32 38 ~~—1. 2. The section of this Act amending section 256.46.~~
 32 39 ~~—2. 3. The section of this Act amending section 282.18.~~
 33 1 SEC. 6. EFFECTIVE DATE. The following, being deemed of
 33 2 immediate importance, ~~take~~ takes effect upon enactment:
 33 3 ~~—1. The section of this Act amending section 256.7.~~
 33 4 ~~—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.

33 5 Sec. 99. EFFECTIVE DATE. This division of this Act, being
 33 6 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.

33 7 Sec. 100. RETROACTIVE APPLICABILITY. This division of this
 33 8 Act applies retroactively to the enactment date of 2026 Iowa
 33 9 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.

33 10 DIVISION XXII
 33 11 LEVY INCREASE

33 12 Sec. 101. SCHOOL DISTRICT CASH RESERVE LEVY INCREASE —
 33 13 SCHOOL BUDGET YEAR 2026-2027.

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.

33 14 1. For the school budget year beginning July 1, 2026, a
 33 15 school district for which the taxable value used to calculate
 33 16 school district property taxes for the school budget year
 33 17 beginning July 1, 2025, was reduced by one hundred million
 33 18 dollars or more due to a correction to the taxable value of
 33 19 a single property within the school district made during the
 33 20 school budget year beginning July 1, 2025, may increase the
 33 21 school district's proposed cash reserve levy under section
 33 22 298.10 to an amount that exceeds the limitations of section
 33 23 298.10, if the district complies with subsection 2.

33 24 2. A school district that increases its cash reserve levy
 33 25 pursuant to this section shall also reduce one or more other
 33 26 property tax levies of the school district, including the
 33 27 district management levy under section 298.4, by a total amount
 33 28 equal to or greater than the increase in the cash reserve
 33 29 levy so that the total property tax dollars for all property
 33 30 tax levies of the school district does not exceed the school
 33 31 district's combined amount of property tax dollars determined
 33 32 under section 24.2A, subsection 2, paragraph "b", subparagraph
 33 33 (3).

33 34 3. A school district that wishes to adjust its levy rates
 33 35 pursuant to this section shall notify the department of
 33 36 management in a manner prescribed by the department. Following
 33 37 receipt of the notice from the school district, the department
 33 38 of management shall adjust the school district's property tax
 33 39 levy rates as necessary to implement this section.

34 1 Sec. 102. EFFECTIVE DATE. This division of this Act, being
34 2 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)
<u>Administrative Services, Department of</u>					
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	<u>\$ 3,866,657</u>	<u>\$ 475,837</u>	<u>\$ 475,837</u>	<u>\$ 0</u>	<u>\$ 475,837</u>
Total Administrative Services, Department of	<u>\$ 3,966,657</u>	<u>\$ 475,837</u>	<u>\$ 475,837</u>	<u>\$ 0</u>	<u>\$ 475,837</u>
<u>Agriculture and Land Stewardship, Dept of</u>					
Agriculture and Land Stewardship					
Renewable Fuels Infrastructure Fund*	\$ 0	\$ 0	\$ 5,000,000	\$ -5,000,000	\$ 0
Total Agriculture and Land Stewardship, Dept of	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 5,000,000</u>	<u>\$ -5,000,000</u>	<u>\$ 0</u>
<u>Education, Department of</u>					
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	<u>\$ 4,033,153,491</u>	<u>\$ 4,232,072,784</u>	<u>\$ 4,387,637,668</u>	<u>\$ -44,808,178</u>	<u>\$ 4,342,829,490</u>
<u>Executive Council</u>					
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	<u>\$ 572,160</u>	<u>\$ 85,397</u>	<u>\$ 85,397</u>	<u>\$ 0</u>	<u>\$ 85,397</u>

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)
<u>Legislative Branch</u>					
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
<u>Health and Human Services, Department of</u>					
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
<u>Management, Department of</u>					
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
<u>Public Defense, Department of</u>					
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
<u>Public Safety, Department of</u>					
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	Estimated Net FY 2026	Final Action FY 2027	Item Veto FY 2027	Net Final Action FY 2027	Net Final Action FY 2027 vs Est Net FY 2026	Page and Line #
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<u>Health and Human Services, Department of</u>							
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	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 101,500,000</u>	<u>\$ -100,500,000</u>	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>	
<u>Regents, Board of</u>							
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	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,000,000</u>	<u>\$ 0</u>	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>	
Total Unassigned Standings	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 104,500,000</u></u>	<u><u>\$ -100,500,000</u></u>	<u><u>\$ 4,000,000</u></u>	<u><u>\$ 4,000,000</u></u>	